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U.S. Border Patrol Purchasing Over $1 Million in Drones from Red Cat Holdings

Devices Manufactured by Red Cat Subsidiary Teal Drones

SAN JUAN, Puerto Rico, Oct. 20, 2022 (GLOBE NEWSWIRE) -- Red Cat Holdings, Inc. (Nasdaq: RCAT), a provider of highly sophisticated and complex SUAS products for militaries globally, today announced that its subsidiary Teal Drones has been awarded a $1,046,806 contract from U.S. Customs and Border Protection to provide Teal's high-performance Golden Eagle drones to U.S. Border Patrol.

The award is part of a Blanket Purchase Agreement (BPA) between U.S. Customs and Border Protection and five drone companies, announced in December 2021, which has a total estimated value of $90 million over a five-year period. All drones covered by the BPA are on the exclusive "Blue UAS" list of drones approved for purchase by the Department of Defense.

The drones will provide supplemental airborne reconnaissance, surveillance, and tracking capability to enhance situational awareness for field commanders and agents in areas that lack nearby traditional surveillance systems or available manned air support.

"As a market leader in military-grade drones, and especially night-specific drones, we look forward to providing Teal's Golden Eagle product to the government personnel who are responsible for protecting the American people and safeguarding our borders," said Red Cat CEO Jeff Thompson. "Because Red Cat has invested in a large, new manufacturing facility for Teal in Salt Lake City, we are confident in our ability to meet the delivery deadline for this significant order, as well as future orders we anticipate under this BPA with U.S. Customs and Border Protection."

The $1 million+ basic purchase agreement awarded to Red Cat covers the provision of Teal's Golden Eagle drone, plus battery packs and chargers, propellers, gimbal-mounted cameras, carrying cases and operator training sessions, including "train-the-trainer" sessions.

About Red Cat Holdings, Inc.

Red Cat provides drone-based products, services, and solutions through its four subsidiaries and services the enterprise, military, and consumer markets. Teal Drones is a leader in unmanned aircraft systems (UAS), and its Golden Eagle is one of only five drones approved by the Department of Defense for reconnaissance, public safety and inspection applications. Skypersonic's technology enables drones to complete inspection services in locations where GPS is not available, yet still record and transmit data even while being operated from thousands of miles away. Fat Shark is a leading provider of First Person View (FPV) video goggles. Rotor Riot, LLC is a reseller of FPV drones and equipment, primarily to the consumer marketplace. Learn more at https://www.redcatholdings.com.

Forward Looking Statements

This press release contains "forward-looking statements" that are subject to substantial risks and uncertainties. All statements, other than statements of historical fact, contained in this press release are forward-looking statements. Forward-looking statements contained in this press release may be identified by the use of words such as "anticipate," "believe," "contemplate," "could," "estimate," "expect," "intend," "seek," "may," "might," "plan," "potential," "predict," "project," "target," "aim," "should," "will" "would," or the negative of these words or other similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are based on Red Cat Holdings, Inc.'s current expectations and are subject to inherent uncertainties, risks and assumptions that are difficult to predict. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. These and other risks and uncertainties are described more fully in the section titled "Risk Factors" in the final prospectus related to the public offering filed with the Securities and Exchange Commission. Forward-looking statements contained in this announcement are made as of this date, and Red Cat Holdings, Inc. undertakes no duty to update such information except as required under applicable law.

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