

DRAGANFLY INC.

MANDATE OF THE BOARD OF DIRECTORS

Subject to the constating documents of Draganfly Inc. (the “**Company**”) and applicable law, the Board of Directors of the Company (the “**Board**”) has a responsibility for the stewardship of the Company, including: the responsibility to supervise the management of and oversee the conduct of the business of the Company; provide leadership and direction to management and consider management’s performance in conjunction with the Company’s compensation plans; set policies appropriate for the business of the Company; and approve corporate strategies and goals.

The Board’s fundamental objective is to protect and preserve shareholder value by fostering strong corporate governance practices through its leadership and direction of management and guidance of the Company’s strategic direction.

COMPOSITION

A majority of the Board shall be “**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.

The directors will be elected each year by the shareholders of the Company at the annual general meeting of shareholders. The Nominating and Corporate Governance Committee will recommend to the full Board nominees for election to the Board and the Board will propose nominees to the shareholders for election as directors for the ensuing year.

DUTIES AND RESPONSIBILITIES

1. A principal responsibility of the Chairman of the Board (the “**Chairman**”) will be to manage and act as the chief administrative officer of the Board with such duties and responsibilities as the Board may establish from time to time. The Chairman need not be independent of management.
2. The Board will ensure that proper limits are placed on management’s authority.
3. In conjunction with each annual general meeting, the Board shall:
 - (a) appoint a Chairman;
 - (b) appoint the senior officers of the Company and approve the senior management structure of the Company; and
 - (c) appoint committees of the board, including a Compensation Committee, a Nominating and Corporate Governance Committee, and an Audit Committee. In due course and when considered appropriate, the Board may establish additional committees.
4. The Board will ensure that it adopts and maintains appropriate mandates, charters and position descriptions for the Board, the Chairman, the Chief Executive Officer (the “**CEO**”), the committee chairs, as well as for the committees themselves;

5. The Board shall be responsible for monitoring the performance of the CEO and determining the compensation of the CEO (upon recommendation by the Compensation Committee). The Board will receive reports and recommendations from the Compensation Committee on both CEO performance and compensation in connection therewith;
6. From time to time, the Board may appoint special committees to assist the Board in connection with specific matters; and
7. The Board shall meet not less than four times during each fiscal year. The Board will also meet at any other time at the call of the Chairman or any director, subject to the constating documents of the Company.

Management Oversight

The Board will ensure the Company has management with the appropriate skillset and experience. This responsibility is carried out primarily by:

- (a) appointing the CEO as the Company's business leader and developing criteria and objectives against which the Board will assess, on an ongoing basis, the CEO's individual performance;
- (b) developing and approving corporate objectives which the CEO is responsible for meeting, and assessing the CEO against these objectives; and
- (c) developing a position description for the CEO and reviewing performance against such description.

The foregoing responsibilities will be carried out with the assistance of, and taking into account the recommendations of, the Compensation Committee.

Strategic Planning Process and Risk Management

1. The Board is responsible for adopting, supervising and providing guidance on the strategic planning process and approving a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business.
2. The CEO and senior management team will have direct responsibility for the ongoing strategic planning process and the establishment of annual corporate objectives for the Company, which are to be reviewed and approved not less than annually, by the Board.
3. The Board will have a continuing understanding of the principal risks associated with the business, largely through continuous communication with management. The Board will ensure the implementation of appropriate systems to manage any such risks.
4. The Board will provide guidance to the CEO and senior management team with respect to the Company's ongoing strategic plan. The Board is responsible for monitoring the success of management in implementing the approved strategies and goals.

Internal Controls and Management Information Systems

Through the CEO and Chief Financial Officer, management will establish systems to ensure that appropriate and responsible levels of internal controls are in place for the Company. The confidence of the Board in the ability and integrity of management is the paramount control mechanism.

COMMUNICATIONS

1. The Board will monitor and periodically review the policies and procedures that are in place to provide for effective communication by the Company with its shareholders and with the public generally, including:
 - (a) effective means to enable shareholders to communicate with senior management and the Board; and
 - (b) effective channels by which the Company may interact with analysts and the public.
2. The Board will review and if necessary, approve the content of the Company's major communications to shareholders and the investing public, including interim and annual reports, the Management Information Circular, the Annual Information Form and any prospectuses that may be issued.
3. The Board will establish and maintain a disclosure policy which summarizes its policies and practices regarding disclosure of material information to investors, analysts and the media.
4. All directors will have open access to the Company's senior management.
5. The Board encourages individual directors to make themselves available for consultation with management outside Board meetings in order to provide specific advice and counsel on subjects where such directors have special knowledge and experience.

SUCCESSION PLANNING

The Board will regularly consider and develop succession plans for the Chairman, CEO and senior management personnel.

BOARD INDEPENDENCE

The Board will, where deemed desirable or necessary, implement appropriate structures and procedures to ensure that the Board can function independently of management which may include the institution of regular meetings of independent directors at every quarterly Board meeting (but at least twice per year), without the presence of management.

NEW DIRECTOR ORIENTATION AND CONTINUING EDUCATION

The Nominating and Corporate Governance Committee, in conjunction with the Chairman and the CEO, is responsible for ensuring that new directors are provided with an orientation and education program.

The Board will assist the Nominating and Corporate Governance Committee in establishing and maintaining an ongoing director education program.

GENERAL OBLIGATIONS

1. Approve all significant acquisition plans and oversee the establishment of priorities for the allocation of funds and financing to various acquisitions.
2. Approve all single expenditure items proposed by the Company as required in the Company's Spending Policy.
3. Approve any policy for hedging.
4. Approve any policy for management of foreign currency risk.
5. Approve the annual budget.
6. Attend, prepare for, and be actively involved in, regular Board meetings and, if applicable, Board committee meetings.
7. With the assistance of the Nominating and Corporate Governance Committee, develop the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.
8. Adopt and monitor, through the Nominating and Corporate Governance Committee, a formal "Code of Business Conduct and Ethics" that will govern the behaviour of directors, officers and employees of the Company, and, in appropriate circumstances, grant waivers from such code of business conduct.

INDEPENDENT ADVISORS

The Board and any committees may at any time retain outside financial, legal or other advisors at the expense of the Company. Any director may, subject to the approval of the Chairman, retain an outside advisor at the expense of the Company.

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 October 30, 2019, and amended April 14, 2021.