

Xtract One Closes \$7.2M Public Offering and \$1.4M Investment by Strategic Partner

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TORONTO, ON – April 24, 2024 -- Xtract One Technologies Inc. (TSX: XTRA) (OTCQX: XTRAF) (FRA: OPL) ("**Xtract One**" or the "**Company**") announces that it has closed its previously announced public offering (the "**Offering**") conducted by Eight Capital, as lead agent and sole bookrunner, and Echelon Wealth Partners Inc. (together with Eight Capital, the "**Agents**").

Pursuant to the Offering, the Company issued 14,057,500 units (the "**Units**") at a price of \$0.51 per Unit for aggregate gross proceeds of \$7,169,325, which includes the partial exercise of the over-allotment option granted to the Agents. Each Unit consists of one common share of the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**"). Each Warrant is exercisable into one Common Share until April 24, 2027 at an exercise price of \$0.64, subject to adjustment in certain events.

In connection with the Offering, the Agents received an aggregate cash fee of \$500,799.60 and 981,960 common share purchase warrants (each, an "**Agents' Warrant**"). Each Agents' Warrant is exercisable into one Common Share at an exercise price of \$0.51 until April 24, 2026.

Concurrent Private Placement

Concurrent with closing of the Offering, the Company has also completed the issue and sale of 2,696,228 Units (the "**PP Units**"), on a private placement basis, to MSG Sports Ventures, LLC ("**MSG Sports**"), a wholly-owned subsidiary of Madison Square Garden Sports Corp. (NYSE: MSGS), for total gross proceeds of \$1,375,076.28 (the "**Concurrent Private Placement**").

All securities issued and made issuable under the Concurrent Private Placement are subject to Canadian hold period and may not be traded until August 25, 2024, except as permitted by applicable securities legislation and the rules and policies of the Toronto Stock Exchange, in addition to applicable U.S. resale restrictions. No finder's fees or commissions were paid in connection with the Concurrent Private Placement.

The Concurrent Private Placement with MSG Sports constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Concurrent Private Placement by MSG Sports does not exceed 25% of the market capitalization of the Company in accordance with MI 61-101. The Company did not file a material change report more than 21 days before the expected closing of the Concurrent Private Placement as the details of the Concurrent Private Placement and the participation therein by MSG Sports were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons.

Xtract One intends to use the proceeds of the Offering and the Concurrent Private Placement for working capital and general corporate purposes.

No securities regulatory authority has either approved or disapproved of the contents of this press release. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the “1933 Act”) and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the 1933 Act, and applicable state securities laws.

About Xtract One

[Xtract One Technologies](#) is a leading technology-driven threat detection and security solution leveraging AI to provide seamless and secure patron access control experiences. The Company makes unobtrusive threat detection systems that enable venue building operators to prioritize and deliver improved patron experiences while providing unprecedented safety. Xtract One’s innovative Gateway product enables companies to covertly screen for weapons at points of entry without disrupting the flow of traffic. Its AI-based software allows venue and building operators to identify weapons and other threats inside and outside of facilities and receive valuable intelligence for optimizing operations. For more information, visit www.xtractone.com or connect on [Facebook](#), [Twitter](#), and LinkedIn.

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FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including, without limitation, statements regarding the intended use of proceeds from the Offering and Concurrent Private Placement, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, are “forward-looking statements”. Forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. Such risks and uncertainties include, among others, the Company’s limited operating history and lack of historical profits; risks related to the Company’s business and financial position; fluctuations in the market price of the Company’s Common Shares; that the Company may not be able to accurately predict its rate of growth and profitability; the failure of the Company to use any of the proceeds received from the Offering or the Concurrent Private Placement in a manner consistent with current expectations; reliance on management; the Company’s requirements for additional financing, and the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with research and development institutions, clients and suppliers. These factors should be considered carefully, and readers are cautioned not to place undue reliance on

such forward-looking statements. Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. The Company has no intention to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason, except as required by law.