



XREALITY GROUP LIMITED

xReality Group Limited (ASX:XRG)

ACN 154 103 607

ASX Release

Sydney, Australia – 24 August 2023

First Sale in the United States – Operator XR

xReality Group Limited (“XRG” or the “Company”) is pleased to announce that its US subsidiary, Operator XR LLC (Operator XR), has secured its first Law Enforcement customer in the United States, representing a significant milestone in validating product market fit and demand for both of its product lines.

- The United States market comprises of over 18,000 individual Law Enforcement agencies, from Local, County, State to Federal and represents the single largest market opportunity for Operator XR, with both its products lines being acquired.
- The customer, Garfield County Sheriff’s Office, (GCSO) based in Colorado, acquired both product lines, to service their tactical teams needs for immersive team-based Virtual Reality (VR) training capability, and its patrol officers for de-escalation training.
- The contract was awarded after successful demonstrations and detailed technical assessment of Operator XR capability, against that of other established competitors.

Operator XR established its US operations, including on the ground sales staff, in only February 2023, and has received strong and steady interest in many states to date.

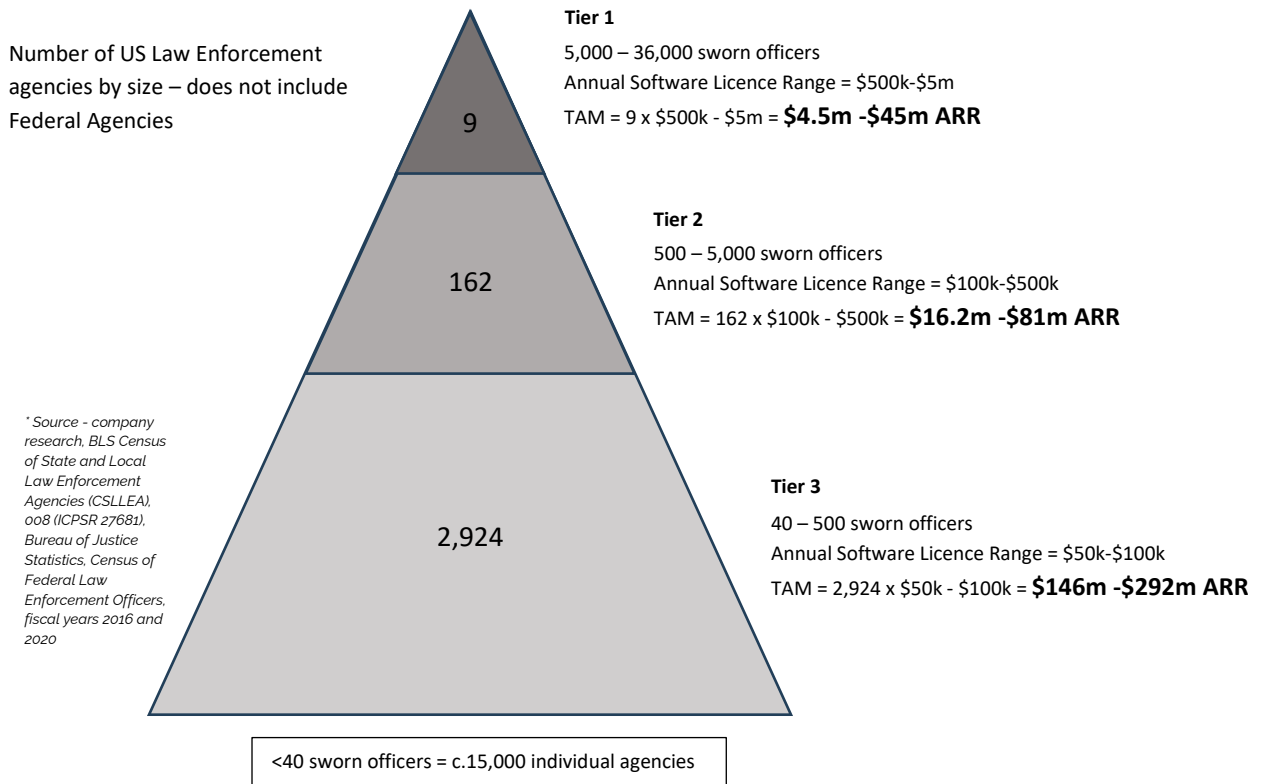
The purchase of both of its systems will be used by the County to focus on providing accessible, highly realistic and immersive VR training capability for its tactical teams, and a focus on de-escalation training for their patrol officers.

The OP-1 (military and tactical police) system enables police and military tactical teams to train their operational tactics and procedures, for example, rehearsing an incident at a virtual sensitive site such as a school, shopping mall or transport hub, where teams can train complex resolutions of a siege, active armed offender or other highly complex situations. Training as a team inside an immersive, realistic VR platform that operates entirely offline, is highly secure and very easy to use.

The OP-1 LE (general duties police) de-escalation system enables patrol officers and recruits to experience and train in many and varied stressful VR situations including public disturbance, domestic violence, aggressive person of interest, and many other contemporary situations. Scenarios where non-lethal consideration of force, and application of use of force policies, can be trained and rehearsed easily and continually.

The commercial nature of the sale is confidential however the Garfield County Sheriff’s Office fits within Tier 3 of the table below. The initial focal point for Operator XR’s US go-to-market strategy is agencies between 50-500 sworn officers, a total of approximately 3,000 agencies in the US.

US State and Local Police Departments - Total Addressable Market



The systems will be implemented prior to the end of October 2023.

“Securing our first customer in the USA marks a major milestone for XRG. It highlights the product fit and sets the stage for our sustained commitment and growth in the North American markets. The significance of this first sale cannot be understated, it will amplify our presence in the market and provide a substantial springboard into a large number of agencies of all sizes.” – Wayne Jones, XRG, CEO.

Garfield County Sheriff, Lou Vallario commented, “After a detailed testing and assessment process, Operator XR was selected as a solution to meet the training and professional development needs of the Garfield County Sheriff’s Office. Operator XR provides a training solution to our Deputies which directly coincides with the Sheriff’s Office vision statement of “See the future and prepare for it today”. Operator XR’s platform will enhance Deputies skills and abilities to de-escalate volatile situations and assist them in their primary mission of providing safety, service, and security to Garfield County citizens. The Garfield County Sheriff’s Office is excited for this partnership with Operator XR and is looking forward to helping lead a transformative change in virtual law enforcement training.”



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This ASX Release is authorised by the Board of xReality Group Limited.

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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 XR provides Military and Law Enforcement agencies with a unique, integrated Mission Planning & Rehearsal System, which is portable, secure and highly immersive. See operatorxr.com

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

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

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