

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

RDARS Inc. (the “Company”)  
2 Covington Road, Suite 507,  
North York, Ontario,  
M6A 3E2, Canada

**Item 2. Date of Material Change**

October 12, 2023.

**Item 3. News Release**

A news release disseminated on October 16, 2023, via Newsfile Report and filed on SEDAR+, a copy of which is attached hereto as Schedule “A”.

**Item 4. Summary of Material Change**

On October 16, 2023, the Company announced that it received the grant of its first Beyond Visual Line of Sight (BVLOS) waiver by the Federal Aviation Administration (FAA) for its cutting-edge Eagle Watch Platform at LTC, Homestead, FL.

The BVLOS waiver is a significant validation of the Company’s technology and its market strategy, allowing for the realization of Company’s full technological potential in autonomous security and surveillance.

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The material change is described in the news release attached hereto.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

Not applicable.

**Item 8. Senior Officer**

For additional information with respect to this material change, the following person may be contacted:

Charles Zwebner

Chief Executive Officer  
Phone: 786-564-5602  
Email: [charles.zwebner@rdars.com](mailto:charles.zwebner@rdars.com)

**Item 9.**

**Date of Report**

October 19, 2023

**Schedule "A"**  
*(see attached)*

## **RDARS achieves monumental milestone by receiving the FAA's BVLOS Waiver Certificate for its Eagle Watch platform at LTC, Homestead, Florida**

Toronto, Ontario, October 16, 2023 – RDARS Inc. (“RDARS” or the “Company”) (CSE: RDRS) (OTCQB: RDRSF), an autonomous robotics and drone technology company developing advanced systems and artificial intelligence AI for alarm system augmentation and surveillance, is pleased to announce that it has received the grant of its first Beyond Visual Line of Sight (BVLOS) waiver by the Federal Aviation Administration (FAA) for its cutting-edge Eagle Watch Platform at LTC, Homestead, FL. This monumental achievement underscores the trust and recognition in RDARS' technology, paving the way for seamless autonomous surveillance operations and without the need for local or visual observers through the use of our manned operations centers, operational 24/7/365.

This BVLOS waiver is a significant validation of RDARS' technology and its market strategy, allowing for the realization of RDARS's full technological potential in autonomous security and surveillance. It marks the beginning of many planned BVLOS filings, highlighting the robustness and reliability of the Eagle Watch Platform.

Jason Braverman, CTO at RDARS, expressed, "This waiver is a monumental leap towards autonomous surveillance technology. It not only validates our technology but also significantly accelerates our go-to-market strategy. We are thrilled with this endorsement and are geared up for many more to follow."

Charles Zwebner, CEO of RDARS, envisioned this achievement five years ago, notwithstanding many disbelievers that thought this would never be possible. "This is a proud moment for everyone at RDARS in particular and exciting for the industry as a whole. Our BVLOS waiver is a true testimony to our relentless pursuit of innovation, even amidst challenges posed by the global pandemic which severely impacted the tech industry and many startups in the drone market. Our journey through the rigorous approval process to this triumphant moment reflects our commitment to delivering state-of-the-art, reliable solutions in autonomous surveillance. We are extremely excited about so many opportunities that we are now able to pursue."

### **About RDARS Inc.**

RDARS possesses a disruptive technology that is advancing the security industry's approach to protecting commercial, industrial, and residential properties, by introducing protection with autonomous artificial intelligence systems that allows for real time response, situation awareness, verification, intervention, evidence recording, data capture, analysis, and immediate downstream transmissions to public safety agencies. RDARS has the ability, upon a property security breach, in real time to receive, analyze, and downstream the data and inform public safety agencies who the perpetrators potentially are before they even arrive at the property.

Founded in 2019, RDARS is an originator in its innovative equipment manufacturer of its flagship product, the Eagle Watch Platform comprising of Eagle Eye, a drone, Eagle Nest, a drone station, Eagle Rover, an indoor robotic system, and Eagle Watch Command & Control Software. The Company's autonomous robotic systems provide situational awareness in a cost effective and reliable manner. The Company's mission is to improve alarm response and situational awareness by obtaining required approvals from federal regulatory agencies for BVLOS operations. RDARS is currently developing its technology for private and enterprise customers in the United States and Canada, where these customers require a more reliable and advanced understanding of their property security. For more information about RDARS, please visit its website at [www.rdars.com](http://www.rdars.com) and its profile page on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **For more information, please contact:**

Charles Zwebner  
Chief Executive Officer  
786-564-5602  
[charles.zwebner@rdars.com](mailto:charles.zwebner@rdars.com)

### **Cautionary Note Regarding Forward Looking Statements**

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release include statements relating to: the Company's business objectives and milestones and the anticipated timing of, and costs in connection with, the execution or achievement of such objectives and milestones; the Company's future growth prospects; the development of the Company's business and future activities following the date hereof; expectations relating to market size and anticipated growth in the jurisdictions within which the Company may from time to time operate or contemplate future operations; expectations with respect to economic, business, regulatory and/or competitive factors related to the Company or the autonomous drone and robotic industry and security industry generally; the market for the Company's current and proposed product offerings, as well as the Company's ability to capture market share; the Company's strategic investments and capital expenditures, and related benefits; the distribution methods expected to be used by the Company to deliver its product offerings; the competitive landscape within which the Company operates and the Company's market share and reach; the performance of the Company's business and the operations and activities of the Company; the Company's ability to obtain, maintain, and renew or extend, applicable authorizations, including the timing and impact of the receipt thereof; the Company's technology making an impact on the autonomous drone and robotic industry and security industry; the Company's products providing its consumers with the benefits as described herein; the Company continuing its research and development in its products;

the Company's anticipation for the deployment of its products under the timelines stated; the stated terms and benefits of the agreement of the FAA's waiver certificate for the Company and its products, including, validation of the Company's technology and its market strategy, the realization of the Company's full technological potential in autonomous security and surveillance; planned BVLOS filings; and opportunities that the Company are now able to successfully pursue.

Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Company's financial condition and development plans do not change as a result of unforeseen events; there will continue to be a demand, and market opportunity, for the Company's product offerings; current and future economic conditions will neither affect the business and operations of the Company nor the Company's ability to capitalize on anticipated business opportunities; current and future members of management will abide by the Company's business objectives and strategies from time to time as established by the Company; the Company will retain and supplement its board of directors and management, or otherwise engage consultants and advisors having knowledge of the industries (or segments thereof) within which the Company may from time to time participate; the Company will have sufficient working capital and the ability to obtain the financing required in order to develop and continue its business and operations; the Company will continue to attract, develop, motivate and retain highly qualified and skilled consultants and/or employees, as the case may be; no adverse changes will be made to the regulatory framework governing beyond visual line of sight operations, taxes and all other applicable matters in the jurisdictions in which the Company conducts business and any other jurisdiction in which the Company may conduct business in the future; the Company will be able to generate cash flow from operations, including, where applicable, distribution and sale of its products; the Company will be able to execute on its business strategy as anticipated; the Company will be able to meet the requirements necessary to obtain and/or maintain authorizations required to conduct the business; the Company's continuing ability to meet the requirements necessary to remain listed on the CSE; general economic, financial, market, regulatory, and political conditions, will not negatively affect the Company or its business; the Company will be able to successfully compete in the autonomous drone and robotic industry and security industry; prices offered by competitors will not decline materially; the Company will be able to effectively manage anticipated and unanticipated costs; the Company will be able to conduct its operations in a safe, efficient and effective manner; general market conditions will be favorable with respect to the Company's future plans and goals; the Company's technology will make an impact on the autonomous drone and robotic industry and security industry; the Company's products providing its consumers with its benefits as described herein; the Company will deploy its products under the timelines stated; and the Company's ability to realize upon the stated benefits and opportunities as a result of the FAA's waiver certificate for the Company.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the risks associated with the autonomous drone and robotic industry and security industry in general; the inability of the Company to obtain requisite approvals; the Company's inability to attract and retain qualified members of management to grow the Company's business and its operations; unanticipated changes in economic and market conditions or in applicable laws; the Company's inability to secure or maintain required authorizations necessary to conduct the business and operations and meet its targets; the Company's inability to effectively manage unanticipated costs and expenses, including costs and expenses; the risk's associated with the Company's in meeting its business objectives and milestones and the anticipated timing of, and costs in connection with, the execution or achievement of such objectives and milestones; the inability of the Company's to identify and secure future growth prospects; the Company's inability to develop its business and future activities following the date hereof; the Company's inability to meet or exceed expectations relating to market size and anticipated growth in the jurisdictions within which the Company may from time to time operate or contemplate future operations; the Company's inability to meet the requirements necessary to remain listed on the CSE; the Company's inability to meet or exceed expectations with respect to economic, business, regulatory and/or competitive factors related to the Company or the autonomous drone and robotic industry and security industry generally; the risks associated with the market for the Company's current and proposed product offerings, as well as the Company's inability to capture market share; the risks associated

with the Company's strategic investments and capital expenditures, and related benefits; the risks associated with the distribution methods expected to be used by the Company to deliver its product offerings; the risks associated with the competitive landscape within which the Company operates and the Company's market share and reach following the date hereof; the lack of performance of the Company's business and the operations and activities of the Company following the date hereof; the Company's inability to obtain, maintain, and renew or extend, applicable authorizations, including the timing and impact of the receipt thereof; the Company's technology making an impact on the autonomous drone and robotic industry and security industry; the inability of the Company's products to provide its consumers with its benefits as described herein; the Company will not deploy its products under the timelines stated, and the Company's inability to realize upon the stated benefits and opportunities as a result of the FAA's waiver certificate for the Company. Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions, or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forwardlooking statements, whether as a result of new information, estimates or opinions, future events, or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.