

9 August 2023, Australia

ASX RELEASE**VECTION TECHNOLOGIES FORMS ALLIANCE WITH SPACE INDUSTRY LEADERS FOR VIRTUAL REALITY**

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY), the INTEGRATEDXR[®] company is pleased to announce the execution of a binding partnership agreement with Thales Alenia Space, Next One Film Group, and ALTEC. Together, the partners will embark on the development of Lunar City, a space-focussed Virtual Reality (VR) metaverse platform. This platform aims to promote space travel and inspire future generations as NASA's Artemis Program prepares to return astronauts to the lunar surface.

This announcement follows on from a Memorandum of Understanding (MoU) and a first revenue-generating contract with the same partners. (ASX: 25 January 2023 and 1 February 2023)

HIGHLIGHTS:

- Vection Technologies forms a strategic alliance with Thales Alenia Space, Next One Film Group, and ALTEC to pioneer "Lunar City", a space focussed Virtual Reality (VR) metaverse platform.
- Vection Technologies to collaborate with the partners to establish a joint venture company for Lunar City, called "Lunar Company".
- Lunar City aims to promote space travel and inspire future generations through immersive experiences, ahead of NASA's Artemis Program.
- Vection Technologies was appointed as the exclusive 3D, VR, and augmented reality (AR) provider as part of the partnership.
- Partners anticipate debuting the Lunar City platform at the International Astronautical Congress in 2024.

OVERVIEW:

The alliance between Vection Technologies, Thales Alenia Space, Next One Film Group and ALTEC, represents a strategic step in the field of virtual space exploration. Through the Lunar City platform, customers will benefit from immersive experiences, and an unparalleled understanding of space tourism, and other significant space missions. Together, the partners aim to inspire, educate, and revolutionize the way people engage with space, opening new horizons for the future of space exploration.

Vection Technologies will contribute its extensive knowledge and experience in 3D, virtual, augmented, and mixed reality technologies to the alliance. Thales Alenia Space, recognized for its unrivalled satellite and space module manufacturing expertise, will provide invaluable industry knowledge. Next One Film Group will bring innovative content creation capabilities, and ALTEC will contribute its engineering know-how in aerospace logistics technology. With their combined strengths, the partners have a shared vision to revolutionize space travel and exploration through the Lunar City platform.

VECTION TECHNOLOGIES LTD

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Furthermore, the partners aim to establish the Lunar Company, a limited liability company, initially incorporated with Vection Technologies and NextOne Film Group as shareholders. Thales Alenia Space and ALTEC will retain the option to join the joint-venture company during the next six months. The incorporation of the Lunar Company signifies a commitment to the success and sustainability of the Lunar City platform. With the combined efforts of the partners, the Lunar Company will manage commercial, strategic, sales, and technological activities, ensuring a seamless and customer-centric experience. Moreover, the partners will actively promote the project to secure funding from various stakeholders, including institutions and governments, enhancing the platform's development, and expanding its capabilities.

The initial goal of the alliance is to unveil the Lunar City platform at the prestigious International Astronautical Congress (IAC) in 2024. This event in space exploration will mark the first-ever real-time virtual link with the International Space Station, enabling customers to engage with space in an interactive and immersive manner. By bringing space closer to the public, the partners aim to inspire a sense of wonder and curiosity, fostering a new generation of space enthusiasts and contributing to the advancement of space travel.

Gianmarco Biagi, managing director of Vection Technologies Ltd, commented:

"We are thrilled to partner with Thales Alenia Space, Next One Film Group, and ALTEC in this exciting project. Through our expertise in immersive technologies, we are excited to enhance the customer experience and offer the public an unprecedented opportunity to explore space through the Lunar City metaverse platform."

Although the financial impact of this partnership agreement is not determinable at this time, with direct revenue subject to the successful development and commercialisation of the Lunar City platform, this agreement is anticipated to be material for the Company. This view is based on the calibre of the partners that have joined the partnership and the Company's strategy in the defence and aerospace sector.

This binding partnership agreement commences immediately, has a duration of 2 years, and can be terminated by any party with 60 days written notice.

AUTHORISATION:

This ASX release is authorised by the Board of Directors of Vection Technologies Limited.

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ABOUT VECTION TECHNOLOGIES:

Vection Technologies is a growing enterprise-focused company that helps businesses bridge the physical and digital worlds. We help organizations leverage their 3D data via powerful extended reality (XR) interfaces that foster collaboration and learning, grow sales and more.

Vection Technologies is listed on the Australian Securities Exchange (ASX) with ticker code **VR1**, and trades on the U.S. over-the-counter (OTC) markets under the symbol **VCTNY**.

For more information, please visit: www.vection-technologies.com

ABOUT THALES ALENIA SPACE ITALIA SPA:

Thales Alenia Space is a Franco-Italian aerospace manufacturer. A joint venture between the French technology corporation Thales Group and Italian defence conglomerate Leonardo, the company is the largest satellite manufacturer in Europe. Thales Alenia Space has over 50 years of experience in building systems and equipment for space telecommunications, navigation, Earth observation, science, exploration, and transportation. Human orbital infrastructures are a particular area of expertise, with Thales Alenia Space having contributed several pressurized modules for the International Space Station, and now being involved in a variety of projects for exploration of the moon and Mars.

For more information, please visit: www.thalesaleniaspace.com/en

ABOUT NEXT ONE FILM GROUP:

Next One Film Group has considerable expertise and experience in the field of audio-visual and multimedia production and interactive exhibits, space economy and aerospace communication, drawing from a long experience in the realization of high-technology multimedia educational contents and creator formats applied to the aerospace sector in collaboration with the Italian Space Agency (ASI), the European Space Agency (ESA) and NASA.

For more information, please visit: www.nextonefilmgroup.com/home-en/

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ABOUT ALTEC:

ALTEC is an Italian company wholly owned by Thales Alenia Space Italia SpA and by the Italian Space Agency which has expertise related to development of ground segment, satellite services and provision of training, engineering support and logistic/operations support to the International Space Station, space experiments and astronauts' support. ALTEC has an extensive involvement in services related to space exploration, low earth orbit, big data, and innovation; ALTEC is responsible for providing directly to ESA the Training, Logistics and Operations Support Services for the ISS. ALTEC also has expertise in software and virtual reality and augmented reality for which it has a dedicated room. ALTEC has been involved in commercial and initiatives aimed at the exploitation of space in the field of space tourism, training, and operations.

For more information, please visit: www.altecspace.it

FORWARD LOOKING STATEMENTS:

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Vection Technologies' current expectations, estimates and projections about the industry in which Vection Technologies operates, and beliefs and assumptions. Forward looking statements can generally be identified by the use of forward-looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of Vection Technologies, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Vection Technologies only as of the date of this release. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Vection Technologies has no obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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