

December 30, 2024



Red Cat Holdings Announces Warrant Exercise Transaction with \$4.875 Million in Gross Proceeds

SAN JUAN, Puerto Rico, Dec. 30, 2024 (GLOBE NEWSWIRE) -- [Red Cat Holdings, Inc.](#) (Nasdaq: RCAT) ("Red Cat" or the "Company"), a drone technology company integrating robotic hardware and software for military, government, and commercial operations, announced today that it received notice and funds to exercise 750,000 outstanding warrants to purchase shares of common stock for cash at an exercise price of \$6.50 per share.

The gross proceeds to the Company from the exercise of these warrants is \$4.875 million. The proceeds will be used to support the Company's ongoing operations and growth initiatives.

"This additional \$4.875 million in funding extends our runway and enables us to pursue other non-dilutive capital opportunities," said Jeff Thompson, Red Cat CEO. "Over the past few weeks, we have streamlined our cap table by paying off debt and removing warrants. This also allows us to accelerate hiring for our new production facility in Long Beach."

About Red Cat Holdings, Inc.

Red Cat (Nasdaq: RCAT) is a drone technology company integrating robotic hardware and software for military, government, and commercial operations. Through two wholly owned subsidiaries, Teal Drones and FlightWave Aerospace, Red Cat has developed a Family of Systems. This includes the Black Widow™, a small unmanned ISR system that was awarded the U.S. Army's Short Range Reconnaissance (SRR) Program of Record contract. The Family of Systems also includes TRICHON™, a fixed wing VTOL for extended endurance and range, and FANG™, the industry's first line of NDAA compliant FPV drones optimized for military operations with precision strike capabilities. Learn more at www.redcat.red.

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 Form 10-K filed with the Securities and Exchange Commission on July 27, 2023. 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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