

**Draganfly Investments Limited**  
**("Draganfly" or the "Company")**

**Fundraising**

8 May 2017

The Board of Draganfly announces that the Company has raised £500,000 before expenses, by way of a placing ("Placing") of 100,000,000 new ordinary shares of no par value in the Company ("Ordinary Shares") (the "Placing Shares") at a price of 0.5 pence per share.

Edward Bayman, Chairman, stated "We are pleased to welcome this investment from new and existing shareholders as we seek to build shareholder value in the Draganfly Investments vehicle."

The Placing Shares will rank pari passu with the existing Ordinary Shares and their issue is conditional on their admission to trading on AIM ("Admission"). Application will be made for the Placing Shares to be admitted to trading on AIM and Admission is expected to occur on or around 22 May 2017.

One of the placees, Pelamis Investments Limited, is a 11.26% shareholder in the Company, and so the Placing with them is deemed a related party transaction under the Aim Rules for Companies. The Directors of the Company, all of whom are independent, having consulted with Northland Capital Partners Limited, consider the terms of the Placing with Pelamis to be fair and reasonable insofar as shareholders in the Company are concerned.

The Company currently has 69,356,437 Ordinary Shares in issue. Following Admission, the Company's issued share capital will consist of 169,356,437 Ordinary Shares with voting rights. There are no Ordinary Shares held in treasury therefore this number may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

For further information please contact:

T Edward G Bayman	+44 (0) 1534 787898
Dennis Edmonds	+44 (0) 7796 338 372

Jon Belliss	
Beaufort Securities Limited (Broker)	+44 (0) 20 7382 8300

Tom Price / David Hignell	
Northland Capital Partners (Nominated Adviser)	+44 (0) 20 3861 6625

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 of the European Parliament and of the Council.