



XREALITY GROUP LIMITED

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

ASX Release
Sydney, Australia – 15th May 2026

\$5.6M US Department of Defense project successfully completed; technology commercialised with launch of MR-1 and first MR sale

- Operator XR has successfully completed all milestones of its AU\$5.6M subcontract with the US Department of Defense (DoD), delivered through Acrolect Solutions LLC, DBA Endurance Group.
- Prototype formally accepted by the customer and validated by end users following final acceptance testing.
- Technology commercialised through the launch of MR-1, Operator XR's mixed reality training system, with the first commercial MR-1 sale already secured to a separate US DoD customer

xReality Group Limited (XRG) is pleased to announce that Operator XR, its defence and law-enforcement simulation subsidiary, has successfully completed all milestones of the 20 month, AU\$5.6 million subcontract for the US Department of Defense.

The US DoD subcontract, first announced on 11th September 2024, engaged Operator XR to develop a new immersive training capability. The project was completed on time and on budget.

Outstanding milestone payments of \$0.85m AUD are expected to be received prior to June 30th.

Commercialisation: launch of MR-1 and first US DoD sale

XRG has invested in productising the underlying capability for the broader military and law-enforcement market. That work has culminated in the release of MR-1, Operator XR's next-generation mixed reality training system. MR-1 combines MR headset integration, realistic training weapons, and offline-capable software architecture developed during the program into a packaged training solution.

Mixed Reality allows users to see the real world environment, overlaying virtual characters, props and effects. This opens new markets and use cases to train complex high threat scenarios in real locations such as critical infrastructure, schools, transit hubs, military bases and existing shoot house training facilities. The system is complimentary to the existing OP-2 Virtual Reality based training system.

MR-1 has already secured its first commercial sale to a separate United States Department of Defense customer as announced in the Quarterly Activities Report on 30th April 2026.

XRG CEO Wayne Jones said "Successfully delivering a significant R&D project for the US DoD validates our technology, and our team's ability to deliver innovative, ambitious training capability on an aggressive timeline."



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“The launch of MR-1 and its first sale to a new US DoD customer show that the capability we built through this R&D program has immediate, broader application across Defense and Law Enforcement. This is the multiplier effect we have been working toward.”

This ASX Release is authorised by the Board of xReality Group Limited.

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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 XR provides Military and Law Enforcement agencies with a unique, integrated Mission Planning & Rehearsal System, which is portable, secure and highly immersive. See operatorxr.com

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

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

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