

Investor Presentation

September 2022

TSX: XTRA || OTCQX: XTRAF



xtract **o|n|e**



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For further information, please contact:

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www.xtractone.com



XTRACT ONE IS DISRUPTING THE PHYSICAL SECURITY MARKET

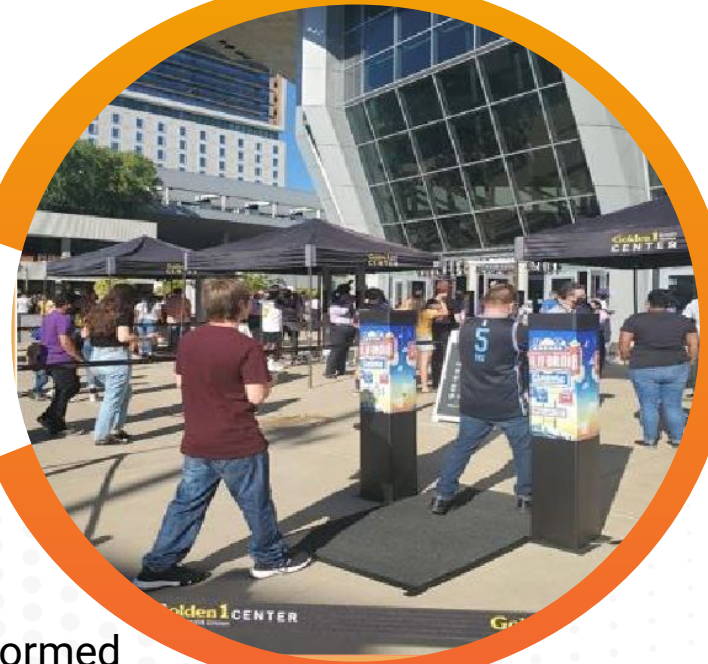
Xtract One delivers a digitally-driven patron screening solution that radically enhances the patrons experience while significantly lowering security risks and costs

Creating The Next Generation Patron Experience

On Any Given Sunday...



...Digitally Transformed



Why Investors Choose Xtract One

Digital disruption of an existing market with high barriers to entry

Only provider on track to be approved for use in \$4.6B target market

Independently verified and proven technology

AI platform sets stage for entry into \$135B market

Predictable recurring revenue

Compelling customer ROI

Legacy Technology Creates Poor Patron Experience

Accelerating Modern Security Threats

- Increasing gun violence
- Weapons proliferation
- Social unrest
- School safety
- Compliance mandates
- Staffing challenges
- Safe City initiatives

Traditional Solutions Create Friction

- Lengthy wait times
- Poor experience
- Personal infringement
- Labor intensive
- High touch/contact
- Inefficient/costly
- Reactive security



Increasing Demand For
Patron Screening

Poor Patron
Experience

Xtract One's Target Markets

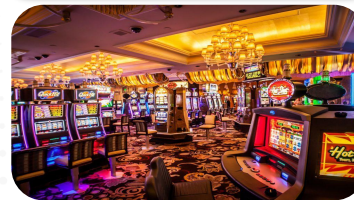
Initial Focus

Stadiums, Theaters & Event Spaces



- High barriers to entry
- Tight product / market alignment

Casinos



- High gun concerns
- Strong inbound pipeline
- State legislation

Hotels



Manufacturing



Distribution



Hospitals



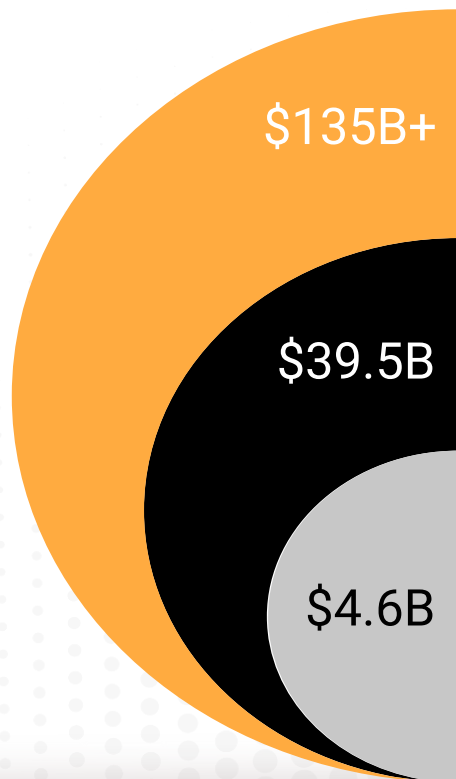
Commercial & Retail Buildings



Schools



Total Addressable Market



Enhanced Product Offering and Global Expansion

- Expanded solutions offering
- Global expansion
- Strategic partner channels

Expanded Market Verticals

- Schools, Commercial Property, Distribution, Manufacturing, Retail, and Hotels in North America
- Solution expansion, addressing a broader set of customer needs
- Integrated solutions with technology partners

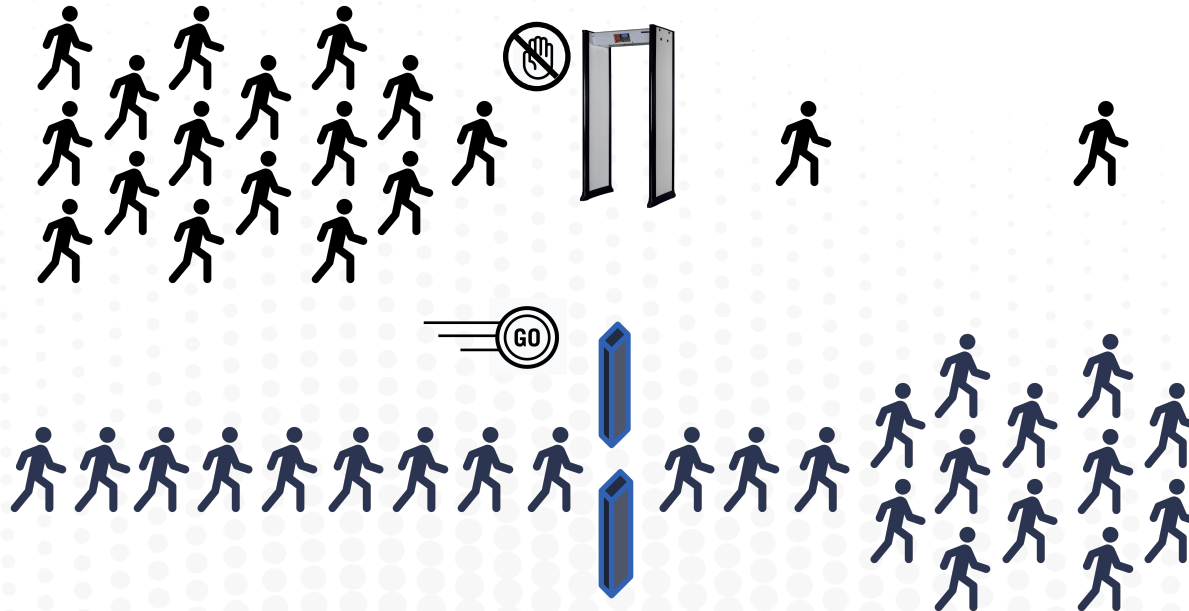
Initial Target Market

- Stadiums, Casinos, Theaters in North America
- Focus on patron screening, security and improved customer experience
- Target venues seeking a fully integrated subscription solution

Sources: Gartner, IDC, Management Estimates

Compelling Customer ROI

Technology that can detect the difference between metal and weapons



Traditional Approach

- X Frustration
- X Delays
- X High security costs



- ✓ Fast
- ✓ Frictionless
- ✓ Lower staff costs

Enhanced Security & Customer Economics

7X

Increase in Patron
Throughput

FACTS:

- From 500 per hour to 2,400 per hour
- From 130% patron contact to <10%

IMPACT:

- Fast, frictionless entry
- "Walk right in" experience
- Personal privacy protected
- Faster entry = more F&B sales

Up to

80%

OPEX Efficiencies

- 70% Reduced staffing requirement
- Highly scalable digital security model

- Flexible / reduced staffing and operations
- Eliminate escalating labor cost /shortages
- Digital insights for optimized operations, patron traffic, merchandising

Advanced Digital Security

- Integrated digital vs siloed labor model
- Correlated digital insights well in advance of the event

- Preemptive vs reactive security
- Higher security / lower business risk
- Prevent events before they reach the venue

Why Customers Choose Xtract One



Enhanced Security

- Proven highest performing security detection
- High quality AI and advanced business analytics
- Pre-emptive - from first touch to venue operations



Customer-Centric Business Model

- Flexible SaaS subscription model
- Recognized industry expertise for venue security and patron experience
- Lead through technological innovation



Superior Patron Experience

- Aligned to necessary venue operations requirements
- Platform Integration for a broad set of future screening reqs
- Maximum operational benefits (traffic flow, costs, staffing)

Validation in the Real World

March 2021

4 Pilots

7 Contracts

\$0.8M Backlog

\$8M Pipeline



July 2022

70+ Pilots

31 Contracts

\$4.1M Backlog*

\$63M Pipeline

*\$1.9M of the current backlog is pending installation and/or successful trial

Third Party Verification - NCS4*

Trial:

- Validates Xtract One's solution in a live stadium environment with 17,000 patrons
- Executed to meet and exceed NHL, NBA, NFL, MLB, live entertainment arenas security specifications

Why is this important?

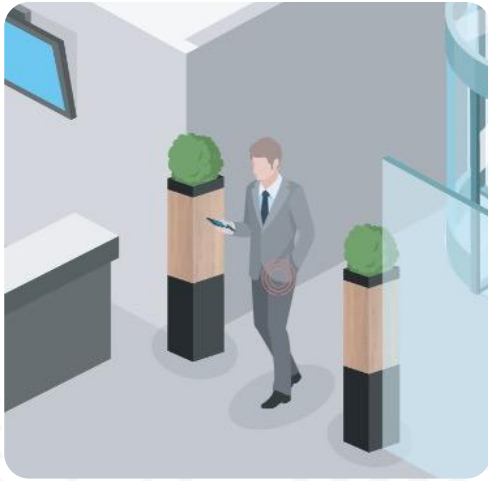
- Demonstrated Xtract One's performance relative to industry and professional sports leagues' mandatory security standards
- Provides path for league approvals as first (and only) solution for professional sports stadiums throughout North America
- Sets de facto standard for other leagues, NCAA, global leagues

Next Steps:

- "The Floodgates will open for pent-up demand" - League CSO
- Pending contracts signed and begin deployment

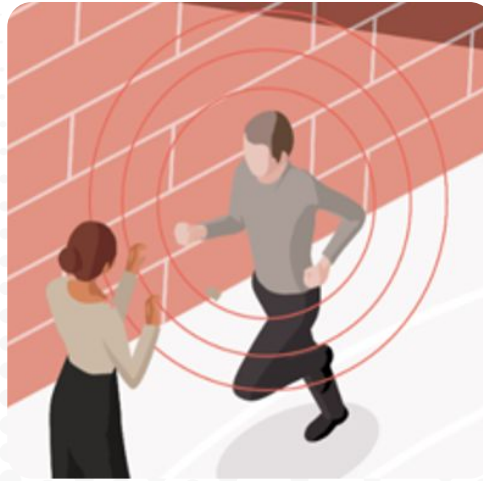


Integrated Solution



Xtract Gateway

"Fast frictionless entry"



Xtract Vision

"Preemptive insights"



Xtract One Insights

"Integrated intelligence"

Integration of Patron Screening And Experience

To – Integrated Patron Experience, Patron Screening, and Facility Optimization

From - Weapons Detection

Engage



"100 Miles"

- Social Media Scanning
- Threat Intelligence
- Reservation Fraud
- Threat / Crime Detection

Approach



"100 Feet"

- Crowd Intelligence
- Crowd Routing
- ✓ **Weapons Detection**
- ✓ **Threat / Crime Detection**
- ✓ **Perimeter Security**
- Facial Rec

Entry/Exit



"1 Foot"

- ✓ **Weapons Detection**
- Entry Routing
- Automated Ticket Scanning
- Health / Vaccine Verification
- RFID Scanning
- Contraband
- VIP identification

Inside



"Inside"

- ✓ **Crowd behaviors**
- ✓ **Crowd intelligence and management**
- Marketing / Retail Optimization
- Experience Optimization
- Staff and operations planning
- Data intelligence and insights

Expanding Revenue Stream



Patron Gateway

- Initial hardware and software,
- Recurring maintenance / support
- SaaS Delivery



AI Platform

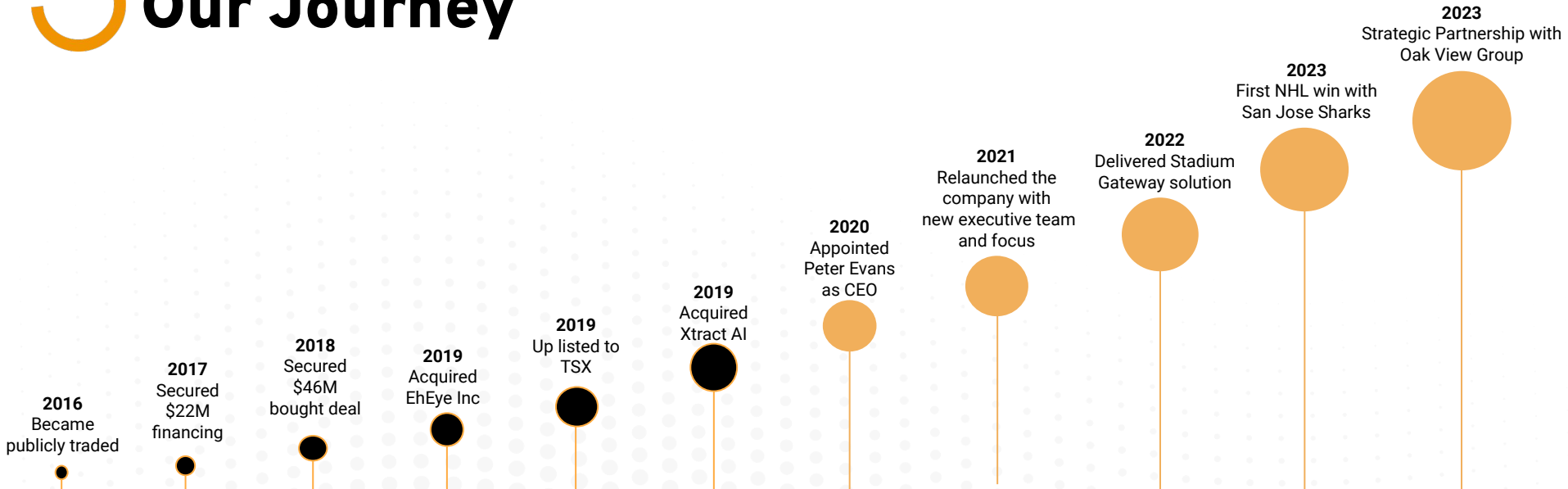
- Initial software
- Professional services

Future Annuity Revenue

End-to-End Patron Experience

- Initial hardware and software
- Recurring maintenance / support
- Advanced AI analytics
- Integrated platform & solutions
- Professional services

Our Journey



Milestones

H1 FY2022

- ✓ Completed NSC4 operational exercise validating capabilities per pro-league requirements
- ✓ Completed multiple successful deployments and trials in target segments
- ✓ Won additional contracts building up sales backlog to be \$3.7M with additional \$2.1M signed contracts pending pilots
- ✓ Issued \$50 million base shelf prospectus and raised \$6.9 million of gross proceeds from public offering

H2 FY2022

- ✓ As of July 31, 235% year-over-year total revenue growth; over 580% revenue growth for Platform operating segment
- ✓ Almost 840% increase in value of total contracts signed for the Platform operating segment
- ✓ Released SmartGateway; designed specifically for sports and live entertainment venues
- ✓ First deployment of an entire arena with Moody Centre in Austin, Texas
- ✓ Expansion to \$35B market segment starting with two major auto manufacturers

H1 FY2023

- ✓ First contract win to protect the entirety of the SAP Centre, home of the San Jose Sharks
- ✓ Strategic partnership with Oak View Group to enhance the customer experience and increase safety and security across their portfolio of 400+ owned or managed locations
- ✓ Successful deployments at minor league professional arenas including Tech CU Arena and Angel of the Winds Arena

Financial Year-End: July 31st



Capital Structure

TSX & OTCQX	
Current Price	C\$0.38 TSX / US\$0.28 OTCQX
Market Capitalization	C\$61.2M TSX / US\$45.2M OTCQX
Shares Outstanding	163.2M
Stock Options <i>\$1.06 Weighted Average Exercise Price</i>	9.2M
Warrants <i>\$0.74 Weighted Average Exercise Price</i>	12.2M
Fully Diluted Shares Outstanding	184.6M
Working Capital <i>As of July 31, 2022</i>	\$7.1M

Capital structure and related figures are as of September 30, 2022

Leadership Team

Experts in specialized technologies, cyber security, artificial intelligence and machine learning technologies, subscription revenue business models and security sector business development



PETER EVANS
CEO & Director

Peter brings over 25 years of experience with venture capital, private equity, and public enterprise companies in the technology, telecom, SaaS, and cyber-security industries. As a 4-time high-tech CEO, Peter has demonstrated repeated success in driving revenue growth and accelerated profitability, by delivering innovative solutions to target markets, and triggered multiple profitable liquidity events.



KAREN HERSH
CFO & Corporate Secretary

Karen has extensive experience working with high growth technology companies across a broad spectrum of finance activities including strategic planning, financial reporting, and mergers and acquisitions. Formerly the CFO for a global private equity company focused on cybersecurity technologies.



Grant Evans
VP Sales

Grant brings over 10 years of sales and account management experience. He's worked in a variety of technology and security related organizations for most of his career and has always focused on providing customers with the solution that best fits their needs.



ROBERT LEX
SVP Operations

Robert has 25 years' experience in global manufacturing operations and supply chain management. He has led successful operational excellence restructurings built around a set of core principles starting with a customer-centric approach and has developed scalable efficient processes.



NATHANIEL COUTURE
VP Engineering

Nat has over 16 years of experience in the private tech sector with a foundation of technical skills and leadership experience in innovative and socially forward start-ups. He's held a variety of technical roles from CTO to tester and typically plays a critical link between engineering and business.



Louise Johnson
VP Marketing

Louise has built up her expertise in marketing, brand awareness, and customer engagement over her 15+ years as a sales and marketing professional. She has played critical roles in the successful execution of customer acquisition campaigns for innovative technologies and products.

Board of Directors



PETER VAN DER GRACHT

Chairman

A serial technology entrepreneur who has successfully launched, financed, operated and sold five technology companies; including: Nexus, Imedia, Teraspan, Fatport and Wavemakers.



BILL MAGINAS

Director

The former President of Johnson Controls Canada brings a great deal of industry expertise to the Board. Bill offers a broad range of expertise include business process improvement, change management, growth, and strategy.



VICTORIA CALVERT

Director

Professor Emeritus of Entrepreneurship and International Business at the Bissett School of Business at Mount Royal University with over 30 years in international business operations and consulting.



JOHN GILLIES

Director

Over 33 years of federal government experience within national and international security and intelligence environment. Worked with Canadian Security Intelligence Service (CSIS) and RCMP.



LEA M RAY

Director

A certified director (ICD.D) of the Institute of Corporate Directors and is a Chartered Professional Accountant. She has served on a number of publicly-listed (TSX) entities.

Investment Highlights

Significant & growing
addressable market

High barriers to entry

Digital disruption

Tested & proven
technology

Competitive
advantage

Compelling growth &
momentum

Multiple revenue
streams

SaaS business

Compelling ROI for
customers



THANK YOU