

Bluedrop Signs Over \$5.5M Contract as Part of CFTS Program

Bluedrop will deliver a Bell 206 Level 7 Flight Training Device (FTD) for training Helicopter pilots in the Royal Canadian Air Force

HALIFAX, Nova Scotia--(BUSINESS WIRE)--January 11, 2017--Bluedrop Performance Learning Inc. ("Bluedrop") (TSX-V: BPL) through its subsidiary Bluedrop Training & Simulation Inc., has received a contract of over \$5.5M from KF Aerospace Defence Programs, operators of the Canadian Forces flight training program in Southport, Manitoba, to deliver a new Bell 206 Level 7 Flight Training Device (FTD) for the Contracted Flying Training and Support (CFTS) Program.

This new Level 7 FTD will provide the helicopter pilots with the most up to date flight training simulator available, equipped with a 220 deg. field of view visual system and 6-DOF cueing and vibration systems. The simulator will be installed at the CFTS Training Centre as part of the flight training program led by KF Aerospace Defence Programs and supported by Bluedrop Training & Simulation, Canadian Helicopters (HNZ) Ltd., and Canadian Base Operators. Located in Southport, Manitoba, the CFTS program has a majority role in training 80% of new pilots in the RCAF every year.

"We are very pleased to be a trusted member of the CFTS Program supplying, integrating and supporting state-of-the-art training devices for the air force" said Jean-Claude Siew, Vice President of Technology & Simulation, Bluedrop Training & Simulation. "This project underlines our extensive capabilities as a complete training systems integrator."

This new project is part of a larger scope of work that sees KF Aerospace Defence Programs and Bluedrop providing the Royal Canadian Air Force's Primary, Rotary Wing and Multi-engine Pilot training until 2027.

About Bluedrop Training & Simulation Inc.

Bluedrop Training & Simulation Inc. designs and develops advanced training systems and state-of-the-art simulation products to safely train operators and maintainers of complex equipment. Our approach leverages innovative technology to provide cost-effective blended-media training content, from classroom instruction and computer-based training (CBT) through to high-fidelity training devices. Bluedrop Training & Simulation is a small to medium-sized enterprise (SME) providing a strong value proposition offering 100% Canadian designed and developed solutions.

For more information about Bluedrop, visit www.bluedrop.com
You can follow us on Twitter: [@Bluedrop_BPL](https://twitter.com/Bluedrop_BPL)

About KF Aerospace

Founded in 1970, the company provides a wide range of aviation services to corporate, commercial and military customers worldwide. KF Aerospace is a strong contributor to the Canadian Aviation community for 47 years. Headquartered in British Columbia's Okanagan Valley, KF Aerospace is privately owned and one of the top aviation service providers in Canada. With about 800 highly skilled employees in locations across Canada, the company provides air cargo operations, aircraft leasing services, heavy aircraft maintenance and modifications, and military pilot training. KF Aerospace Defence Programs trains 80% of Canada's RCAF pilots to Wings Standard in both multi-engine and rotary wing roles; and oversees all aspects of training and facilities management at the Portage La Prairie, Manitoba location.

This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements, other than statements of historical fact included in this release, including, without limitation, statements regarding the impact of the operational restructuring and future plans and objectives of Bluedrop, constitute forward-looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the operational efficiencies associated with the integration of technological and financial systems and general economic and market conditions. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information.

Important factors that could cause actual results to differ materially from Bluedrop's expectations include general global economic conditions. For additional information with respect to risk factors applicable to Bluedrop, reference should be made to Bluedrop's continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, Bluedrop's Management's Discussion and Analysis of Results of Operations and Financial Condition For the Year Ended September 30, 2015. The forward-looking information contained in this release is made as of the date of this release and Bluedrop does not undertake to update publicly or revise the forward-looking information contained in this release, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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