UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 3, 2014

DRONE AVIATION HOLDING CORP.
(Exact name of registrant as specified in its charter)

Nevada	333-150332	46-5538504
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

11653 Central Parkway, Jacksonville, FL 32224
(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code (904) 245-1788

9521-B Riverside Parkway, #134, Tulsa, Oklahoma 74137
(Registrant's former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Drone Aviation Holding Corp. (the "Company") previously reported on its Current Report on Form 8-K filed on June 5, 2014 (the "Initial 8-K") that it had on June 3, 2014 entered into a Share Exchange Agreement (the "Exchange Agreement") with Drone Aviation Corp., a Nevada corporation ("Drone"), and the shareholders of Drone. Upon closing of the transaction contemplated under the Exchange Agreement (the "Share Exchange"), the shareholders of all of Drone's outstanding shares of common stock transferred all the outstanding shares of common stock of Drone to the Company in exchange for an aggregate of 8,050,000 shares of the Company's common stock, $0.0001 par value per share, and 36,050,000 shares of Series D Convertible Preferred Stock, par value $0.0001 per share. As a result of the Share Exchange, Drone became a wholly owned subsidiary of the Company. Following the Share Exchange, Lighter Than Air Systems Corp. ("LTAS"), a Florida corporation, continues to be a wholly owned subsidiary of Drone. This Amendment No. 1 to Current Report on Form 8-K/A (this "Form 8-K/A") amends the Initial 8-K to include the financial statements and pro forma financial information required to be filed in connection with the Share Exchange pursuant to Item 9.01 (a) and (b) of Form 8-K. The information previously reported under Items 1.01, 2.01, 3.02, 5.02 and 5.03 in the Initial 8-K are hereby incorporated by reference into this Form 8-K/A.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of Businesses Acquired.

The following historical audited financial statements of Lighter Than Air Systems Corp. are filed as Exhibit 99.1 hereto:

- Independent Auditors' Reports
- Balance Sheets as of December 31, 2012 and 2013
- Statements of Operations for the periods ended December 31, 2012 and 2013 and March 28, 2013
- Statements of Stockholders' Equity for the periods ended December 31, 2012 and 2013 and March 28, 2013
- Statement of Cash Flows for the periods ended December 31, 2012 and 2013 and March 28, 2013
- Notes to Financial Statements

(b) Pro Forma Financial Information.

The following unaudited pro forma financial statements, including the notes thereto, of Drone Aviation Holding Corp. are filed as Exhibit 99.2 hereto:

- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of December 31, 2013

- Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 2013
- Unaudited Pro Forma Condensed Consolidated Statement of Operations for the three months ended March 31, 2014
- Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements

(d) Exhibits. The following exhibits are filed with this Report:

Exhibit Number	Description
23.1	Consent of Rosen Seymour Shapss Martin & Company LLP
99.1	Audited financial statements of Lighter Than Air Systems Corp. as of and for the years ended December 31, 2012 and 2013
99.2	Unaudited pro forma financial statements of Registrant as of December 31, 2013 and for the year ended December 31, 2013 and the three months ended March 31, 2014

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Drone Aviation Holding Corp.
(Registrant)

Date: August 13, 2014

/s/ *Kendall Carpenter*
By: Kendall Carpenter
Title: Chief Financial Officer

EXHIBIT 23.1

Board of Directors
Drone Aviation Holding Corp.

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation of our report dated August 12, 2014 on our audit of the financial statements of Lighter Than Air Systems Corp. for the years ended December 31, 2012 and 2013 included in this Current Report on Form 8-K/A.

/s/Rosen Seymour Shapss Martin & Company LLP
Rosen Seymour Shapss Martin & Company LLP

New York, New York
August 13, 2014

EXHIBIT 99.1

INDEPENDENT AUDITOR'S REPORT

To the Stockholders of
Lighter Than Air Systems Corp.:

We have audited the accompanying financial statements of Lighter Than Air Systems Corp. (the "Company") which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lighter Than Air Systems Corp. at December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
August 13, 2014

/s/ Rosen Seymour Shapss Martin & Company LLP
Rosen Seymour Shapss Martin & Company LLP

LIGHTER THAN AIR SYSTEMS CORP.
BALANCE SHEETS

	DECEMBER 31, 2013 (Successor)	DECEMBER 31, 2012 (Predecessor)
ASSETS		
CURRENT ASSETS		
Cash	$ 109,826	$ 162,297
Accounts receivable, net of allowance for bad debts of $-, $- and $-	8,085	177,450
Inventories	75,311	15,326
Prepaid expenses	1,186	34,977
TOTAL CURRENT ASSETS	194,408	390,050
PROPERTY AND EQUIPMENT		
Property and equipment, net of accumulated depreciation of $4,563, $2,648 and $2,648, respectively.	1,998	3,913
OTHER NONCURRENT ASSETS		
Goodwill	807,824	-
	807,824	-
TOTAL ASSETS	$ 1,004,230	$ 393,963
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Due to parent	$ 206,874	$ -
Accounts payable	72,985	34,587
Accounts payable due related party	50,691	116,371
Accrued liabilities	17,926	31,330
Deferred revenues	1,650	50,000
TOTAL CURRENT LIABILITIES	350,126	232,288
TOTAL LIABILITIES	350,126	232,288
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, $.01 par value; 2,000 shares authorized; 100 share issued and outstanding	1	1
Additional paid-in capital	922,499	181,148
Accumulated deficit	(268,396)	(19,474)
TOTAL STOCKHOLDERS' EQUITY	654,104	161,675
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,004,230	$ 393,963

See accompanying notes to financial statements.

LIGHTER THAN AIR SYSTEMS CORP.
STATEMENTS OF OPERATIONS
FOR THE PERIODS ENDED,
MARCH 28 AND DECEMBER 31, 2013 AND
DECEMBER 31, 2012

	Successor Company	Predecessor Company	
	March 29, 2013 To December 31, 2013	January 1, 2013 To March 28, 2013	Year Ended December 31, 2012
REVENUES			
Sales	$ 436,148	$ 411,166	$ 390,098
Cost of sales	447,872	63,817	266,012
Gross profit (loss)	(11,724)	347,349	124,086
COSTS AND EXPENSES			
General and administrative	247,499	47,839	127,656
Professional fees	6,442	1,000	1,580
Depreciation and amortization	1,915	-	1,278
TOTAL EXPENSES	255,856	48,839	130,514
INCOME (LOSS) FROM OPERATIONS	(267,580)	298,510	(6,428)
OTHER INCOME (EXPENSE)			
Interest income (expense)	(816)	5	113
OTHER INCOME (EXPENSE)	(816)	5	113
(LOSS) INCOME BEFORE INCOME TAX EXPENSE	(268,396)	298,515	(6,315)
Income Tax Expense	-	-	-
Net (loss) income	$ (268,396)	$ 298,515	$ (6,315)

See accompanying notes to financial statements.

LIGHTER THAN AIR SYSTEMS CORP.
STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE PERIODS ENDED,
MARCH 28 AND DECEMBER 31, 2013 AND
DECEMBER 31, 2012

Description	COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL STOCKHOLDERS' EQUITY
BALANCE, DECEMBER 31, 2011	100	$ 1	$ 181,148	$ (13,159)	$ 167,990
Net loss - 2012				(6,315)	(6,315)
BALANCE, DECEMBER 31, 2012	100	1	181,148	(19,474)	161,675
PREDECESSOR:					
BALANCE, DECEMBER 31, 2012	100	1	181,148	(19,474)	161,675
Sale of common stock	(100)	(1)	(181,148)	19,474	(161,675)
BALANCE, MARCH 28, 2013	-	$ -	$ -	$ -	$ -
SUCCESSOR:					
BALANCE, MARCH 29, 2013	-	$ -	$ -	$ -	$ -
Push down accounting	100	1	922,499	-	922,500
Net loss	-	-	-	(268,396)	(268,396)
BALANCE, DECEMBER 31, 2013	100	1	922,499	(268,396)	654,104

See accompanying notes to financial statements

LIGHTER THAN AIR SYSTEMS CORP.
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED,
MARCH 28 AND DECEMBER 31, 2013 AND
DECEMBER 31, 2012

	DECEMBER 31, 2013 (Successor)	MARCH 28, 2013 (Predecessor)	DECEMBER 31, 2012 (Predecessor)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) income	$ (268,396	$ 298,515	$ (6,315)
Adjustments to reconcile net loss (earnings) to net cash used by operating activities:			
Depreciation and amortization	1,915	479	1,278
Change in operating assets and liabilities:			
Accounts receivables	171,121	(141,756)	(109,700)
Inventories	154,387	(172,732)	(7,526)
Prepaid expenses	1,780	31,500	(34,977)
Accounts payable	(54,505	(24,395	19,938
Due to (from) related party	190,691	(56,518)	36,555
Accrued liabilities	(346,542)	7,649	(676)
Deferred revenues	1,650	(50,000)	37,100
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(147,899	(107,258)	(64,323)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid on business combination	158,545	-	-
Advances to Parent	99,180	-	-
Capital expenditures	-	-	(2,035)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	257,725	-	(2,035)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans from shareholders	-	103,506	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	103,506	-
NET CHANGE IN CASH	109,826	(3,752)	(66,358)
CASH – BEGINNING OF YEAR	-	162,297	228,655
CASH – END OF YEAR	$ 109,826	$ 158,545	$ 162,297
SUPPLEMENTAL DISCLOSURES			
Cash paid during the period for:			
Interest	$ -	$ -	$ -
Taxes	$ -	$ -	$ -

See accompanying notes to financial statements

LIGHTER THAN AIR SYSTEMS CORP.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

DESCRIPTION OF BUSINESS

Lighter Than Air Systems Corp. (LTAS) (the "Company"), provides critical aerial and land-based surveillance and communications solutions to government and commercial customers. LTAS systems are designed and developed in-house utilizing proprietary technologies and processes that result in compact, rapidly deployable aerostat solutions and mast-based ISR systems. The LTAS systems have been proven to fulfill critical requirements of the military and law enforcement in the U.S. and internationally.

BASIS OF PRESENTATION

The accompanying financial statements of Lighter Than Air Systems Corp. were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

World Surveillance Group, Inc. acquired all of the outstanding common stock of LTAS on March 28, 2013. This transaction (the "Acquisition") resulted in a change in control, and has been accounted for as a business combination. As a result of the Acquisition, the financial information for the periods after the Acquisition is a different carrying value than for the period before the Acquisition. The difference affects the amounts at which certain assets and liabilities are carried in the balance sheets and the amounts of certain revenues and expenses that are recognized in the statements of operations, which as a result are not comparable.

The Company is referred to as the "Successor" for all periods subsequent to the Acquisition. All references to "Predecessor" refer to LTAS which operated under a different ownership and capital structure for the period prior to the Acquisition.

ORGANIZATION

On March 28, 2013, World Surveillance Group Inc ("WSGI") consummated a Stock Purchase Agreement (the "Agreement") by and among WSGI, Lighter Than Air Systems Corp. ("LTAS"), Felicia Hess (the "Shareholder") and Kevin Hess ("KHess") pursuant to which WSGI acquired 100% of the outstanding shares of capital stock of LTAS, thereby making LTAS a wholly-owned subsidiary of the WSGI.

The purchase price paid by the WSGI for LTAS consisted of $250,000 in cash payable on or before the date that is 30 days after the closing of the acquisition (the "Closing"), 25,000,000 shares of the WSGI's common stock valued at the acquisition date based on the market price of $0.0269 per share, and an earn-out based on varying percentages of the gross revenues based on the level of revenue from contracts with an identified group of potential customers. No value was ascribed to the earn-out because future revenues, if any, cannot be reliably predicted. Pursuant to the Agreement and an Escrow Agreement, 7,500,000 shares of common stock out of the 25,000,000 shares issued by WSGI have been placed in escrow for one year to satisfy possible indemnification claims of the LTAS. Felicia Hess, the President of LTAS, has entered into an employment agreement to continue in her role as President of LTAS. The Agreement also includes restrictions on the sale of the WSGI's securities issued as the purchase price by the Shareholder for a one-year period following the Closing.

In connection with the Closing, LTAS, the Shareholder and the WSGI also entered into an Option Agreement dated March 28, 2013 pursuant to which the Shareholder was granted an exclusive option to purchase the shares of LTAS held by WSGI on the occurrence of (i) a WSGI bankruptcy event, or (ii) a decrease in the daily volume of WSGI's common stock to below 50,000 shares for 30 consecutive days, occurring within 18 months of the Closing at a purchase price equal to the fair value of the LTAS stock at the time of such triggering event.

The WSGI common stock issued as purchase price pursuant to the Agreement issued as restricted securities under an exemption provided by Section 4(2) of the Securities Act of 1933, as amended.

On December 31, 2013, the WSGI entered into a First Amendment to the Agreement (the "First Amendment") by and among the WSGI, Lighter Than Air Systems Corp. ("LTAS"), Felicia Hess (the "Shareholder") and Kevin Hess ("KHess"), which amended and restated various terms and conditions of the Agreement and revised the purchase price from 25 million shares plus $250,000 cash payment to 45 million shares and no cash payment due the selling shareholder and deleted the earn-out payment provisions in their entirety.

The following table summarizes the original allocation of the LTAS acquisition purchase price, which has been accounted at the fair values of the assets acquired and liabilities assumed under the acquisition method of accounting adjusted pursuant to the First Amendment to the Agreement:

	Original Allocation	Allocation Adjustments	Amended Allocation
Current assets	$ 703,220	$ 7,195	$ 710,415
Property and equipment	1,357	2,556	3,913
Goodwill	479,585	328,239	807,824
Due to selling shareholder	0	(350,000)	(350,000)
Current liabilities assumed	(261,662)	12,010	(249,652)
Total Purchase Price	$ 922,500	$ 0	$ 922,500

In connection with the acquisition, the assets and liabilities of LTAS were recorded at their respective fair values adjustments including goodwill of $807,824 have been pushed down to separate financial statements of the Company and new basis of accounting is established base on the purchase transaction.

REVENUE RECOGNITION

The Company recognizes revenue when all of the following criteria are met: 1) delivery has occurred and title has transferred or services have been rendered; 2) our price to the buyer is fixed or determinable; and 3) collectability is reasonably assured. Deferred revenues primarily result from advance deposits from customers for jobs or work orders not yet completed. Upon shipment of the completed job or work order, the Company will recognize revenue.

ACCOUNTS RECEIVABLE

Accounts receivable are stated at amounts due from customers net of an allowance for doubtful accounts. Management reviews the accounts receivable for potential uncollectible accounts and provides an allowance for bad debts when considered necessary. Accounts receivable are written off when management determines that they become uncollectible. No allowance was considered necessary at December 31, 2013 or 2012.

INVENTORIES

Inventories are stated at the lower of costs, determined on a first-in, first-out basis, or market, which represents management's best estimate of market value.

INCOME TAXES

Prior to the acquisition of the Company by World Surveillance Group Inc on March 28, 2013, the Company accounted for income taxes as an S corporation. As an S Corporation, the Company does not pay any income tax. Instead the taxation of income earned by, and the allocation of losses incurred by the Company, are passed through to its shareholders, who report the income and deductions on their own individual income tax returns.

Subsequent to the acquisition of the Company by World Surveillance Group Inc, the Company changed its tax status to a C corporation, after which its taxable income or loss were reflected in World Surveillance Group Inc 's consolidated tax returns.

PROPERTY AND EQUIPMENT

Property and equipment are carried at historical cost less accumulated depreciation. Depreciation is based on the estimated service lives of the depreciable assets and is calculated using the straight-line method. Expenditures that increase the value or productive capacity of assets are capitalized. Fully depreciated assets are retained in the property and equipment, and accumulated depreciation accounts until they are removed from service. When property and equipment are retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. Repairs and maintenance are expensed as incurred.

The estimated useful lives of property and equipment are generally as follows:

·Machinery and equipment	3 – 10 years
·Office furniture and fixtures	3 – 10 years
·Computer hardware and software	3 – 5 years
·Transportation vehicles	3 – 5 years

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. RELATED PARTY TRANSACTIONS

The accounts payable due to related party at December 31, 2013 and 2012, includes allocated rent charges, aerostat envelopes, and labor charges due Aerial Products Corp ("APC") of $50,691 and 116,371, respectively. APC is a related party, controlled by a current employee of the Company. APC shares the manufacturing facilities with LTAS and provides aerostat envelopes and manufacturing labor to LTAS. Total charges from APC to LTAS during the period ended December 31, 2013 were $28,589

The Company made payments of $16,055 in 2012 to Aerial Products Corp. ("APC"), an affiliated company, owned and controlled by a current employee of the Company.

At the end of 2012, the Company received an advance deposit of $50,000 from Global Telesat Corp ("GTC"), a wholly-owned subsidiary of World Surveillance Group for the purchase of two aerostat systems

NOTE 3. DUE TO PARENT

The due to parent liability at December 31, 2013 of $206,874 consists of $96,874 in accrued salary to Felicia Hess which was converted to options in World Surveillance Group, Inc. (WSGI) and $110,000 related to a re-allocation of a portion of the original purchase price paid to Felicia Hess.

NOTE 4. INVENTORIES

Inventories consisted of the following:

	December 31, 2013	December 31, 2012
Raw materials	$ 12,775	$ 5,000
Work in progress	51,000	10,326
Finished goods	11,536	0
	75,311	15,326

NOTE 5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	December 31, 2013	December 31, 2012
Machinery and equipment	$ 1,100	$ 1,100
Office furniture and fixtures	5,461	5,461
	6,561	6,561
Less: accumulated depreciation	(4,563)	(2,648)
	$ 1,998	$ 3,913

NOTE 6. ACCRUED LIABILITIES

Accrued liabilities consisted of the following:

	December 31, 2013	December 31, 2012
Payroll liabilities	$ 17,926	$ 31,330
ACCRUED LIABILITIES	$ 17,926	$ 31,330

NOTE 7. PREPAID EXPENSES

Prepaid expenses consisted of the following:

	December 31, 2013	December 31, 2012
Prepaid insurance	$ 1,186	$ 3,477
Prepaid deposit on inventory purchases	0	31,500
PREPAID EXPENSES	$ 1,186	$ 34,977

NOTE 8. COMMITMENTS

Lease Commitments

APC, a related party, currently leases the shared office and manufacturing facility under a 3-year lease agreement, which can be cancelled without penalty after the thirteenth month of the lease term. During 2013 and 2012, APC allocated $22,470 and $19,260, respectively, in rent expense to LTAS based upon estimated square footage occupied. The Company has no other long-term contracts or commitments.

NOTE 9. LITIGATION AND CONTINGENCIES

In the ordinary conduct of business, the Company may be subject to periodic lawsuits, investigations and litigation claims, which the Company will accrue for where appropriate and can be reasonably estimated. The Company cannot predict with certainty the ultimate resolution of such lawsuits, investigations and claims asserted against it.

NOTE 10. SUBSEQUENT EVENTS

The Company has evaluated its subsequent events through August 12, 2014, the date the financial statements were available to be issued.

EXHIBIT 99.2

DRONE AVIATION HOLDING CORP.
Unaudited Combined Pro Forma Balance Sheet at
March 31, 2014

ASSETS

	DRONE	LTAS	Proforma Adjustments	Adjusted Pro Forma Totals
CURRENT ASSETS				
Cash	$ 572,041	$ 53,429	$ -	$ 625,470
Accounts receivable	20,442	135,050	-	155,492
Inventories	-	65,122	-	65,122
Prepaid expenses	18,440	1,625	-	20,065
TOTAL CURRENT ASSETS	610,923	255,226	-	866,149
Property and equipment, net of accumulated depreciation	2,470	1,728	(2,470)	1,728
OTHER ASSETS				
Goodwill	-	807,824	(671,418)	136,406
Customer list	-	-	135,550	135,550
Investments held for resale	315,353	-	-	315,353
Capitalized patent costs, net of accumulated amortization	69,520	-	(69,520)	-
TOTAL ASSETS	$ 998,266	$ 1,064,778	$ (607,858)	$ 1,455,186
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES				
Accounts payable trade	$ 61,837	$ 93,473	$ -	$ 155,310
Accounts payable - related parties	-	254,957	(254,957)	-
Accrued liabilities	-	65,140	-	65,140
Accrued debenture interest	48,083	-	(48,083)	-
Accrued shareholder loan interest	47,988	-	(47,988)	-
Short term debt - related parties	22,500	-	-	22,500
Current maturities of note payable	110,000	-	-	110,000
TOTAL CURRENT LIABILITIES	290,408	413,570	(351,028)	352,950
LONG TERM LIABILITY				
Shareholder note payable	533,681	-	(533,681)	-
Convertible debentures, net of discount of $50,000	100,000	-	(100,000)	-
	633,681	-	(633,681)	-
TOTAL LIABILITIES	924,089	413,570	(984,709)	352,950
STOCKHOLDERS' EQUITY				
Convertible preferred stock, Series A, $.0001 par value; authorized 595,000 shares; 556,900 and 0 shares issued and outstanding, at June 30, 2014 and December 31, 2013, respectively	-	-	60	60
Convertible preferred stock, Series B, $.0001 par value; authorized 324,674 shares; 324,671 and 0 shares issued and outstanding, at June 30, 2014 and December 31, 2013, respectively	-	-	32	32
Convertible preferred stock, Series B-1, $.0001 par value; authorized 156,231 shares; 68,731 and 0 shares issued and outstanding, at June 30, 2014 and December 31, 2013, respectively	-	-	16	16
Convertible preferred stock, Series C, $.0001 par value; authorized 355,000 shares; 355,000 and 0 shares issued and outstanding, at June 30, 2014 and December 31, 2013, respectively	-	-	36	36
Convertible preferred stock, Series D, $.0001 par value; authorized 36,050,000 shares;	-	-	3,605	3,605

36,050,000 and 10,000,000 shares issued and outstanding, at June 30, 2014				
and December 31, 2013, respectively				
Convertible preferred stock, Series E, $.0001 par value; authorized 2,700,000 shares;	-	-	270	270
2,700,000 and 0 shares issued and outstanding, at June 30, 2014				
and December 31, 2013, respectively				
Common stock, $.0001 par value; authorized 300,000,000 shares;	1,982,191	1	(1,980,995)	1,197
15,780,700 and 0 shares issued and outstanding, at June 30, 2014				
and December 31, 2013, respectively				
Additional paid in capital	19,946,750	922,499	(19,431,417)	1,437,832
Accumulated other comprehensive income	(455,985)	-	455,985	-
Accumulated deficit	(21,398,779)	(271,292)	21,329,259	(340,812)
TOTAL STOCKHOLDERS' DEFICIT	74,177	651,208	376,851	1,102,236
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 998,266	$ 1,064,778	$ (607,858)	$ 1,455,186

DRONE AVIATION HOLDING CORP.
Unaudited Combined Pro Forma Statements of Operations --
Three Months Ended March 31, 2014

	DRONE	LTAS	Pro Forma Adjustments	Pro Forma Adjusted Combined Totals
Sales	$ 134,808	$ 229,350	$ (134,808)	$ 229,350
Cost of goods sold	99,557	139,238	(99,557)	139,238
Gross Profit	35,251	90,112	(35,251)	90,112
Operating expenses				
General and administrative expenses	244,660	90,201	(244,660)	90,201
Total operating expenses	244,660	90,201	(244,660)	90,201
LOSS FROM OPERATIONS	(209,409)	(89)	209,409	(89)
Interest expense, net	(15,555)	-	15,555	-
Net loss	$ (224,964)	$ (89)	$ 224,964	$ (89)
Net Loss Per Share - Basic and Diluted	$ (0.03)	$ (0.00)	$ -	$ (0.00)
Weighted Average Shares Outstanding - Basic and Diluted	8,050,000	3,920,700	-	11,970,700

DRONE AVIATION HOLDING CORP.
Unaudited Combined Pro Forma Statements of Operations --
Year ended December 31, 2013

	DRONE	LTAS	Pro Forma Adjustments	Pro Forma Adjusted Combined Totals
Sales	$ 1,454,337	$ 847,314	$ (1,454,337)	$ 847,314
Cost of goods sold	854,471	511,689	(854,471)	511,689
Gross Profit	599,866	335,625	(599,866)	335,625
Operating expenses				
General and administrative expenses	777,920	187,705	(777,920)	187,705
Total operating expenses	777,920	187,705	(777,920)	187,705
LOSS FROM OPERATIONS	(178,054)	147,920	178,054	147,920
OTHER INCOME (EXPENSE)				
Other income	6,681	-	(6,681)	-
Interest expense, net	(69,311)	(811)	69,311	(811)
Net loss	$ (240,684)	$ 147,109	$ 240,684	$ 147,109
Net Loss Per Share - Basic and Diluted	$ (0.03)	$ 0.04	$ -	$ 0.01
Weighted Average Shares Outstanding - Basic and Diluted	8,050,000	3,920,700		11,970,700

Notes to Unaudited Pro Forma Consolidated Financial Statements

Drone Aviation Holding Corp. (DAHC) entered into a Share Exchange Agreement with Drone Aviation Corp. (DAC), whereby Drone Aviation Holding Corp exchanged 67.2% of its outstanding shares of common stock and 89.7% of its outstanding shares of preferred stock for 100% of the outstanding shares of Drone Aviation Corp. common stock. As of the closing date, Drone Aviation Corp., and its subsidiary Lighter Than Air Systems (LTAS), will operate as wholly-owned subsidiaries of Drone Aviation Holding Corp.

As a result of the Share Exchange Agreement, each outstanding share of Drone Aviation Corp. common stock shall be transferred, conveyed and delivered to Drone Aviation Holding Corp. in exchange for 8,050,000 newly-issued shares of common stock and 36,050,000 newly-issued shares of Series D preferred stock of Drone Aviation Holding Corp.

As of the closing date of the Share Exchange Agreement, the former shareholders of Drone Aviation Corp. held approximately 30.2% of the issued and outstanding common and preferred shares on a fully-diluted basis of Drone Aviation Holding Corp. The preferred stock contains a restrictive blocker with respect to individual holders' ownership notwithstanding. The issuance of 8,050,000 common shares and 36,050,000 preferred shares to the shareholders of Drone Aviation Corp. was deemed to be an acquisition for accounting purposes. The number of shares outstanding and per share amounts have been restated to recognize the recapitalization as reflected in pro forma adjustments.

The pro forma consolidated balance sheets of Drone Aviation Holding Corp. and DAC/LTAS are presented here as of March 31, 2014. The pro forma consolidated statements of operations for Drone Aviation Holding Corp. and Drone Aviation Corp. are presented here as of the year ended December 31, 2013 and the three months ended March 31, 2014.