



XREALITY GROUP LIMITED

xReality Group Limited (ASX:XRG)

ACN 154 103 607

ASX Release

Sydney, Australia – 7th November 2022

First Sale of Operator LE virtual reality training system to the Western Australia Police Force

- First Law Enforcement Sale of **Operator LE** with 5-year contract signed with the Western Australia Police Force
- Total contract value is up to \$1.7M over 5 years
- Initial order value of \$1.04M to be delivered early 2023
- Significant growth of sales pipeline across domestic and international police and military markets.

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XRG is pleased to announce the first sale of its Virtual Reality based Police de-escalation training system, **Operator LE**, to the Western Australia Police Force.

The total contract value is up to \$1.7M (GST inclusive) over a 5-year period. The first order, valued at \$1.04M includes hardware, software licensing and support over a 3-year term. The additional \$634K covers software licensing and support for an optional further 2 years.

The contract was won through a competitive Government tendering process of which XRG was selected from a number of established international bidders.

Operator LE allows Police and Law Enforcement Officers to train operational tactics and procedures within a portable, virtual reality environment. Complimenting existing training methods, the virtual reality system allows officers to train more often, leading to increased preparedness across a broad range of scenarios centred on de-escalation tactics, use of force decision making, and operational procedures. The system has been developed from the ground up by XRG, using the latest innovations in Virtual Reality technology, with all IP owned by XRG. For a video demonstration of Operator, see www.operatorsimulation.com

The Western Australia Police Force includes 7300 Sworn Officers, which is approximately 11% of the total Police Officers in Australia and 0.3% of the global Total Addressable Market in Law Enforcement.

The confirmation of the first commercial sale through a competitive tendering process demonstrates product market fit of the **Operator LE** system with the hardware, scenarios and pricing model being validated in a competitive commercial environment.

Following a strong marketing focus over the last 6 months the Operator sales pipeline has significantly grown with numerous opportunities across domestic and international police and military agencies.



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Sergeant Mark Crossley, Training Development Manager, Operational Safety and Tactics Training, Western Australia Police Force, said “We believe the Operator LE Virtual Reality system will complement the Western Australia Police Force existing training programs through its ability to recreate dangerous and logistically challenging scenarios, while also increasing training frequency. The WA Police Force was extremely impressed with Operator’s portability, realistic weapons, and scenarios tailored for Australian policing environments. We are looking forward to implementing the system into our training regime.”

Wayne Jones, CEO, XRG, said “The Western Australia Police Force tendering process pitted Operator against established global competitors. The resulting success is validation of a superior product and market fit and we are excited about the future market potential. We have established an extensive pipeline of sales, receiving interest across four continents in a very short period of time.”

This announcement is authorised by the Board of Directors.

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About xReality Group Limited (ACN: 154 103 607)

xReality Group Limited are leaders in enterprise software development for mission critical simulations for military and law enforcement. The company develops and operates physical and digital simulations. Portfolio companies include Indoor Skydiving facilities, Virtual Reality (VR) and Augmented Reality (AR) entertainment, training, and production.

Operator provides Military and Law Enforcement agencies with a unique, integrated Mission Planning & Rehearsal System, which is portable, secure and highly immersive. See <https://www.operatorsimulation.com/>

The Company is listed on ASX on under the code XRG.

For further information visit: www.xrgroup.com.au

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