

19 April 2024, Australia

ASX RELEASE**FIRST XR NAVAL SOLUTION POWERED BY THE RNDR NETWORK**

Vection Technologies Ltd (ASX:VR1, OTC:VCTNY), ("Vection" or the "Company"), is pleased to announce the execution of a contract for its first Extended Reality ("XR") solution tailored for naval maintenance management, underpinned by the decentralised GPU system, the "Render Network" ("RNDR").

HIGHLIGHTS:

- Deployment of XR and Artificial Intelligence ("AI") technologies in naval maintenance.
- Utilisation of the Render Network for enhanced visual simulations.
- \$500,000 contract evidencing strong confidence in the project's long-term impact and sustainability.
- Adoption of blockchain technology for secure, transparent maintenance operations.
- The solution is optimised for user experiences, with specific enhancements for Apple Vision Pro.

OVERVIEW:

Vection plans to enhance its portfolio in the naval sector by leveraging XR and AI technologies to provide a maintenance-focused solution. This initiative aims to utilise the Render Network's capabilities, significantly improving maintenance operations' efficiency, precision, and safety.

At the core of this innovative approach is the Render Network, a decentralised graphic rendering platform crucial for producing high-definition 3D visuals and simulations essential in Mixed Reality ("MR") applications.

This engagement marks Vection's first engagement with the Render Network, enabling our **INTEGRATEDXR** suite to have the extra computing power of decentralised GPUs, enabling enhanced performance. In addition, this engagement highlights a commitment to our emerging portfolio of naval and defence clients.

Integrating the Render Token, built on the Ethereum blockchain, is a significant step forward in enhancing visual quality and streamlining processes within the network. This development allows for greater visual clarity and precision, eliminating the need for dedicated rendering hardware, reducing costs, and improving scalability. It also facilitates the rapid development and refinement of Mixed Reality applications, which leads to a better user experience. The project leverages global computing resources for critical high-resolution rendering, significantly reducing costs and improving scalability. This expedites the development of MR applications and, in turn, enhances the user experience.

Blockchain technology further strengthens the project, creating a secure, transparent ledger for recording maintenance activities. This ensures complete traceability of operations, enhancing fleet management efficiency.

VECTION TECHNOLOGIES LTD

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

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Osborne Park WA 6017 - Australia

The solution is optimised for Apple Vision Pro and offers unparalleled user experiences with high-quality, immersive visual content.

The contract is with Bi-Rex: Big Data Innovation & Research Excellence, an innovation hub for big data research and technological excellence development, and Scia Service, a European company specialising in naval asset management. It is valued at \$500,000 on a Total Contract Value ("TCV") and is expected to be delivered and recognised as revenue in FY24, except for \$50,000, which will be recognised as revenue in the third year as a maintenance fee.

Vection anticipates delivering this solution by June 2024. Following the completion of this project, the Company plans to introduce the solution to the broader market, further demonstrating its commitment to leveraging technology to transform naval maintenance.

With this initiative, Vection plans to introduce the transformative potential of merging XR and AI technologies with the Render Network, aiming to set new standards in integrating technology to improve operational processes.

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.

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 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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