FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: **GLOBAL UAV TECHNOLOGIES LTD** (the “Issuer”).

Trading Symbol: **UAV**

Number of Outstanding Listed Securities: **100,236,180**

Date: **February 7, 2018**

**Report on Business**

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The following are summaries of news releases of the Issuer released during the month. For complete details all news releases of the Issuer are available on SEDAR at www.sedar.com.**

**On January 4, 2018,** the issuer announced that it was working with the Canadian Trade Commissioner Service and offices of Global Affairs Canada including the Deputy High Commission of Canada in Africa to expand its services and sales throughout the continent. The Company is currently in discussions with several national-scale companies that are interested in UAV based geophysics surveying, security solutions, agriculture and LiDAR services and systems. Global UAV is also pursuing opportunities in Mexico with private sector companies.

These opportunities are driven from high demand and under served markets, and present significant opportunities for Global UAV and its operating divisions to become the leaders in Unmanned Aerial Vehicle technology in emerging markets.

“Global UAV remains focused on accelerating the growth of its regulatory, manufacturing and services divisions in 2018. There has been a significant increase in the demand and interest in our products and services from emerging markets such as South America, Mexico and Africa. We are entering these markets with strong business relationships using a low-risk approach by developing strategic partnerships with established, in-country companies. This is an exciting time for Global UAV as our operating divisions are all growing significantly, and experiencing strong market support for products and services,” stated Michael Burns, CEO of Global UAV. “We would like to thank our shareholders for their support in 2017 as we look forward to another exciting year for the Company!”

**On January 11, 2018**, the Issuer announced that Stewart W. Baillie had been appointed to the Board of Directors.

“We are excited to announce the addition of Mr. Baillie as a Director of Global UAV. Stewart brings an immense amount of broad industry experience to our company from many aspects of his successful career. Mr. Baillie was instrumental in the development of Transport Canada’s current Small Unmanned Aircraft System (“sUAS”) Design Standard, and will add significant value and guidance to Global UAV’s future developments.” stated Global UAV President and Director, Mr. James Rogers.

Mr. Baillie received his Bachelor of Science in Aeronautics and Astronautics from the University of Washington in 1981 and his Masters of Science in Aeronautics from the California Institute of Technology in 1982.

For over 30 years Mr. Baillie worked for the National Research Council (“NRC”) of Canada at the Flight Research Laboratory (“FRL”) serving initially as a Research Officer and then a Program Manager and, finally, as Lab Director for 15 years. During this period, he also had a 9-month assignment to Industry Canada where he served as a Director within the Aerospace, Defence and Marine Branch.

From 2003 to 2013, Mr. Baillie was the main proponent of unmanned aircraft technology at the NRC and led the development of the NRC’s Civil Unmanned Aircraft System (“UAS”) Program. From 2010 to 2016 Mr. Baillie served the UAS industry as the Chair of the Airworthiness Subgroup of the Canadian Aviation Regulation Advisory Council (“CARAC”) UAV Program Design Working Group. In this capacity he played a major role in the development of the current sUAS Design Standard that is currently found in the Transport Canada Staff Instruction as well as the development of a similar regulatory proposal concerning sUAS for Beyond Visual Line of Sight (“BVLOS”) operations.

Mr. Baillie’s expertise includes both fixed and rotary wing aircraft with special emphasis on aircraft operations, handling qualities and flight testing. As a professional researcher, Mr. Baillie has authored over 90 technical publications. As Director of the FRL, Mr. Baillie had the unique responsibilities of managing both a research organization and serving as the Transport Canada “Accountable Executive” for the operations of the NRC experimental aircraft fleet, the associated Aircraft Maintenance Organizations and the in-house “design and modification approval organization”.

Mr. Baillie has been a member of the American Institute for Aeronautics and Astronautics (“AIAA”) and the American Helicopter Society, a Fellow of the Canadian Aeronautics and Space Institute and has served as that organization’s President and as the Editor of the Canadian Aeronautics and Space Journal. He represented Canada in the NATO-Research and Technology Organisation and its predecessor organization, Advisory Group for Aerospace Research and Development (“AGARD”) and was a Canadian member of the International Congress of the Aeronautical Sciences (“ICAS”). From 2012 to 2017, Mr. Baillie was a board member of Unmanned Systems Canada and served as its Chairman of the Board of Directors from 2013 to 2015.

Mr. Baillie retired from NRC in January 2013 and is now an independent consultant.

**On January 18, 2018**, the Issuer reported on the progress of each operating division, and provide an update on the corporate activities of the Company. A significant number of new contracts, sales and clients have been secured in Q4 2017 compared to the previous quarter. In addition, strategic transitions and expansion of our operating divisions continue to take place as the Company supports the rapid growth of its subsidiaries.

 “2017 was a significant year for Global UAV, we completed all 4 acquisitions, restructured management and strengthened the Board of Directors to accommodate the rapid growth the Company is experiencing. Our divisions have been expanding both operationally and in terms of revenue, allowing us to reinvest cash to further accelerate growth. We have also restructured our news distribution, branding and marketing strategy. The Company is beginning to see the results of increased investor reach and awareness as a result of our transformation and management’s efforts. We are pleased to see the recent market interest and look forward to a successful 2018” stated Michael Burns, CEO and Director of Global UAV.

Global UAV

Management has made significant advancements in news distribution, marketing and brand exposure of the Company, including regularly presenting and introducing the Company to key brokers and strategic investors. These changes are resulting in a fast-growing, strong market presence and better investor reach worldwide. In addition, significant reinvestment of operating cash-flow into our divisions has shown excellent growth results including increases in sales and revenue. Global UAV continues to expand using cash on hand, reducing investor dilution.

Upcoming Trade Shows:

Roundup 2018 - Vancouver

The Company has been invited to participate in the first ever Innovation Hub at the 2018 AME Roundup conference at the Vancouver Convention Centre West from January 22 to 25. AME Roundup is one of the largest resource investing and technical conferences in Canada. This is an excellent opportunity to showcase our UAV solutions to natural resource companies, service providers as well as government representatives. We will have a NOVAerial Robotics Procyon 800E helicopter UAV on display for conference participants to view up close and we encourage attending investors to take the opportunity to meet the Global UAV management.

WEST 2018 – San Diego

In addition, the Company is proud to announce that it has been invited by the Canadian Trade Commissioner Service to attend the WEST 2018 conference as a Canadian UAV technology and services provider. The conference will take place in San Diego, California from February 6-8. WEST is the premier Sea Service conference on the West Coast that brings military, government and industry leaders together. The conference is co-sponsored by AFCEA International (The Armed Forces Communications and Electronics Association), and the U.S. Naval Institute. Global UAV will have several pre-conference meetings with the US Department of Defence, Industry and other stakeholders through introductions by the Canadian Trade Commissioner. For more information on the trade show please visit www.westconference.org

High Eye Aerial Surveys:

The Company would like to introduce Mr. Ramiro Cotarelo as the new President of High Eye Aerial Surveys (“High Eye”). Mr. Cotarelo has been active in the unmanned aerial vehicle sector since 2013. He draws on nearly 25 years of experience in management from manufacturing to mining. These insights allowed him to leverage the use of UAVs in commercial environments with a focus on safety and accurate data collection. A lifelong remote-control hobbyist, Mr. Cotarelo has built and enjoys remote controlled air, land and sea craft.

“I am excited to join High Eye Aerial,” stated Mr. Cotarelo. “I will continue expanding High Eye’s profile as I feel strongly that UAVs will be playing a greater role in commercial applications where an aerial perspective produces clean, seemingly objective data collection. We are just beginning to understand the potential as additional technology is tailored for UAVs.”

Other changes at High Eye Aerial include moving its base of operations to a joint facility with NOVAerial Robotics. This move reduces overhead costs and increases the synergy between companies while giving High Eye a robust base of operations.

High Eye will continue to offer photogrammetry and video services, but is re-focusing its core business on Light Detection and Ranging (“LiDAR”), thermal and specialty survey and also inspection services. These changes will place High Eye as a professional UAV services company in several niche markets with a focus on large scale government and industrial clients.

High Eye Aerial has recently ordered both a Procyon 900E and a new multicopter from NOVAerial Robotics as they modernize their UAV fleet and increase operational capacity.

Pioneer Aerial Surveys:

Pioneer Aerial completed a record number of surveys and has expanded its client base significantly in 2017. New clients continue to request surveys while the company’s scope of services is diversifying into infrastructure and UXO detection. Pioneer Aerial has successfully flown in excess of 12,000-line kilometres of surveys since its inception. This includes flights for resource exploration, infrastructure detection, and unexploded ordinance (“UXO”).

Pioneer Aerial achieved many significant milestones in 2017, which include:

* 21 contracts completed world wide
* the largest survey completed to date consisting of 1300-line kilometres
* expansion of fleet and trained field crews
* two contracts completed in South America
* first contract completed for the detection of unexploded ordinance and buried infrastructure
* completion of contracts for multiple ‘major’ mining companies including Rio Tinto, New Gold, Osisko, SSR Mining and IAMGOLD.
* completion of surveys for different deposit types including lithium, diamonds, gold, nickel, copper, silver and base metals.

Pioneer Aerial has purchased several UAV’s from NOVAerial Robotics and has commissioned the design and manufacture of a weather resistant multi-rotor UAV as it is in the process of modernizing its UAV fleet and increasing operational capacity.

NOVAerial Robotics:

With the move to a larger facility complete, NOVAerial Robotics has been expanding its operations. This has included the introduction of new staff, and a skilled worker hiring campaign to increase the manufacturing capacity and fulfill orders. NOVAerial has received multiple orders from 3rd parties and Global UAV subsidiaries for their UAVs including the new models, the Procyon 900E and the weather-proof multicopter.

1. Provide a general overview and discussion of the activities of management.

**Management has actively been working with its subsidiaries to improve efficiencies and increase revenue.**

1. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**The Issuer reported that its subsidiary NOVAerial Robotics is developing two new UAVs**

1. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**No work has been performed on the Company’s exploration properties in Mexico for over a year.**

1. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**The Issuer’s subsidiaries are always working on creating new business relationships. As they are in a very competitive sector, many of those new business relationships are confidential. However, when a new business relationship becomes more significant the Issuer will report that publicly.**

**The Issuer signed consulting agreements with the following companies during the month:**

* **N/A**
1. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None to Report**

1. Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None to Report**

1. Describe the acquisition of new customers or loss of customers.

**The Issuer’s wholly owned subsidiaries Pioneer Aerial Surveys, High Eye Aerial Imaging, UAV Regulatory Services and NOVAerial Robotics have new customers on a consistent basis – many of these customers sign contracts specific to particular jobs, hence many of the customers are for single jobs.**

**For privacy of their customers, those names will generally not be released to the public. Those few that are made public are generally included in news releases.**

1. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None to Report**

1. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None to Report**

1. Report on any labour disputes and resolutions of those disputes if applicable.

**None to Report**

1. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

 **None to Report**

1. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**The only significant debt the Issuer currently has is associated with Minera Alta Vista, which is looking at options to resolve such debt.**

1. Provide details of any securities issued and options or warrants granted

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| --- | --- | --- | --- |
| Security | Number Issued | Details of Issuance | Use of Proceeds(1) |
| Shares | 6,783,000 | Converted warrants exercised at $0.10 | General working capital |
| Stock option | 3,950,000  | Valued between 10 cents and 12.5 cents. | N/A |

1. *State aggregate proceeds and intended allocation of proceeds.*
2. Provide details of any loans to or by Related Persons.

**None to Report**

1. Provide details of any changes in directors, officers or committee members.

**Stewart Baillie joined the Issuer’s Board of Directors.**

1. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

**The UAV sector has been receiving a greater amount of attention in the media, which has created a larger awareness of the public.**

**The lack of market interest in early stage exploration properties continues to affect the ability to operate in Mexico. The Company is currently looking at options to exit Mexico.**

**Certificate of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there are no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **February 7, 2018**.

 **JAMES ROGERS**
Name of Director or Senior Officer
“SIGNED”
Signature

**President & Director**
Official Capacity

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| *Issuer Details*Name of Issuer**GLOBAL UAV TECHNOLOGIES LTD.** | For Month End**January 31, 2018** | Date of ReportYY/MM/DD**18-2-07** |
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| City/Province/Postal Code**VANCOUVER, B.C. V6C 1T2** | Issuer Fax No.(604)678-2532 | Issuer Telephone No.(604)678-2531 |
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