

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **UAV**

Number of Outstanding Listed Securities: **136,755,634**

Date: **July 9, 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 **June 5, 2018**, the Issuer announced a non-brokered private placement of units (the "Units") of the Company for gross proceeds of up to C\$1,000,000 (the "Offering"). Red Cloud Klondike Strike Inc. is acting as a finder in connection with the Offering.

Each Unit is offered at a price of C\$0.10 and will be comprised of one common share of the Company and one common share purchase warrant (a "Warrant"), each Warrant entitling the holder thereof to acquire one common share of the Company at a price of C\$0.15 for a period of 24 months from the date of closing of the Offering. The net proceeds raised through the issue of Units will be used for capital purchases, optimization & scaling of design/production, R&D, and for general working capital.

The closing of the Offering is expected to occur on or about June 21, 2018 and is subject to receipt of all necessary regulatory approvals. The Units, including all underlying securities thereof, and any finder's warrants issued with respect to the Offering will be subject to a four month hold period in accordance with applicable securities laws.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

On **June 13, 2018**, the Issuer provided an update on its previously announced non-brokered private placement of units (the "Units") of the Company for gross proceeds of up to C\$1,000,000 (the "Offering").

Due to the interest in the Offering the Company has increased the amount of the private placement to C\$1,500,000. Each Unit will be offered at a price of C\$0.09 (the "Issue Price") and will be comprised of one common share of the Company ("Common Share") and one common share purchase warrant of the Company (a "Warrant"), each Warrant entitling the holder thereof to acquire one Common Share at a price of C\$0.15 for a period of 24 months from the date of closing of the Offering. The net proceeds raised through the issue of Units will be used for capital purchases, optimization & scaling of design/production, R&D, and for general working capital.

The closing of the Offering is expected to occur on or about June 21, 2018 and is subject to receipt of all necessary regulatory approvals. The Units, including all underlying securities thereof, and any finder's warrants issued with respect to the Offering will be subject to a four-month hold period in accordance with applicable securities laws.

In connection with the Offering, Michael Burns, the Chief Executive Officer and a director of the Company, has completed the sale (the "Sale") on June 12, 2018 of an aggregate of 3,325,000 Common Shares at the Issue Price in pre-arranged trades

through the facilities of the Canadian Securities Exchange. The proceeds from the Sale will be used to subscribe for a corresponding number of Common Shares under the Offering.

As a result of the foregoing, upon completion of the Offering, an insider of the Company will be subscribing for greater than 25% of the Offering. The issuance of shares to an insider pursuant to the Offering is considered to be a related party transaction subject to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Offering is exempt from the need to obtain minority shareholder approval and a formal valuation as required by MI 61-101 as the fair market value of any Units to insiders or the consideration paid by insiders of the Company will not exceed 25% of the Company’s market capitalization.

Following completion of the Sale, Michael Burns’ ownership of Common Shares has been reduced from 7,031,648 to 3,706,648 and his percentage ownership of securities of the Company decreased from approximately 9.1% to 6.0% as a result of the Sale, calculated on a partially diluted basis. Pioneer Exploration Consultants Ltd. (“Pioneer”), a Saskatchewan private company controlled by Michael Burns, last filed an early warning report on January 3, 2017, at which time Pioneer owned and controlled 10.58% of the issued and outstanding Common Shares. On December 6, 2017, Pioneer transferred its Common Share holdings to its shareholders pro rata. As a result, the beneficial ownership of Pioneer and Michael Burns has fallen below 10% in respect of the class of securities of the Company that was the subject of the most recent report that Pioneer was required to file in respect of the Company under National Instrument 62-104 – Take-Over Bids and Issuer Bids and National Instrument 61-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues. Accordingly, neither Michael Burns nor Pioneer will file any further early warning reports in respect of their ownership of the Company’s securities except as required by applicable law. Pioneer disposed of the Common Shares for investment purposes and may increase or decrease its interests in the Issuer in the future as considered appropriate in light of market conditions and other factors.

A material change report in connection with the Offering will be filed less than 21 days before the closing of the Offering. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to complete the Offering in a timely manner.

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On **June 15, 2018**, the Issuer provided a further update on the non-brokered private placement of units (the “**Units**”) of the Company for gross proceeds of up to C\$1,500,000 (the “**Offering**”) previously disclosed in its news releases of June 5, 2018 and June 13, 2018.

In connection with the Offering, Michael Burns, the Chief Executive Officer and a director of the Company, has completed a further sale (the “**Sale**”) on June 14, 2018 of an aggregate 2,000,000 common shares of the Company at C\$0.09 per share in pre-arranged trades through the facilities of the Canadian Securities Exchange. The proceeds from the Sale will be used to subscribe for a corresponding number of Units under the Offering. Michael Burns had previously completed the sale of an aggregate 3,325,000 common shares on June 12, 2018 in connection with the Offering, as disclosed in the Company’s June 13, 2018 news release.

As noted in the prior news releases and in connection with the Sale, an insider of the Company will be subscribing for greater than 25% of the Offering. The issuance of securities to an insider pursuant to the Offering is considered to be a related party transaction subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Offering is exempt from the need to obtain minority shareholder approval and a formal valuation as required by MI 61-101 as the fair market value of any Units to insiders or the consideration paid by insiders of the Company will not exceed 25% of the Company’s market capitalization.

Following completion of the Sale, Michael Burns’ ownership of Common Shares has been reduced from 3,706,648 to 1,706,648 and his percentage ownership of securities of the Company decreased from approximately 6.0% to 4.2% as a result of the Sale, calculated on a partially diluted basis.

A material change report in connection with the Offering will be filed less than 21 days before the closing of the Offering. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to complete the Offering in a timely manner.

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On **June 19, 2018**, reported that it had closed the purchase for a 100% interest in Aerial Imaging Resources Inc., (“AIR”), (as previously announced in news releases dated March 6 and May 16, 2018).

On June 14, 2018, the Company issued twelve million, (12,000,000), common shares of the Company to the shareholders of AIR subject to resale restrictions over 24 months from the date of closing with the first set of shares having a hold period of four months and one day. In concert with the issuance of the shares for purchase consideration, the Company also paid the initial cash payment of \$350,000 of which approximately \$175,000 will be used to eliminate outstanding debts and the remainder will be paid to the selling shareholders of AIR. The remaining cash payments will be made as follows: \$125,000 on, or before, August 14, 2018 and \$125,000 on, or before, December 14, 2018.

With the acquisition of AIR, both companies will work on the consolidation of all of the assets, personnel and business opportunities to Pioneer Aerial Surveys LTD., (Pioneer), which will form one of, if not the, largest UAV centred geophysics company in the world. To that end, Peter Dueck and Thomas Paul Stanley-Jones have signed Consulting Contracts with Pioneer such that they will now take on the roles of active management for Pioneer.

Global UAV continues to streamline the operations of the active business units and continues to refine the personnel and operations for the entire company. Being a vertically integrated UAV company, it is important to ensure that the business units are self-sustaining, profitable and executing the tasks at hand. With the inclusion of Dueck and Stanley-Jones within the Pioneer unit, the geophysical services division, the Company is confident of its operations and business activity going forward.

Mike Burns, CEO and Director states; “With the acquisition of this business unit, in turn making Peter and Thomas substantial shareholders of Global UAV, we are excited about not only the business opportunities but also the skills and knowledge that they will bring to our team. We see this acquisition as a very positive and accretive opportunity for Global UAV”.

On **June 22, 2018**, the Issuer provided a further update on the non-brokered private placement of units (the “Units”) of the Company for gross proceeds of up to C\$1,500,000 (the “Offering”) previously disclosed in its news releases of June 5, 2018, June 13, 2018 and June 15, 2018.

In connection with the Offering, Michael Burns, the Chief Executive Officer and a director of the Company, has completed a further sale (the “Sale”) on June 21, 2018 of an aggregate 440,000 common shares of the Company at C\$0.09 per share in pre-arranged trades through the facilities of the Canadian Securities Exchange. The proceeds from the Sale will be used to subscribe for a corresponding number of Units under the Offering. Michael Burns had previously completed sales of an aggregate of 5,325,000 common shares on June 12, 2018 and June 14, 2018 in connection with the Offering, as disclosed in the Company’s June 13, 2018 and June 15, 2018 news releases.

As noted in the prior news releases and in connection with the Sale, an insider of the Company will be subscribing for greater than 25% of the Offering. The issuance of securities to an insider pursuant to the Offering is considered to be a related party transaction subject to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Offering is exempt from the need to obtain minority shareholder approval and a formal valuation as required by MI 61-101 as the fair market value of any Units to insiders or the consideration paid by insiders of the Company will not exceed 25% of the Company’s market capitalization.

Following completion of the Sale, Michael Burns’ ownership of Common Shares has been reduced from 1,717,838 to 1,277,838 and his percentage ownership of securities of the Company decreased from approximately 4.6% to 4.2% as a result of the Sale, calculated on a partially diluted basis.

A material change report in connection with the Offering will be filed less than 21 days before the closing of the Offering. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to complete the Offering in a timely manner.

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On June 27, 2018, the Issuer announced the closing of its non-brokered private placement which was oversubscribed.

“We are very pleased to report that multiple institutional investors participated in this financing round along with some new and existing investors. The reception for this financing was very well received and our rationale for the re-pricing was a result of a very substantial institutional lead order that anchored the success of the financing. Along with ongoing operations, we will now be formalizing some corporate changes that will help to streamline our operations and create efficiencies. We look forward to providing a corporate update in the coming weeks,” says Michael Burns, Chief Executive Officer of the Company.

The Company issued 19,681,454 units (“Units”) at a price of \$0.09 per Unit for gross proceeds of CDN\$1.77 million (the “Offering”), exceeding its goal of CDN\$1.5 million as set out in the Company’s press release dated June 13, 2018 (the “Press Release”) in respect of the Offering.

Each Unit consists of one common share in the capital of the Company (“Common Share”) and one common share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase one Common Share at a price of \$0.15 for a period of twenty-four (24) months from the date of issuance, being June 25, 2018. The securities being issued pursuant to the Offering will be subject to a hold period expiring four months and one day from the date of issuance in accordance with applicable Canadian securities law.

The net proceeds raised through the Offering will be used for capital purchases, optimization & scaling of design/production, R&D, and for general working capital.

Insiders of the Company, including, as previously announced, Michael Burns, Chief Executive Officer and a director of the Company, subscribed for an aggregate of 7,422,777 Units representing approximately CDN\$668,050 of the gross proceeds of the Offering.

The issuances of Units to insiders pursuant to the Offering are considered related party transactions within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Global UAV relied on exemptions from the formal valuation and minority approval requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of such insider participation, based on a determination that the fair market value of the participation in the Offering by insiders did not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company filed a material change report in respect of the related party transaction less than 21 days prior to the closing of the Offering, which the Company deemed reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offering in an expeditious manner.

2. 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.

Management formally closed the purchase of Aerial Imaging Resources, which was initially announced in a news release dated March 6, 2018.

3. 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.

Non to report

4. 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.

5. 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

6. 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

7. 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.

On March 6, 2018, the Issuer signed a letter of intent (LOI) to acquire Aerial Imaging Resources Inc. (AIR).

The definitive agreement has now closed. Consideration was determined through negotiation by both parties. The previous owners of AIR are not related parties.

8. 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.

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

None to Report

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

The Issuer's subsidiaries, specifically High Eye, Pioneer Aerial and NOVAerial, continue to add staff as a result of their continued growth.

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

None to Report

12. 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

13. 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.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Shares	12,000,000	Private Placement	General Working Capital
Units	19,681,454	Private Placement	General Working Capital

(1) *State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

None to Report

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

None to Report

17. 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: **July 9, 2018.**

JAMES ROGERS

Name of Director or Senior Officer

“SIGNED”

Signature

President & Director

Official Capacity

<i>Issuer Details</i> Name of Issuer GLOBAL UAV TECHNOLOGIES LTD.	For Month End May 31, 2018	Date of Report YY/MM/DD 18-7-09
Issuer Address 459, 409 GRANVILLE STREET		
City/Province/Postal Code VANCOUVER, B.C. V6C 1T2	Issuer Fax No. (604)678-2532	Issuer Telephone No. (604)678-2531
Contact Name James Rogers	Contact Position President	Contact Telephone No; 604-678-2531
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