UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 30, 2024

XTI AEROSPACE, INC.
(Exact name of registrant as specified in its charter)

Nevada	**001-36404**	**88-0434915**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

8123 InterPort Blvd., Suite C Englewood, CO	**80112**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(800) 680-7412**

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

□ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

□ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

□ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

□ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered**
Common Stock	XTIA	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company □

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. □

Item 1.01 Entry into a Material Definitive Agreement.

At-The-Market (ATM) Offering Increase

On May 31, 2024, XTI Aerospace, Inc. (the "Company") entered into Amendment No. 4 to Equity Distribution Agreement ("Amendment 3") with Maxim Group LLC ("Maxim"), amending the Equity Distribution Agreement, dated as of July 22, 2022, between the Company and Maxim (the "Original Agreement"), as amended by Amendment No. 1 to the Original Agreement, dated as of June 13, 2023, between the Company and Maxim ("Amendment 1"), Amendment No. 2 to the Original Agreement, dated as of December 29, 2023, between the Company and Maxim ("Amendment 2") and Amendment No. 3 to the Original Agreement, dated as of May 28, 2023, between the Company and Maxim ("Amendment 3" and, and, together with the Original Agreement, Amendment 1, Amendment 2 and Amendment 4, the "Equity Distribution Agreement"), pursuant to which the aggregate gross sales amount was increased from approximately $32,700,000 to approximately $33,800,000. Accordingly, pursuant to the Equity Distribution Agreement, the Company may, from time to time, sell shares of the Company's common stock, par value $0.001 per share ("Common Stock"), having an aggregate gross sales amount of up to approximately $33,800,000 through Maxim, as the Company's sales agent. As of May 31, 2024, the Company has sold 703,756 shares of Common Stock with an aggregate offering price of approximately $27,400,000, leaving an aggregate offering price of up to approximately $6,400,000 in Common Stock remaining under the Equity Distribution Agreement (the "Shares").

The Shares have been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the Company's Registration Statement on Form S-3 (File No. 333-256827), which was filed with the Securities and Exchange Commission (the "SEC") on June 4, 2021, and declared effective on June 17, 2021 (the "Registration Statement"), and a base prospectus dated as of June 17, 2021 included in the Registration Statement, the prospectus supplement relating to the offering dated July 22, 2022, supplements to the prospectus supplement dated April 18, 2023, June 13, 2023, May 28, 2024 and May 31, 2024. Sales of the Shares through Maxim, if any, will be made by any method that is deemed an "at the market" offering as defined in Rule 415 under the Securities Act, including sales made directly on the Nasdaq Capital Market, or any other existing trading market for the Company's Common Stock or to or through a market marker. Maxim may also sell the Shares by any other method permitted by law, including in privately negotiated transactions. Maxim will also have the right, in its sole discretion, to purchase Shares from the Company as principal for its own account at a price and subject to the other terms and conditions agreed upon at the time of sale. Maxim will use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase the Shares under the terms and subject to the condition set forth in the Equity Distribution Agreement. The Company will pay Maxim commissions, in cash, for its services in acting as agent in the sale of the Shares. In accordance with the Equity Distribution Agreement, Maxim will be entitled to compensation at a fixed commission rate of 3.0% of the gross proceeds of each sale of Shares. In addition, the Company has agreed to reimburse Maxim for its costs and out-of-pocket expenses incurred in connection with its services, including the fees and out-of-pocket expenses of its legal counsel.

The Company is not obligated to make any sales of the Shares under the Equity Distribution Agreement and no assurance can be given that the Company will sell any additional Shares under the Equity Distribution Agreement, or if the Company does, as to the price or amount of Shares that it will sell, or the dates on which any such sales will take place. The Equity Distribution Agreement will continue until the earliest of (i) December 31, 2024, (ii) the sale of Shares having an aggregate offering price of approximately $33,800,000, and (iii) the termination by either Maxim or the Company upon the provision of 15 days written notice or otherwise pursuant to the terms of the Equity Distribution Agreement.

The foregoing description of the Equity Distribution Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Original Agreement, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on July 22, 2022, Amendment 1, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on June 13, 2023, Amendment 2, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on January 3, 2024, Amendment 3, which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on May 29, 2024, and Amendment 4, which is filed as Exhibit 10.1 to this Current Report on Form 8-K, and are incorporated by reference herein. A copy of the opinion of Mitchell Silberberg & Knupp LLP with respect to the validity of the Shares that may be offered and sold pursuant to the Equity Distribution Agreement is filed herewith as Exhibit 5.1.

This Current Report on Form 8-K shall not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

Warrant Exchange Agreement

On May 30, 2024, the Company entered into an exchange agreement (the "Warrant Exchange Agreement") with the holder (the "Warrant Holder") of certain warrants of the Company (the "Assumed Warrants") to purchase shares of Common Stock, which Assumed Warrants were originally issued by XTI Aircraft Company ("XTI Aircraft"), a wholly owned subsidiary of the Company, and assumed by the Company in connection with the merger of Superfly Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of the Company ("Merger Sub"), with and into XTI Aircraft with XTI Aircraft surviving the merger as a wholly-owned subsidiary of the Company on March 12, 2024, pursuant to that certain Agreement and Plan of Merger, dated as of July 24, 2023 and amended on December 30, 2023 and March 12, 2024, by and among the Company, XTI Aircraft and Merger Sub.

Pursuant to the terms of the Warrant Exchange Agreement, the Company issued to the Warrant Holder an aggregate of 112,360 shares of Common Stock (the "Warrant Exchange Shares") in exchange for 192,626 Assumed Warrants (the "Warrant Exchange"), in reliance on an exemption from registration provided by Section 3(a)(9) of the Securities Act. Following the consummation of the Warrant Exchange, the Assumed Warrants were cancelled and no further shares are issuable pursuant to the Assumed Warrants.

The foregoing description of the Warrant Exchange Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Warrant Exchange Agreement, a copy of which is filed as Exhibit 10.2 and incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

On May 30, 2024, the Company entered into an exchange agreement with a holder of shares of the Company's Series 9 Preferred Stock pursuant to which the Company and the holder agreed to exchange 250 shares of Series 9 Preferred Stock with an aggregate stated value of $262,500 (the "Preferred Shares") for 299,725 shares of Common Stock (the "Preferred Exchange Shares") at an effective price per share of $0.8758. The Company issued the Preferred Exchange Shares to the holder on May 31, 2024, at which time the Preferred Shares were cancelled. The Preferred Exchange Shares were issued in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act, on the basis that (a) the Preferred Exchange Shares were issued in exchange for other outstanding securities of the Company; (b) there was no additional consideration delivered by the holder in connection with the exchange; and (c) there were no commissions or other remuneration paid by the Company in connection with the exchange.

The information set forth in Item 1.01 of this Current Report on Form 8-K pertaining to the Warrant Exchange is incorporated by reference into this Item 3.02. The Warrant Exchange was completed, and the Warrant Exchange Shares issued in exchange for the Assumed Warrants were issued in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act, on the basis that (a) the shares of Common Stock were issued in exchange for are other outstanding securities of the Company; (b) there was no additional consideration delivered by the Warrant Holder in connection with the Warrant Exchange; and (c) there were no commissions or other remuneration paid by the Company in connection with the Warrant Exchange.

As of May 31, 2024, after taking into account the issuance of the Warrant Exchange Shares and the Preferred Exchange Shares, the Company has 11,941,121 shares of Common Stock outstanding.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The information set forth in Item 8.01 of this Current Report on Form 8-K pertaining to the termination of the Employment Agreement (as defined below) is incorporated by reference into this Item 5.02.

Item 8.01 Other Events.

Letter of Intent with AVX Aircraft Company

On May 31, 2024, XTI Aircraft entered into a non-binding letter of intent (the "Letter of Intent") with AVX Aircraft Company, a Maryland corporation ("AVX"), that sets forth the preliminary terms and conditions of a potential definitive agreement between XTI Aircraft and AVX (the "Definitive Agreement") pursuant to which AVX would provide engineering services to support XTI Aircraft's continued development of the TriFan 600 fixed-wing vertical takeoff and landing airplane. AVX is in the business of bringing advanced vertical lift solutions to the civil and military aircraft market and has highly experienced engineers and professionals in the vertical lift environment.

No assurances can be made that the XTI Aircraft will successfully negotiate and enter into the Definitive Agreement.

A copy of the Letter of Intent is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Non-renewal of Employment Agreement

On May 30, 2024, XTI Aircraft notified Michael Hinderberger, Chief Executive Officer of XTI Aircraft, that it would not renew his employment agreement dated July 1, 2022 (the "Employment Agreement"). Accordingly, the Employment Agreement expires by its terms on July 31, 2024 (the "Expiration Date") and Mr. Hinderberger's employment with XTI Aircraft will terminate as of the Expiration Date.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
5.1	Opinion of Mitchell Silberberg & Knupp LLP.
10.1	Amendment No. 4 to Equity Distribution Agreement, dated as of May 31, 2024, by and between XTI Aerospace, Inc. and Maxim Group LLC.
10.2	Exchange Agreement, dated May 30, 2024, by and between XTI Aerospace, Inc. and the Warrant Holder
23.1	Consent of Mitchell Silberberg & Knupp LLP (included in Exhibit 5.1).
99.1	AVX Letter of Intent.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

XTI AEROSPACE, INC.

Date: May 31, 2024

By: /s/ Scott Pomeroy
Name: Scott Pomeroy
Title: Chief Executive Officer

Exhibit 5.1

MITCHELL SILBERBERG & KNUPP LLP
A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

May 31, 2024

XTI Aerospace, Inc.
8123 InterPort Blvd., Suite C
Englewood, Colorado 80112

Re: XTI Aerospace, Inc. – Registration Statement on Form S-3 (File No. 333-256827)

Ladies and Gentlemen:

We have acted as counsel to XTI Aerospace, Inc., a Nevada corporation (the "Company"), in connection with its filing of (i) a Registration Statement on Form S-3 (Registration No. 333-256827) (the "Registration Statement") under the Securities Act of 1933, as amended (the "Act"), with the Securities and Exchange Commission (the "Commission"), (ii) the base prospectus, dated as of June 17, 2021 (the "Base Prospectus"), included in the Registration Statement and (iii) the prospectus supplement, dated as of May 31, 2024 (the "Prospectus Supplement" and together with the Base Prospectus, as supplemented from time to time by one or more prospectus supplements, the "Prospectus"), filed with the Commission on May 31, 2024 by the Company, pursuant to Rule 424 promulgated under the Act.

The Prospectus relates to the public offering of an aggregate of $6,400,000 of shares of common stock, par value $0.001 per share (the "Shares"). The Shares are being sold pursuant to that certain Equity Distribution Agreement, dated as of July 22, 2022, as amended on June 13, 2023, December 29, 2023, May 28, 2024 and May 31, 2024, by and between Maxim Group LLC, as the sales agent, and the Company (as so amended, the "Distribution Agreement"). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or the Prospectus, other than as expressly stated herein with respect to the issuance of the Shares.

We have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. The opinions expressed herein are limited to the Nevada Revised Statutes. We express no opinion as to the effect on the matters covered by this letter of the laws of any other jurisdiction. We express no opinion herein concerning any state securities or blue sky laws.

In our examination of the foregoing documents, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as copies, the authenticity of the originals of such latter documents and the legal competence of all signatories to such documents.

437 Madison Ave., 25th Floor, New York, New York 10022-7001
Phone: (212) 509-3900 Fax: (212) 509-7239 Website: WWW.MSK.COM

Based upon the foregoing, and subject to the assumptions, exceptions, qualifications and limitations set forth herein, we are of the opinion that the Shares have been duly authorized for issuance, and when issued against payment therefor pursuant to the terms of the Distribution Agreement, will be validly issued, fully paid and non-assessable.

Please note that we are opining only as to the matters expressly set forth herein, and no opinion should be inferred as to any other matters. This opinion is based upon currently existing statutes, rules, regulations and judicial decisions, as further limited above, and we disclaim any obligation to advise you of any change in any of these sources of law or subsequent legal or factual developments which might affect any matters or opinions set forth herein.

This opinion is rendered to you in connection with the offering described above.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Current Report on Form 8-K of the Company being filed on the date hereof and to the reference to our firm in the Prospectus and the Registration Statement. In giving such consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Mitchell Silberberg & Knupp LLP

Exhibit 10.1

AMENDMENT NO. 4 TO EQUITY DISTRIBUTION AGREEMENT

This **AMENDMENT NO. 4 TO EQUITY DISTRIBUTION AGREEMENT** (this "Amendment") is entered into as of May 31, 2024, by and between XTI Aerospace, Inc. (formerly known as Inpixon), a Nevada corporation (the "Company"), and Maxim Group LLC (the "Agent"). All capitalized terms used herein shall have the meanings set forth in the Equity Distribution Agreement (as defined below), unless otherwise indicated.

RECITALS

WHEREAS, the Company and the Agent are parties to that certain Equity Distribution Agreement, dated July 22, 2022 (as amended on June 13, 2023, December 29, 2023 and May 28, 2024, the "Equity Distribution Agreement"); and

WHEREAS, the parties hereto desire to amend the Equity Distribution Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the parties hereto agree as follows:

1. Amendment to Preamble, Section 2(a) and Section 7 of the Equity Distribution Agreement. The Preamble, Section 2(a) and Section 7 of the Equity Distribution Agreement are hereby amended by replacing the reference to an offering size of up to $32,735,036 of shares with a reference to $33,835,036 of shares.

2. Expense Reimbursement. The Company covenants and agrees to reimburse the Agent upon request for Agent's actual, reasonable and documented costs and out-of-pocket expenses incurred in connection with this Amendment and the transactions contemplated hereby, including the actual, reasonable and documented fees and out-of-pocket expenses of its legal counsel up to $50,000. The Company further reaffirms its obligations under Section 3(g) of the Equity Distribution Agreement related to expense reimbursement for quarterly bring-downs.

3. No Other Amendments. Unless expressly amended by this Amendment, the terms and provisions of the Equity Distribution Agreement shall remain in full force and effect.

4. Conflicting Terms. Wherever the terms and conditions of this Amendment and the terms and conditions of the Equity Distribution Agreement are in conflict, the terms of this Amendment shall be deemed to supersede the conflicting terms of the Equity Distribution Agreement.

5. Titles and Subtitles. The titles of the sections and subsections of this Amendment are for convenience and reference only and are not to be considered in construing this Amendment.

6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York without regard to principals of conflict of laws.

7. Counterparts. This Amendment may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original and all such counterparts shall together constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Amendment as of the date first written above.

XTI AEROSPACE, INC.

By: /s/ Scott Pomeroy
Name: Scott Pomeroy
Title: Chief Executive Officer

MAXIM GROUP LLC

By: /s/ Larry Glassberg
Name: Larry Glassberg
Title: Co-Head of Investment Banking

Exhibit 10.2

EXCHANGE AGREEMENT

This Exchange Agreement (the "**Agreement**") is entered into as of the 30th day of May, 2024, by and between XTI Aerospace, Inc. (formerly Inpixon), a Nevada corporation (the "**Company**"), and the investor signatory hereto (the "**Holder**"), with reference to the following facts:

A. Prior to the Merger (as defined below), the Holder acquired certain warrants to purchase shares of common stock, $0.001 par value per share, of XTI Aircraft Company, a Delaware corporation ("**Legacy XTI**"), that were assumed by the Company (the "**Assumed Warrants**") and became exercisable for shares of the Company's common stock, $0.001 par value per share (the "**Common Stock**"), in connection with the merger of Superfly Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of the Company ("**Merger Sub**"), with and into Legacy XTI with Legacy XTI surviving the merger as a wholly-owned subsidiary of the Company on March 12, 2024 (the "**Merger**"), pursuant to that certain Agreement and Plan of Merger, dated as of July 24, 2023 and amended on December 30, 2023 and March 12, 2024, by and among the Company, Legacy XTI and Merger Sub. The Assumed Warrants are described on the signature page of the Holder attached hereto, including Annex A hereto.

B. The Company and the Holder desire to exchange (collectively, the "**Exchange**") the Assumed Warrants for such aggregate number of shares of Common Stock as set forth on the signature page of the Holder attached hereto (collectively, the "**Exchange Shares**"). The Exchange Shares and this Agreement and such other documents and certificates related thereto are collectively referred to herein as the "**Exchange Documents**".

C. The Exchange is being made in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended (the "**1933 Act**").

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

1. **Exchange**. On or prior to the second (2nd) Trading Day (as defined in the Assumed Warrants) after the date hereof (the "**Closing Date**"), pursuant to Section 3(a)(9) of the 1933 Act, the Holder hereby agrees to exchange the Assumed Warrants for the Exchange Shares and the Company hereby agrees to issue the Exchange Shares to the Holder in exchange for the Assumed Warrants. On the Closing Date, in exchange for the Assumed Warrants, the Company shall deliver the Exchange Shares to the Holder via book-entry in accordance with the instructions set forth on the signature page of the Holder attached hereto, which Exchange Shares shall bear a restrictive legend. Upon consummation of the Exchange, the Assumed Warrants shall be automatically cancelled without any further action of the Company or the Holder.

2. **Company's Representations and Warranties.** As of the date hereof:

2.1 Organization and Qualification. Each of the Company and each of its Subsidiaries are entities duly organized and validly existing and in good standing under the laws of the jurisdiction in which they are formed, and have the requisite power and authority to own their properties and to carry on their business as now being conducted and as presently proposed to be conducted. Each of the Company and each of its Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect (as defined below). As used in this Agreement, "**Material Adverse Effect**" means any material adverse effect on (i) the business, properties, assets, liabilities, operations (including results thereof), condition (financial or otherwise) or prospects of the Company or any Subsidiary, taken as a whole, (ii) the transactions contemplated hereby or in any of the other Exchange Documents or (iii) the authority or ability of the Company or any of its Subsidiaries to perform any of their respective obligations under any of the Exchange Documents. Other than the Persons (as defined below) listed in the Company's filings with the SEC, the Company has no Subsidiaries. "**Subsidiaries**" means any "significant subsidiary" of the Company as such term is defined in Section 1.02(w) of Regulation S-X, and each of the foregoing, is individually referred to herein as a "**Subsidiary**." For purposes of this Agreement, (x) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any Governmental Entity or any department or agency thereof and (y) "**Governmental Entity**" means any nation, state, county, city, town, village, district, or other political jurisdiction of any nature, federal, state, local, municipal, foreign, or other government, governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal), multi-national organization or body; or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature or instrumentality of any of the foregoing, including any entity or enterprise owned or controlled by a government or a public international organization or any of the foregoing.

2.2 Authorization and Binding Obligation. The Company has the requisite power and authority to enter into and perform its obligations under this Agreement and each of the other agreements entered into by the parties hereto in connection with the transactions contemplated by the Exchange Documents and to consummate the Exchange (including, without limitation, the issuance of the Exchange Shares). The execution and delivery of the Exchange Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, including, without limitation, the issuance of the Exchange Shares, has been duly authorized by the Company's Board of Directors and no further filing, consent, or authorization is required by the Company, its Board of Directors or its stockholders. This Agreement and the other Exchange Documents have been duly executed and delivered by the Company, and constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

2.3 No Conflict. The execution, delivery and performance of the Exchange Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Exchange Shares) will not (i) result in a violation of the articles of incorporation, bylaws or any other organizational documents of the Company or any of its Subsidiaries or any capital stock of the Company or any of its Subsidiaries, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including foreign, federal and state securities laws and regulations and the rules and regulations of the Nasdaq Capital Market (or such other principal Trading Market (as defined in the Assumed Warrants) on which the Common Stock is then list for trading, the "**Principal Market**") and including all applicable federal laws, rules and regulations) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected except, in the case of clause (ii) or (iii) above, to the extent such violations would not reasonably be expected to have a Material Adverse Effect.

2.4 No Consents. Neither the Company nor any Subsidiary is required to obtain any consent from, authorization or order of, or make any filing or registration with (other than the filing with the Securities and Exchange Commission (the "**SEC**") of a Form D with the SEC, any other filings as may be required by any state securities agencies, filing of a listing of additional shares notification with the Principal Market in respect of the Exchange Shares, if applicable) any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under or contemplated by the Exchange Documents, in each case, in accordance with the terms hereof or thereof. All consents, authorizations, orders, filings and registrations which the Company or any Subsidiary is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to the date hereof, and neither the Company nor any of its Subsidiaries are aware of any facts or circumstances which might prevent the Company or any of its Subsidiaries from obtaining or effecting any of the registration, application or filings contemplated by the Exchange Documents. Except as disclosed in the Company's filings with the SEC, the Company is not in violation of the requirements of the Principal Market and has no knowledge of any facts or circumstances which would reasonably lead to delisting or suspension of the Common Stock in the foreseeable future.

2.5 Securities Law Exemptions. Assuming the accuracy of the representations and warranties of the Holder contained herein, the offer and issuance by the Company of the Exchange Shares is exempt from registration under the 1933 Act pursuant to the exemption provided by Section 3(a)(9) thereof.

2.6 Status of Assumed Warrants; Issuance of Exchange Shares. Upon issuance in accordance herewith, the Exchange Shares will be validly issued, fully paid and nonassessable and free from all preemptive or similar rights, mortgages, defects, claims, liens, pledges, charges, taxes, rights of first refusal, encumbrances, security interests and other encumbrances (collectively "**Liens**") imposed by the Company respect to the issue thereof, with the holders being entitled to all rights accorded to a holder of Common Stock.

3. Holder's Representations and Warranties. As a material inducement to the Company to enter into this Agreement and consummate the Exchange, the Holder represents, warrants and covenants with and to the Company as follows:

3.1 Reliance on Exemptions. The Holder understands that the Exchange Shares are being offered and exchanged in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Holder's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Holder set forth herein and in the Exchange Documents in order to determine the availability of such exemptions and the eligibility of the Holder to acquire the Exchange Shares.

3.2 No Governmental Review. The Holder understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Exchange Shares or the fairness or suitability of the investment in the Exchange Shares nor have such authorities passed upon or endorsed the merits of the offering of the Exchange Shares.

3.3 Validity; Enforcement. This Agreement and the Exchange Documents to which the Holder is a party have been duly and validly authorized, executed and delivered on behalf of the Holder and shall constitute the legal, valid and binding obligations of the Holder enforceable against the Holder in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

3.4 No Conflicts. The execution, delivery and performance by the Holder of this Agreement and the Exchange Documents to which the Holder is a party, and the consummation by the Holder of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of the Holder, if any entity, or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Holder is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to the Holder, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Holder to perform its obligations hereunder.

3.5 Investment Risk; Sophistication. The Holder is acquiring the Exchange Shares hereunder in the ordinary course of its business. The Holder has such knowledge, sophistication, and experience in business and financial matters so as to be capable of evaluation of the merits and risks of the prospective investment in the Exchange Shares, and has so evaluated the merits and risk of such investment. The Holder is an "accredited investor" as defined in Regulation D under the 1933 Act.

3.6 Ownership of Assumed Warrants. The Holder owns the Assumed Warrants free and clear of any Liens (other than the obligations pursuant to this Agreement and applicable securities laws and/or any pledge in the ordinary course of business in connection with a bona fide margin account).

3.7 Transfer Restrictions. The Holder understands that the Exchange Shares may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of the Exchange Shares other than pursuant to an effective registration statement or Rule 144 promulgated under the 1933 Act, to the Company or to an affiliate of the Holder or in connection with a pledge, the Company may require the Holder thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Exchange Shares under the 1933 Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement.

3.8 Restrictive Legend. The Holder acknowledges and agrees that the book-entry statements or other instruments evidencing the Exchange Shares shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such Exchange Shares):

> THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

4. **Disclosure of Exchange**. The Company shall file a Current Report on Form 8-K within the required timeframe describing the terms of the transactions contemplated hereby in the form required by the 1934 Act and attaching the Exchange Documents, to the extent they are required to be filed under the 1934 Act, that have not previously been filed with the SEC by the Company (including, without limitation, this Agreement) as exhibits to such filing (including all attachments, the "**8-K Filing**"). From and after the filing of the 8-K Filing, the Company shall have disclosed all material, non-public information (if any) provided up to such time to the Holder by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents. In addition, effective upon the filing of the 8-K Filing, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement with respect to the transactions contemplated by the Exchange Documents or as otherwise disclosed in the 8-K Filing, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, affiliates, employees or agents, on the one hand, and any of the Holder or any of their affiliates, on the other hand, shall terminate. The Company shall not, and the Company shall cause each of its Subsidiaries and each of its and their respective officers, directors, employees and agents not to, provide the Holder with any material, non-public information regarding the Company or any of its Subsidiaries from and after the date hereof without the express prior written consent of the Holder (which may be granted or withheld in the Holder's sole discretion). To the extent that the Company delivers any material, non-public information to the Holder without the Holder's consent, the Company hereby covenants and agrees that the Holder shall not have any duty of confidentiality with respect to, or a duty not to trade on the basis of, such material, non-public information. Notwithstanding anything contained in this Agreement to the contrary and without implication that the contrary would otherwise be true, the Company expressly acknowledges and agrees that the Holder shall not have (unless expressly agreed to by the Holder after the date hereof in a written definitive and binding agreement executed by the Company and the Holder), any duty of confidentiality with respect to, or a duty not to trade on the basis of, any material, non-public information regarding the Company or any of its Subsidiaries.

5. **Governing Law; Jurisdiction; Jury Trial**. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law**.** NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT THE HOLDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AGAINST COMPANY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. **THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6. **Counterparts**. This Agreement may be executed in one or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; *provided*, *that* facsimile or PDF signature pages shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original and not a facsimile or PDF signature.

7. **Headings**. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

8. **Severability**. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

9. **No Third Party Beneficiaries**. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

10. **Further Assurances**. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

11. **No Strict Construction**. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

12. **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns in accordance with the terms of the hereof.

13. **Notices**. Any notice or other communication required or permitted under this Agreement must be in writing and must be given by (a) certified or registered mail, (b) recognized commercial overnight courier, (c) facsimile transmission with a confirming copy by certified mail or recognized commercial overnight courier, or (d) e-mail with a confirming copy by certified or registered mail or recognized commercial overnight courier, all addressed as follows:

(i) If to the Company, to its address, e-mail address and facsimile number set forth on the signature page of the Company, with copies to the Company's representatives set forth on the signature page of the Company or to such other address, e-mail address and/or facsimile number and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change.

(ii) If to the Holder, to its address, e-mail address and facsimile number set forth on the signature page of the Holder, with copies to the Holder's representatives set forth on the signature page of the Holder or to such other address, e-mail address and/or facsimile number and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

14. **Remedies**. The Holder shall have all rights and remedies set forth in the Exchange Documents. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the Company recognizes that in the event that it fails to perform, observe, or discharge any or all of its obligations under this Agreement, any remedy at law may prove to be inadequate relief to the Holder. The Company therefore agrees that the Holder shall be entitled to seek temporary and permanent injunctive relief in any such case without the necessity of proving actual damages and without posting a bond or other security.

15. **Survival**. The representations and warranties of the Company and the Holder contained herein and the agreements and covenants set forth herein shall survive the closing of the transactions contemplated hereby, including, without limitation, the delivery and issuance of the Exchange Shares.

16. **Entire Agreement; Amendments**. This Agreement supersedes all other prior oral or written agreements between the Holder, the Company, their affiliates and Persons acting on their behalf solely with respect to the Assumed Warrants, and this Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Holder makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and the Holder. No provision hereof may be waived other than by an instrument in writing signed by the party against whom enforcement is sought.

17. **No Commissions**. Neither the Company nor the Holder has paid or given, or will pay or give, to any person, any commission or other remuneration, directly or indirectly, for soliciting the Exchange.

18. **Termination**. Notwithstanding anything contained in this Agreement to the contrary, if the Company does not deliver the Exchange Shares to the Holder in accordance with Section 1 hereof, then, at the election of the Holder delivered in writing to the Company at any time after the fifth (5th) Trading Day immediately following the date of this Agreement, this Agreement shall be terminated and be null and void ab initio and the Assumed Warrants shall not be terminated hereunder and shall remain outstanding as if this Agreement never existed.

[The remainder of the page is intentionally left blank]

IN WITNESS WHEREOF, the Holder and the Company have executed this Agreement as of the date set forth on the first page of this Agreement.

COMPANY:

XTI AEROSPACE, INC.

By: /s/ Scott Pomeroy
Name: Scott Pomeroy
Title: CEO

IN WITNESS WHEREOF, the Holder and the Company have executed this Agreement as of the date set forth on the first page of this Agreement.

Address for Notices:

StartEngine Crowdfunding Inc.
[***]
Attn: Hunter Strassman
E-mail: [***]

HOLDER:

StartEngine Crowdfunding Inc.

By: /s/ Hunter Strassman
Name: Hunter Strassman
Title: VP of Finance

Number of Assumed Warrant Shares issuable upon exercise of the Assumed Warrants as of the Closing Date (without regard to any limitations on exercise)**:

192,626

Number of Exchange Shares to be issued in the Exchange:

112,360

**As more fully described on Annex A attached hereto

Annex A

List of Assumed Warrants

Description	Date of Grant	Expiration	Quantity
XTI Aerospace Warrants	10/31/16	10/31/26	1,583
XTI Aerospace Warrants	1/15/17	1/15/27	87,764
XTI Aerospace Warrants	12/31/17	12/31/27	31,963
XTI Aerospace Warrants	12/31/18	12/31/28	17,406
XTI Aerospace Warrants	7/26/19	7/26/24	14,940
XTI Aerospace Warrants	9/13/19	9/13/24	13,632
XTI Aerospace Warrants	10/15/19	10/15/24	10,162
XTI Aerospace Warrants	11/18/19	11/18/24	14,209
XTI Aerospace Warrants	11/20/19	11/20/24	967
		Total:	192,626

Exhibit 99.1

Mr. Kendall Goodman
President
AVX Aircraft Company
13901 Aviator Way, Suite 270
Ft. Worth, TX 76177

Subject: Letter of Intent for Development, Design, and Certification of the TriFan 600 Vertical Lift Crossover Airplane (VLCA)

Dear Mr. Goodman,

This Letter of Intent ("LOI") is entered into as of May 30, 2024, by and between **XTI Aircraft Company** ("XTI"), a company organized and existing under the laws of the State of Delaware, with its principal office located at 8123 S. InterPort Blvd. Ste. C, Englewood, CO 80112-6054, and **AVX Aircraft Company** ("AVX"), a company organized and existing under the laws of Maryland, with its principal office located at 13901 Aviator Way, Ste. 270, Ft. Worth, TX 76177, separately referred to as "Party" and collectively referred to as "Parties."

1. **PURPOSE**: The purpose of this LOI is to set forth the foundational terms and conditions under which XTI desires to retain AVX and AVX desires to assist XTI in the design, development, and certification of the TriFan 600 Vertical Lift Crossover Airplane (VLCA) (the "Project").

2. **BACKGROUND**:

    a. AVX brings advanced vertical lift solutions to the military aviation market and has highly experienced engineers and professionals utilizing modern technology and skills in the vertical lift environment; and,

    b. XTI is designing and developing the TriFan 600 vertical lift crossover aircraft which will be differentiated from other fixed wing aircraft by its vertical takeoff and landing capability; and,

    c. XTI and AVX believe that in the design and certification of the TriFan 600 (the "Project"), XTI can benefit from AVX's vast experience in vertical lift aircraft.

3. **SCOPE**: XTI and AVX agree to work together in good faith to define a statement of work ("SOW") for the Project which will outline the specific tasks, responsibilities, deliverables, and milestones associated with the Project. The SOW will reflect specific phases that shall include, but are not limited to, an updated Preliminary Design Review ("PDR"), Critical Design Review ("CDR"), Flight Testing and Type Certification ("TC"). A detailed SOW for Phase I (the Updated PDR), and the high-level deliverables for Phase I and subsequent phases, will be attached to the definitive agreement.

4. **SCHEDULE**: XTI and AVX agree to mutually develop a detailed schedule and milestones for each phase of the Project. The detailed schedule for Phase I will be attached to the definitive agreement.

5. **TERMS & CONDITIONS**: XTI and AVX will finalize a definitive contract to include, but not limited to, Roles and Responsibilities, Intellectual Property ("IP"), Certification expectations, Cost and Pricing structure to include fees and other incentives, and Collaboration and Communication processes.

6. **PRESS RELEASE**: Parties agree to issue a mutually agreed joint press release and any other regulatory filing regarding this Letter of Intent on or before June 3, 2024.

7. **CONFIDENTIALITY**: Parties agree to maintain the confidentiality of all proprietary information and data exchanged during their collaboration in accordance with the mutually agreed non-disclosure agreement (NDA) between the Parties dated June 29, 2022.

8. **NON-BINDING NATURE**: This LOI is non-binding and is intended solely as a basis for further discussion and negotiation. It does not create any legal obligations or liabilities for either party. Any binding commitment regarding the Project will be subject to the execution of a definitive agreement and appropriate board approvals.

9. **GOVERNING LAW**: This LOI shall be governed by and construed in accordance with the laws of the State of Delaware.

We look forward to working together towards the successful development, design, and certification of the TriFan 600, and believe this innovative and category-defining aircraft will enjoy strong market acceptance and success.

Sincerely,

/s/ Don C. Purdy

Don C. Purdy,
SVP, Business & Program Development
XTI Aerospace, Inc.

Acknowledged and Agreed:

/s/ Kendall Goodman

Kendall Goodman
President
AVX Aircraft Company

Date: May 31, 2024

/s/ Scott Pomeroy

Scott Pomeroy
Chief Executive Officer
XTI Aerospace, Inc. on behalf of
XTI Aircraft Company

Date: May 31, 2024