

21 March 2024, Australia

ASX RELEASE**DEFENCE CONTRACT - \$4.2m CASH RECEIVED**

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY), ("Vection" or the "Company"), the INTEGRATEDXR[®] company, is pleased to announce the cash receipt of \$4.2m inc VAT (€2,572,457) in relation to the defence contract award announced on 12 February 2023.

The Company received the customer's first payment of \$1.3m inc VAT (€769,800) on 1 February 2024 and expected the remaining amount upon execution of the contract.

Following this payment, an amount equal to \$0.7m inc VAT (€427,743) is outstanding and is expected to be received by the end of April 2024.

The Company anticipates completing and delivering this project in 3QFY24. After project delivery, the outward supplier cash flows are expected to be remitted in Q4 FY24.

MATERIALITY THRESHOLD:

This announcement is deemed material by the Board as it exceeds the Company's Announcement Materiality Threshold. The Announcement Materiality Threshold is for individual or multiple contracts cumulatively equating to more than \$500k in Revenue and/or significant strategic value.

AUTHORISATION:

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

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VECTION TECHNOLOGIES LTD

ASX:VR1; OTC:VCTNY | ACN: 614 814 041

GLOBAL OFFICES

PERTH | SYDNEY | SAN FRANCISCO | MILAN | BOLOGNA | ROME | BARI | ABU DHABI | AHMEDABAD

WEBSITEwww.vection-technologies.com**REGISTERED OFFICE**Level 4, Building C, Garden Office Park, 355
Scarborough Beach Road,
Osborne Park WA 6017 - Australia

ABOUT VECTION TECHNOLOGIES:

Vection Technologies is a growing enterprise-focused company that helps businesses bridge the physical and digital worlds. We help organisations 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

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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