Palladyne AI and Red Cat Announce Successful Completion of Cross-Platform Collaborative Drone Flight

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New testing milestone leverages three autonomous heterogeneous drone platforms for the first time

SALT LAKE CITY--(BUSINESS WIRE)--May 1, 2025-- Palladyne AI Corp. (NASDAQ: PDYN and PDYNW) (“Palladyne AI”), a developer of artificial intelligence software for robotic platforms in the defense and commercial sectors, and Red Cat Holdings, Inc. (NASDAQ: RCAT) (“Red Cat”), a drone technology company integrating robotic hardware and software for military, government, and commercial operations, today announced a significant testing milestone in their ongoing collaboration—the completion of an autonomous, cross-platform collaborative flight involving three diverse heterogeneous drones.

During this most recent testing, which leveraged Red Cat’s Teal 2 and Black Widow drones and the Palladyne™ Pilot AI software, each platform operated using onboard edge computing and constrained communication protocols without reliance on centralized infrastructure to communicate. The system enabled real-time, distributed detection and tracking of multiple dynamic and static ground objects—including humans and vehicles—ir different regions of interest, providing a single operator with comprehensive situational awareness. The two companies previously announced a successful two-drone flight operation in January 2025, and Palladyne AI announced a single-drone testing scenario in December 2024 to autonomously identify, prioritize, and track terrestrial targets.

“This new testing milestone represents significant progress in our joint mission with Red Cat to enable multi-drone interoperability and autonomous collaboration for the defense sector,” said Matt Vogt, Chief Revenue Officer, Palladyne AI. “We are proud to have successfully completed this three-drone flight and believe our joint, cross-platform, autonomous solution will be a game changer for U.S. military personnel and drone operators. With this major step forward, we are excited about what Palladyne Pilot will bring to our government and defense customers as well as to our target non-defense civil customer base.”

“Successfully expanding from single to three-drone operations reflects not only the reliability of our drones and Palladyne’s AI software, but also the capability of onboard systems to independently handle complex missions,” said Geoff Hitchcock, Chief Revenue Officer of Red Cat. “For warfighters, this provides greater situational awareness while requiring fewer operators in the field to manage multiple assets. This latest test is a meaningful step toward making multiple, collaborative autonomous systems more practical and effective in real-world defense scenarios.”

The Palladyne Pilot software is commercially available. For more information, please visit www.palladyneai.com/pilot.

About Palladyne™ Pilot

The Palladyne Pilot AI software platform transforms unmanned tactical systems into highly efficient autonomous force multipliers capable of persistent target tracking, dynamic collaboration, and enhanced situational awareness. With advanced perception, learning, and autonomous capabilities designed to reduce operational burden while dramatically improving mission effectiveness for military and defense operations, Palladyne Pilot stands ready to support and deliver mission effectiveness and success.

The development and continued advancement of Palladyne Pilot is the result of multiple contracts with the U.S. Air Force. From inception, Pilot was designed to be a collaborative sensing platform for unmanned vehicles and is one of the pillars, along with Palladyne IQ, of Palladyne AI’s technology offerings.

About Red Cat

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.

About Palladyne AI Corp.

Palladyne AI Corp. (NASDAQ: PDYN) has developed an advanced artificial intelligence (AI) and machine learning (ML) software platform poised to revolutionize the capabilities of robots, enabling them to observe, learn, reason, and act in a manner akin to human intelligence. Our AI and ML software platform empowers robots to perceive variations or changes in the real-world environment, enabling them to autonomously maneuver and manipulate objects accurately in response.

The Palladyne AI software solution operates on the edge and dramatically reduces the significant effort required to program and deploy robots enabling industrial robots and collaborative robots (cobots) to quickly achieve autonomous capabilities even in dynamic and or complex environments. Designed to achieve precise results with minimal training time, limited data sets, and lower power requirements, compared to current state-of-the-art solutions, Palladyne AI believes its software has wide application, including in industries such as automotive, aviation, construction, defense, general manufacturing, infrastructure inspection, logistics and warehousing. Its applicability extends beyond traditional robotics to include Unmanned Aerial Vehicles (UAVs), Unmanned Ground Vehicles (UGVs), and Remotely Operated Vehicles (ROVs). Palladyne AI’s approach is expected to elevate the

return on investment associated with a diverse range of machines that are fixed, fly, float, or roll.

By enabling autonomy, reducing programming complexity, and enhancing efficiency, Palladyne AI is paving the way for a future where machines can excel in tasks that were once considered beyond their reach.

For more information, please visit www.palladyneai.com and connect with us on LinkedIn at www.linkedin.com/company/palladyneaicorp.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the capabilities or future capabilities of the Company's technology and products, including Palladyne Pilot, the benefits of Palladyne Pilot and the industries that could benefit from it, and the applicability of the software platform to different kinds of machines (such as UAVs, UGVs and ROVs). Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. These statements may be preceded by, followed by, or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates," "intends" or "continue" or similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results, or performance to differ materially from those indicated by such statements. These forward-looking statements are based on Palladyne AI's management's current expectations and beliefs, as well as a number of assumptions concerning future events. However, there can be no assurance that the events, results, or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements speak only as of the date they are made, and Palladyne AI is not under any obligation and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Readers should carefully review the statements set forth in the reports which Palladyne AI has filed or will file from time to time with the Securities and Exchange Commission (the "SEC"), in particular the risks and uncertainties set forth in the sections of those reports entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements," for a description of risks facing Palladyne AI and that could cause actual events, results or performance to differ from those indicated in the forward-looking statements contained herein. The documents filed by Palladyne AI with the SEC may be obtained free of charge at the SEC's website at www.sec.gov.

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Palladyne AI Corp PR and Investor Contacts:

Press Contact:
PR@palladyneai.com

Investor Contact:
IR@palladyneai.com

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