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Joining us today, is Glen Lynch the CEO of Volatus Aerospace the trades on our OTCQB Venture Market under the ticker VLTTF. Volatus Aerospace is a leading provider of integrated drone solutions throughout Canada, the United States, and Latin America. Operating a vast pilot network, Volatus serves commercial and defense markets with imaging and inspection, security and surveillance, equipment sales and support, training, design, and manufacturing.

Glen Lynch

Cecilia, thanks very much for having me.

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Absolutely, so let's get started. Give us some information about your personal and professional background.

Glen Lynch

So I'm ah I'm a guy that pretty much has been in the aerospace and aviation industry for about 40 years now it sounds funny to say that but I'm a professional pilot by training, I hold American airline transport pilot license, a Canadian airline transport license, and have been operating business jets throughout the world most of my life. About five years ago, I got pretty interested in the drone space and when we took a look at it what we saw was an industry that was exploding out of a nascent phase and really some pretty significant demands starting to develop, but the demands were largely being served by small businesses and that was the opportunity that we saw.

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Yeah, so walk us through what you do, and breakdown the different business lines of Volatus, and the markets you serve.

Glen Lynch

Yeah, so Volatus has basically 4 business lines. First of all, drone services that's where the majority of our revenues are generated so that's serving both civil and defense markets with training equipment sales regulatory compliance, and in cases where customers prefer an opex instead of a capex will actually provide turnkey services using our own drones our own pilots and our own data processing capabilities. Our second vertical is the center of excellence which is located just north of Toronto. It's a thirty-three Thousand Square foot facility that bridges between conventional aviation and drones, we have a manufacturing

facility there where we manufacture both our own equipment and contract manufacturing for other OEMs. We do our research and development there. We have our remote cockpit which is basically a pilot center that allows us to monitor drones remotely and our data processing center is there. Our third vertical is industrial defense and that's basically a group within Volatus that specializes on supporting heavy industry public safety, government and defense markets, and then the last vertical is our aviation group. So originally called partner jet it's rebranded Velatic aviation and that is a an aircraft a commercial aircraft operator. We operate business jet which holds some or is basically a placeholder for some licenses for us to operate larger unmanned cargo aircraft the kind we have we have 1 on order right now for delivery in 2025 produced by natalists in the United States and then also we have a pipeline patrol company which specializes in doing long linear inspections of oil and gas pipelines. Ultimately, we're expanding that business with the intention of converting it to sensor AI and ultimately drone technologies for automated inspections.

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And so, tell us about the evolution of the global drone market. You know, kind of the origin of how it was created, and to kind of speed it up to where it is right now, and what obstacles do you face now. For example, any regulatory or privacy issues that you see in different countries.

Glen Lynch

Privacy issues are something that ultimately, we deal with on a country-by-country basis. But it's pretty much common sense. There are some guidelines in terms of how you deal with data security but data security I think is overall a big subject. Looking at the drone industry overall it's kind of tough to go to go right back to the beginning of drones, but the first modern drone that's recognized happened in about 1935 and it was a drone that was used predominantly for military target practice. And 2006 is approximately when the first drones were approved for commercial ventures in the United States and if we're looking at today for example, drones are basically a fifty-eight billion dollar global industry, and that's based on a market. In markets 2021 report and in the commercial segment growing at a combined annual growth rate of about 26% a year, sixteen percent overall for the industry and that's prior to the crisis in Ukraine right now, which is kind of hyper stimulated the drone industry. The biggest challenge I guess to unlock the next level commercial activities within the drone industry is what they call BVLOS or beyond visual line of sight and that's an active discussion going on with governments around the world in the United States and Canada they're at various stages of regulatory review and reform. But basically, that's expected to happen over the next I would say twenty-four to thirty-six months

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would be my best guess probably have some others that might have a different point of view on that. But what that's going to allow us to do is introduce autonomous, a much greater degree of autonomy where drones can be used for long linear inspections over power lines and critical infrastructure and countless other opportunities by allowing the pilot to operate or the operator to run both a many to one many drones to 1 operator scenario and beyond visual line of sight. So that's up and coming. That's probably the biggest challenge but well underway.

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So excellent. So, what would you say is your competitive advantage in the industry?

Glen Lynch

I would say our scale without too much question, and our overall integration so we serve every corner of North America and that's all of Canada, all of the United States, rapidly expanding in in South America, and we have a new office that we opened in 2022 in the UK, and that's to head up our expansion in Europe, the Middle East, and Africa the other thing is we focus on or I shouldn't say we focus we serve both civil and defense customers with a very tight focus on commercialization, and that's probably our biggest competitive advantage is our scale and our real focus to get commercial opportunities to market.

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And what is on the horizon for Volatus in the next years – is there a particular sector you see your growth in?

Glen Lynch

Most definitely. So, our intention is to continue to expand geographically and reinforce our position in the current segments and markets that we're serving but I would say we see considerable growth right now in public safety, basically public safety has been rapid adopters of drone technologies and the use of drones as first responders. Cargo is the next area of growth, now when I say cargo, we focus on a little different area than many, we focus specifically on things that we can do today so, large industrial sites, intra-island deliveries, and basically offshore marine type activities basically ship to shore, shore to ship, ship-to-ship, restocking oil platforms and so on that's where we see significant growth in the next couple of years and then finally defense sector is obviously an area. That's got high demand right now for isr or intelligence surveillance and recognizant technologies to support conflict in Ukraine.

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So Volatus recently began trading on the OTCQB Venture Market and is also traded on the TSX-V. How does cross-trading on the OTCQB Market enhance your investor strategy in the U.S.?

Glen Lynch

Yeah, so the OTCQB Venture Market really offers us the benefits of being publicly traded in the U.S. So, it gives us access to retail and institutional investors beyond Canada, obviously, a much larger and number and different profile. It also creates more credibility in the U.S. market and allows us to attend investor conferences in the U.S. which helps us raise awareness and elevate our brand overall.

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And well Glen. Thanks so much for your time today. It's been great talking with you.

Glen Lynch

Cecilia, it's been a lot of fun. Thank you very much for taking the time with me today and if anybody has any questions, I'd invite them to look me up, Glenn Lynch on LinkedIn, or have a look at our website at www.volatusaerospace.com and thanks again.

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Volatus Aerospace trades under the symbol VLTTF on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*