

DRAGANFLY INC.

COMPENSATION COMMITTEE CHARTER

1. *Purposes*

The purposes of the Compensation Committee (the “**Comp Committee**”) of the Board of Directors (the “**Board**”) of Draganfly Inc. (the “**Company**”) are to assist the Board in monitoring, reviewing and approving compensation policies and practices of the Company and administering the Company’s share compensation plans.

2. *Comp Committee Responsibilities*

The Comp Committee’s responsibilities shall be:

- a) reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors, officers and employees of the Company, including executive officer and management compensation criteria, corporate and personal goals and objectives (see Schedule “A”);
- b) reviewing and making recommendations to the Board with respect to the corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluating the performance of the Chief Executive Officer in light of those goals and objectives, and recommending to the Board the compensation level of the Chief Executive Officer based on this evaluation;
- c) reviewing and making recommendations to the Board with respect to the compensation of the Chairman of the Board;
- d) reviewing and making recommendations to the Board with respect to the annual compensation of all other executive officers and directors of the Company;
- e) reviewing and making recommendations to the Board, as appropriate, in connection with the Company’s succession planning with respect to the Chief Executive Officer and other senior executive officers;
- f) administering the Company’s Share Compensation Plan, and any other Stock Option Plan, Restricted Share Unit Plan or Deferred Share Unit Plan that may be in effect from time to time, in accordance with the terms of such plans;
- g) making recommendations to the Board with respect to the Company’s incentive compensation and equity-based plans that are subject to Board approval;
- h) reviewing and approving the annual public disclosure in the information circular relating to executive compensation of the Company;
- i) reviewing the results of the annual CEO evaluation prior to submission to the Nominating and Corporate Governance Committee and the Board;
- j) reviewing and making recommendations regarding the form of annual CEO evaluation questionnaire; and

- k) reviewing and reassessing the adequacy of this charter on an annual basis.

3. Responsibilities of the Comp Committee Chair

The fundamental responsibility of the Comp Committee Chair is to be responsible for the management and effective performance of the Comp Committee and provide leadership to the Comp Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Comp Committee Chair's responsibilities shall include:

- a) working with the Chairman of the Board (and the Lead Independent Director, if applicable), the Chief Executive Officer and the Corporate Secretary to establish the frequency of Comp Committee meetings and the agendas for meetings;
- b) providing leadership to the Comp Committee and presiding over Comp Committee meetings;
- c) ensuring that the Comp Committee is properly organized and effectively discharges its duties;
- d) facilitating the flow of information to and from the Comp Committee and fostering an environment in which Comp Committee members may ask questions and express their viewpoints;
- e) reporting to the Board with respect to the significant activities of the Comp Committee and any recommendations of the Comp Committee;
- f) leading the Comp Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
- g) taking such other steps as are reasonably required to ensure that the Comp Committee carries out its mandate.

4. Powers of the Comp Committee

The Comp Committee:

- a) shall have the authority to retain and obtain advice and assistance from a compensation consultant, outside legal or other adviser in its sole discretion;
- b) shall assess the independence of any compensation consultant, legal counsel or other adviser that provides advice to the Comp Committee (other than in-house legal counsel), pursuant to the rules and regulations of any securities regulatory authorities and/or stock exchanges that may be applicable to the Company (provided, however, that the Comp Committee is not required (i) to retain a compensation consultant, legal counsel or other adviser that is independent, or (ii) to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser, and may exercise its own judgment in fulfillment of the duties of the Comp Committee);
- c) shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Comp Committee;
- d) shall receive appropriate funding from the Company, as determined by the Comp Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Comp Committee; and

- e) may delegate any part of its authority or responsibilities to individual members and subcommittees.

5. Qualifications, Appointment and Removal

- a) The Comp Committee shall consist of at least three members each of whom shall be appointed by the Board annually and as vacancies arise. If an appointment of the members of the Comp Committee is not made as prescribed, the incumbent members shall continue as such until their successors are appointed.
- b) Any member of the Comp Committee may be removed or replaced at any time by the Board and shall cease to be a member on ceasing to be a Director.
- c) All of the members of the Comp Committee shall be directors whom the Board has affirmatively determined are “**Independent Directors**” (as defined in the Definitions section of this Charter), taking into account the rules and regulations of any securities regulatory authorities and/or stock exchanges that may be applicable to the Company.
- d) In affirmatively determining the independence of any director who will serve on the Comp Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a Comp Committee member, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.
- e) The Chairman of the Comp Committee shall be appointed from time to time by the Comp Committee members, taking into account the rules and regulations of any securities regulatory authorities and/or stock exchanges that may be applicable to the Company.

The foregoing requirements are subject to any exemptions, exceptions, cure periods or phase-in accommodations that may be available to the Company under applicable securities laws and stock exchange rules.

6. Conduct and Frequency of Meetings

- a) The time and place of the meetings of the Comp Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chair of the Comp Committee.
- b) The Comp Committee shall meet at least once per year.
- c) The Chief Executive Officer shall not be present during voting or deliberations on his or her compensation.

7. Reporting

- a) The Comp Committee shall report to the Board through the Chair of the Comp Committee following each meeting on the major discussions, recommendations and decisions made by the Comp Committee.
- b) The Comp Committee, through the Chair of the Comp Committee, shall report annually to the Board on the Comp Committee's responsibilities and how it has discharged them.

DEFINITIONS

Capitalized terms used in this Charter and not otherwise defined have the meaning attributed to them below:

"Executive Officer" means the Company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company.

"Family Member" means a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home.

"Independent Director" means a director that is "independent" as the term is defined in both National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") and Nasdaq Rule 5605(a)(2), as each may be amended from time to time, and being a person other than an Executive Officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The following persons shall not be considered independent:

- (a) a director who is, or at any time during the past three years was, employed by the Company;
- (b) a director who accepted or who has a Family Member who accepted any compensation from the Company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:
 - (i) compensation for board or board committee service;
 - (ii) compensation paid to a Family Member who is an employee (other than an Executive Officer) of the Company; or
 - (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation

Provided, however, that in addition to the requirements contained in this paragraph (B), audit committee members are also subject to additional, more stringent requirements under Rule 5605(c)(2).

- (c) a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company as an Executive Officer;
- (d) a director who is, or has a Family Member who is, a partner in, or a controlling Shareholder or an Executive Officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:
 - (i) payments arising solely from investments in the Company's securities; or

- (ii) payments under non-discretionary charitable contribution matching programs.
- (e) a director of the Company who is, or has a Family Member who is, employed as an Executive Officer of another entity where at any time during the past three years any of the Executive Officers of the Company serve on the compensation committee of such other entity; or
- (f) a director who is, or has a Family Member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

Adopted by the Board on April 14, 2021.

Schedule "A"

Key Elements of Management Compensation	Detailed Criteria
Base Salary	Level of responsibility, experience, and expertise.
	Demonstrated leadership, time commitment, personal commitment and attitude.
	Review public disclosure available for comparable companies and, at the discretion of the Committee, the results of a report prepared by an independent consultant to assist in determining the competitiveness of base salary, bonuses, benefits and stock options paid to each of the executive officers of the Company.
	Assessment of whether base salary compensation is within the range of compensation demonstrated by industry peers.
Bonus Plan	Assessment of operating and financial performance of the Company as compared to annual goals and objectives.
	Assessment of the efforts and results of eligible participants as compared to stated goals and objectives.
	Application of the relative weighting of corporate and personal objectives as applicable to each eligible participant.
Options	Review of total option grants outstanding and individual awards during preceding fiscal year.
	Review of public disclosure available for comparable companies including review of independent consultant's report, if applicable, to determine the competitiveness of option awards.
	Assessment of awards relative to positions, performance, and what is considered competitive in the industry.