



XREALITY GROUP LIMITED

xReality Group Limited (ASX:XRG)

ACN 154 103 607

ASX Release

Sydney, Australia – 30th January 2023

\$1.04M payment received for sale of Operator LE virtual reality training system to the Western Australia Police Force

- As announced 7th November 2022, First Law Enforcement Sale confirmed to Western Australia Police Force
- Payment of first order totalling \$1.04M inc-gst has been received in January
- Total contract value is up to \$1.7M inc-gst over 5 years
- Upfront cash payment strengthens Q3 cash position supporting continued domestic and international expansion
- Coincides with appointment of Philip Copeland as non-executive director and chair of the newly formed International Expansion Committee

xReality Group Limited (XRG)

XRG is pleased to announce that it has received a \$1.04M payment for the first order of its Virtual Reality based Police de-escalation training system, Operator LE, from the Western Australia Police Force. The first order includes software licensing, hardware and support over a 3 year term.

The total contract value is up to \$1.7M GST inclusive over a 5 year period, covering software licensing and support for an optional further 2 years.

Operator LE allows Police and Law Enforcement Officers to train operational tactics and procedures within a portable, virtual reality environment. Complimenting existing training methods, the virtual reality system allows officers to train more often, leading to increased preparedness across a broad range of scenarios centred on de-escalation tactics, use of force decision making, and operational procedures. The system has been developed from the ground up by XRG, using the latest innovations in Virtual Reality technology, with all IP owned by XRG.

The WA Police Force includes 7,300 Sworn Officers, which is approximately 11% of the total Police Officers in Australia and 0.3% of the global Total Addressable Market in Law Enforcement.

The upfront payment strengthens XRG's cash position supporting the continued aggressive growth of Operator into international markets. This coincides with the appointment of Philip Copeland as non-executive director and chair of the newly formed International Expansion Committee, announced 23rd January. As founder and CEO of enterprise SaaS business Avoka Software, Philip rapidly expanded the Australian software business into international markets with a core focus on the US Government. Avoka was acquired by Temenos in 2018 for US\$245M.

Wayne Jones, CEO, XRG, said "We are looking forward to seeing the WA Police train over 7,000 officers annually with the Operator LE solution. The advanced payment enables a successful customer delivery while also strengthening our cash position. This supports XRG's expansion into the global defence and law enforcement markets, of which there is a rapidly growing sales pipeline."



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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 provides Military and Law Enforcement agencies with a unique, integrated Mission Planning & Rehearsal System, which is portable, secure and highly immersive. See <https://www.operatorsimulation.com/>

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

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

Wayne Jones, Chief Executive Officer, wjones@xrgroup.com.au

Stephen Tofler, Chief Financial Officer, stofler@xrgroup.com.au