

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Draganfly Inc. (the "Issuer" or "Draganfly").

Trading Symbol: DFLY

Number of Outstanding Listed Securities: 134,144,435

Date: April 6, 2021

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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.

On March 23, 2021, the Issuer announced that it had secured a \$1 million flight services contract with Windfall Geotek.

On March 9, 2021, the Issuer announced that it entered into an agreement with Applied Research and Innovations Services at Southern Alberta Institute of Technology to Advance UAV Delivery Technology.

On March 9, 2021, the Issuer also announced that it has entered into an asset purchase agreement with Vital Intelligence Inc. ("Vital") to purchase all the assets of Vital.

On March 2, 2021, the Issuer announced an exclusive strategic partnership with Woz ED, Steve Wozniak's K12 Education program, to be the exclusive supplier of drones to the program across its national K-12 curriculum.

On March 1, 2021, the Issuer invested \$500,000 in Windfall Geotek's financing.

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

Management has been busy with various corporate development opportunities including discussing the integration of a health monitoring technology onto the Issuer's drone and service platform.

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.

None.

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 products or services discontinued.

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.

As noted above, on March 23, 2021, the Issuer announced a large contract with Windfall Geotek to provide services.

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.

No contract or agreements have expired or been terminated.

6. 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.

As noted above, the Issuer announced that it has entered into an asset purchase agreement with Vital to purchase all the assets of Vital in consideration for: (a) a cash payment of \$500,000 with \$50,000 paid upon execution of the asset purchase agreement, \$200,000 to be paid at closing and \$250,000 to be paid on the six-month anniversary date of closing; and (b) 6,000,000 units of the Company with each unit being comprised of one common share of the Issuer and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share for a period of 24 months following closing at an exercise price of \$2.67 per common share and the Issuer will be able to accelerate the expiry date of the warrants after one year in the event the underlying common shares have a value of at least 30% greater than the exercise price of the warrants. The units will be held in escrow following closing with 1,500,000 units being released at closing and the remainder to be released upon the Issuer reaching certain revenue milestones received from the purchased assets. The Issuer closed the acquisition on March 25, 2021.

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

There were no new customers nor was there a loss of any customer.

8. 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.

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

The issuer's wholly owned subsidiary, Draganfly Innovations USA hired a sales person.

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

None.

10. 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.

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

None.

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Units (each Unit is comprised of one Common Share and one Warrant)	6,000,000	The issuance of Units for part of the Vital asset purchase transaction (deemed price of \$2.37/unit)	N/A
Common Shares	15,000	Exercise of Warrants at \$0.50 for gross proceeds of C\$7,500	General Working Capital
Common Shares	625,000	Vesting of RSUs	N/A
Units (each Unit is comprised of one Common Share and one Warrant)	25,771,465	The Issuance of Units from Third tranche of Reg A Offering at US\$0.47 per Unit for gross proceeds of US\$12,112,606	General Working Capital

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

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

None.

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

None.

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

The Issuer operates in the commercial UAV/drone space. Recently, the US Government announced that they are prohibiting US government entities from purchasing foreign or non-North American manufactured drones. The Issuer does not anticipate this announcement to impact the Issuer as its drones are manufactured in Canada.

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 were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated April 6, 2021.

Paul Sun
Name of Director or Senior Officer

(signed) "Paul Sun"
Signature

CFO & Corporate Secretary
Official Capacity

Issuer Details Name of Issuer Draganfly Inc.	For Month End March	Date of Report YY/MM/D 21/04/06
Issuer Address 2108 St. George Ave		
City/Province/Postal Code Saskatoon, SK, S7M 0K7	Issuer Fax No. (306)955-9906	Issuer Telephone No. (306)955-9907
Contact Name Paul Sun	Contact Position CFO	Contact Telephone No. (416) 569-5070
Contact Email Address Paul.sun@draganfly.com	Web Site Address www.draganfly.com	