

DRONE VOLT

€8m funding line secured

through a reserved issue of convertible bonds with attached warrants

Villepinte, June 1, 2018

DRONE VOLT, a French aeronautics manufacturer and distributor specializing in professional civilian drones, has announced the signing of a financing contract in the form of convertible bonds with attached warrants for a maximum total of €8m.

This flexible funding line, which can be drawn down in tranches of €800,000 at any time on the initiative of DRONE VOLT, will serve to reinforce the company's financial credibility with major customers in a context of advanced-stage negotiations and the signing of major contracts. As a reminder, DRONE VOLT announced the signing of a \$6m contract in southeast Asia on May 7, 2018 and the signing of a commitment letter with the French army for the purchase of drones and the training of drone pilots on May 14, 2018. These major announcements reflect the successful completion of two of the 65 contract negotiations announced on March 12, 2018.

DRONE VOLT has signed a financing agreement with ATLAS SPECIAL OPPORTUNITIES (the "Investor") dated May 31, 2018. This agreement calls for the issue of a maximum of ten tranches of convertible bonds with attached warrants. Each issue tranche will result in the subscription to 80 convertible bonds with par value of €10,000 and convertible into ordinary shares of DRONE VOLT and 160,000 warrants, with one warrant giving the right to subscribe to one ordinary share of DRONE VOLT. The per unit subscription price of the convertible bonds is set at €9,300 and each tranche will be subscribed to at the price of €744,000.

The issue of all the convertible bonds would enable DRONE VOLT to realize a capital increase totaling a maximum of €8m (issue premium included). The issue and then exercise of the warrants would enable DRONE VOLT to proceed with supplemental capital increases, the amounts of which will depend on factors such as the exercise price, which will be based on the reference share price and the issue premium.

OBJECTIVES OF THE OPERATION

This operation will give DRONE VOLT the financial resources needed to finance its growth without any obligation regarding the drawdown and on more attractive and proportionally less dilutive terms than previous financing rounds.

TERMS OF THE OPERATION

The detailed terms of the issue contract are available on the DRONE VOLT website.

LEGAL FRAMEWORK OF THE OPERATION

Under the terms of the 11th resolution, the Combined Shareholders Meeting of April 27, 2018 granted the Board of Directors a delegation of power (with the authorization to sub-delegate) to proceed with the issue of shares and/or securities giving access to the capital of the company immediately or in the future or giving the right to a debt instrument, with suppression of the shareholders' preferential subscription rights in favor of other categories of beneficiaries.

At its meeting on May 4, 2018, the Board of Directors, making use of the delegation of powers and authorizations granted under the terms of the 11th resolution approved at the Combined Shareholders Meeting of April 27, 2018, approved the principle of an issue of convertible bonds with attached warrants and delegated to the Chairman / CEO all the powers needed to proceed with the granting of the Issuance Rights corresponding to ten tranches of convertible bonds with attached warrants.

PRINCIPAL CHARACTERISTICS OF THE ISSUANCE RIGHTS

The Issuance Rights are granted to the Investor without charge.

The Issuance Rights, with a duration of 60 months, oblige their holder to subscribe, on the demand of DRONE VOLT, to a tranche of convertible bonds with attached warrants composed of 80 convertible bonds and 160,000 warrants per Issuance Right exercised. In this manner, DRONE VOLT will be able to demand the exercise of the Issuance Rights in order to allow the issue of convertible bonds with attached warrants in several tranches with a maximum nominal amount of €800,000 each and for a total maximum amount of €8,000,000.

The drawdown of each new tranche can only take place following a period of forty (40) trading days following the issue of the preceding tranche (the Cool Down Period). However, the Investor may, at its discretion, reduce the duration of each Cool Down Period.

THEORETICAL IMPACT

The theoretical impact of the conversion of all the convertible bonds and the exercise, the case being, of all the warrants issued from these ten Issuance Rights on the position of an existing shareholder is set out in the following table:

	Shareholder stake ¹¹
Prior to the issue of a maximum of 13,330,205 new shares coming from (i) the conversion of the 800 convertible bonds and (ii) the exercise of the 1,600,000 warrants	1.00%
Following the issue of a maximum of 11,730,205 new shares coming from the conversion of the 800 convertible bonds	0.6883%
Following the issue of a maximum of 1,600,000 new shares coming from the exercise of the 1,600,000 warrants	0.6602%

The permanent monitoring of the creation of new shares issued from the conversion of the convertible bonds or the exercise of the warrants for each tranche of convertible bonds with attached warrants will be reflected in a systematically updated summary table available on the DRONE VOLT website.

This operation will not involve the drawing up of prospectus subject to AMF approval.

¹ Calculations based on the closing share price (€0.682) and the total number of outstanding shares (25,445,884) on May 25, 2018

Next press release: H1 2018 sales, week of July 16, 2018

All the DRONE VOLT press releases are available on www.dronevolt.com/Investors

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About DRONE VOLT

Founded in 2011, DRONE VOLT is an aeronautical manufacturer specialized in drones for industrial professional use and artificial intelligence. DRONE VOLT is present in France, Benelux, Canada, Denmark, the United States, Switzerland and Indonesia. As a global partner, DRONE VOLT provides its clients with turnkey solutions including various UAV services and training courses.

DRONE VOLT Group achieved a turnover of 7.8 million euros in 2017. DRONE VOLT mainly supplies, administrations and industrialists with aerial shots. Among its clients, are FRANCE TELEVISIONS, TF1, Gendarmerie des Transports Aériens (GTA), POINT. P and others. DRONE VOLT is recognized as an Innovative Enterprise by Bpifrance.

DRONE VOLT is listed on the Euronext Growth market in Paris:

Action: Mnemonic: ALDRV.PA - ISIN code: FR0013088606 - Eligible: PEA, PEA-SME

BSA: Mnemonic: DRVBS - ISIN code: FR001286054

For more information go to www.dronevolt.com and www.abid.co/EPA.ALDRV

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