

**xReality Group Limited (ASX:XRG) (xReality)**  
**ACN 154 103 607**

**ASX Release**  
**Sydney, Australia – 14 December 2021**

**Defence Operations Update**

**xReality Group Limited (ASX:XRG) (xReality)** is pleased to provide the market with an update on operations for Defence focused XR business unit, Operator Tactical Solutions (Operator).

- **Product lineup announced including Virtual Reality (VR) Tactical Trainer, VR Mission Rehearsal System, and Weapons Integration System**
- **Testing has commenced on Tactical Trainer and Weapons Integration System**
- **Launching at MilCIS conference February 22-24 2022**
- **US partner evaluation scheduled**

As previously released, Operator is a wholly owned subsidiary of xReality that has been established to provide XR solutions to military and law enforcement worldwide. The Virtual Reality based systems include the OP-1 VR Tactical Trainer and the OP-1 Mission Rehearsal System. The products are the first in the roadmap that provide the end user with the ability to train and conduct mission rehearsals utilising their own equipment combined with Operator's hardware and software. The system incorporates a custom built calibration system that allows for a fully mobile, closed network, multi-user platform designed for individual and team training/rehearsals.

**PRODUCT DEVELOPMENT UPDATE**

Three products are progressing through various stages of development;

**OP-1 Virtual Reality Tactical Trainer (VRTT)**

Overview: The VRTT allows soldiers to train Close Quarter Battle (CQB) tactics and techniques in any location – such as in transit on board ships, forward operating bases, or any other areas otherwise without appropriate facilities. VRTT uses free roam tracking technologies developed in-house by Operator, which can be used securely, anywhere in the world. Using proprietary technology developed by Operator, the VRTT integrates with soldiers real weapons and equipment. The VRTT is completely mobile and allows setup in minutes in any location.

Status: The VRTT base product has been completed and is currently undergoing internal testing.

Next: End user testing and evaluation to commence early 2022.

**OP-1 Mission Rehearsal System (MRS)**

Overview: The MRS system focuses on Operational Planning and Mission Rehearsal. The MRS uses in house tools and third party data to simulate real world targets and environments, Positive Identification and Specific threat integration, and Command, Control & Communications (C3) planning and rehearsals. The vision is to allow rapid development of targets with live inputs to cater for time sensitive and detailed planning and rehearsals for operational environments.

Status: The OP-1 MRS is currently in development, building on the VRTT platform with integration of third party data and end user deliverables.

Next: An MVP anticipated for demonstration is scheduled for mid 2022.

### **OP-1 Weapons Integration System (WIS)**

Overview: The WIS has been developed in house and fully owned by Operator, the technology allows soldiers to train on Operator's OP-1 systems using their own weapons. This is a particularly important feature for Special Forces and Advanced Infantry soldiers due to the nature of their highly personalised equipment. The system is a world first and integrates weapon tracking, shooting and configuration into the VR environment.

Status: The system prototype has been developed and is currently in the testing phase on live weapons.

Next: A small production run will commence inline with the end user testing and evaluation phase in early 2022 with a larger production run on commencement of commercial contracts.

### **OPERATIONS UPDATE**

Operator has successfully been accredited with Australian Government Defence Industry Security Program (DISP) security clearances and is underway with ISO:9001 certification.

Operator will be publicly launching the products at the Military Communications and Information Systems (MilCIS) conference in Canberra on 22-24<sup>th</sup> February 2022.

Two complete systems will be delivered to the USA in January 2022 for evaluation with a training organisation that is currently working with a number of US military and law enforcement organisations.

CEO Wayne Jones said "With the initial development phase complete, the company is now in a position to conduct thorough testing on the hardware and technology. Once our internal team is satisfied with the trials, we will be introducing the equipment to Australian military and law enforcement units for further evaluation and improvements early in the new year. The current timeline sees the completion of the Testing and Evaluation phase by the end of March 2022, commencing the go-to-market phase the following month."

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### **About xReality Group Limited (ACN: 154 103 607)**

xReality Group Limited develops and operates physical and digital simulations. Portfolio companies include Indoor Skydiving facilities, Virtual Reality (VR) and Augmented Reality (AR) entertainment, training, and production.

The Company listed on ASX on 18<sup>th</sup> January 2013 under the code IDZ changing to XRG on 13<sup>th</sup> Dec 2021.

For further information visit: [www.xrgroup.com.au](http://www.xrgroup.com.au)

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