

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): June 12, 2024

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

Nevada  
(State or other jurisdiction  
of incorporation)

001-36404  
(Commission File Number)

88-0434915  
(I.R.S. Employer  
Identification No.)

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

80112  
(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 June 14, 2024, XTI Aerospace, Inc. (the “Company”) entered into Amendment No. 6 to the Equity Distribution Agreement (the “Amendment”) with Maxim Group LLC (“Maxim”), which amends the Equity Distribution Agreement, dated as of July 22, 2022 (the “Original Agreement”), between the Company and Maxim, as previously amended on June 13, 2023, December 29, 2023, May 28, 2024, May 31, 2024 and June 10, 2024 (as so amended, the “Equity Distribution Agreement”), pursuant to which the aggregate gross sales amount was increased from approximately \$48,800,000 to approximately \$83,800,000. 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 \$83,800,000 through Maxim, as the Company’s sales agent. As of June 14, 2024, the Company has sold 10,003,959 shares of Common Stock with an aggregate offering price of approximately \$36,400,000, leaving an aggregate offering price of up to approximately \$47,400,000 in Common Stock remaining under the Equity Distribution Agreement (the “Shares”).

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 of 1933, as amended (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 maker. 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 \$83,800,000, 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 Shares will be offered and sold pursuant to the Company’s registration statement on Form S-3 (File No. 333-279901) (the “Registration Statement”), filed with the Securities and Exchange Commission (the “SEC”) on May 31, 2024, and the sales agreement prospectus that forms a part of such Registration Statement, following such time as the Registration Statement is declared effective by the SEC.

In connection with the Amendment and in accordance with the terms of the Certificate of Designation of Preferences and Rights of Series 9 Preferred Stock, on June 14, 2024, the Company obtained the written consent (the “Consent”) from the holders of at least a majority of the outstanding shares of the Company’s Series 9 Preferred Stock (the “Required Holders”) to allow the Company to register and sell up to an additional \$47,400,000 in Common Stock under the Equity Distribution Agreement (the “Maximum Amount”) subject to the following conditions: (a) the Company may sell up to an additional \$6 million in shares of Common Stock under the Equity Distribution Agreement without further consent from the Required Holders (the “Initial Tranche”); (b) the Company agrees to obtain the consent of the Required Holders for each tranche of additional \$5 million in sales of Common Stock under the Equity Distribution Agreement after the Initial Tranche up to the Maximum Amount; and (c) the Company and the Required Holders will take such actions as may be necessary to amend Section 12(k) of the Certificate of Designation, if so required by the Required Holders, to provide for the limitations described in the Consent, which amendment may be filed following the registration of the Maximum Amount of Shares.

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 Company’s Current Report on Form 8-K filed with the SEC on July 22, 2022, the previous amendments to the Original Agreement, which were each filed as Exhibit 10.1 to the Company’s Current Reports on Form 8-K filed with the SEC on June 13, 2023, January 3, 2024, May 29, 2024, May 31, 2024 and June 10, 2024, respectively, and the Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K, and are incorporated by reference herein.

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 Agreements*

On June 12, 2024 and June 13, 2024, the Company entered into exchange agreements (the “Warrant Exchange Agreements”) with the holders (the “Warrant Holders”) of certain existing warrants of the Company (the “Existing Warrants”) initially issued on December 19, 2023, which were exercisable for an aggregate of 491,314 shares of the Company’s Common Stock. Pursuant to the terms of the Warrant Exchange Agreements, on June 13, 2024, the Company issued to the Warrant Holders 1.5 shares of Common Stock for each Existing Warrant (rounded up to the nearest whole share), for an aggregate of 736,973 shares of Common Stock (the “Warrant Exchange Shares”), in exchange for the Existing 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 Existing Warrants were cancelled and no further shares are issuable pursuant to the Existing Warrants.

The foregoing description of the Warrant Exchange Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the form of Warrant Exchange Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

#### *Restricted Stock Award to Consultant*

On June 12, 2024, the Board of Directors (the “Board”) of the Company approved a grant of 2,680,459 shares of fully vested restricted stock to Nadir Ali, a consultant, under the Company’s 2018 Employee Stock Incentive Plan, as amended (the “2018 Plan”), in accordance with the terms of that certain Consulting Agreement, dated March 12, 2024 (the “Consulting Agreement”), by and between the Company and Mr. Ali, a copy of which was filed as Exhibit 10.5 to the Company’s Current Report on Form 8-K filed with the SEC on March 15, 2024, and a restricted stock award agreement. On June 13, 2024, the Company issued the restricted stock to Mr. Ali.

The foregoing description of Mr. Ali’s restricted stock award does not purport to be complete and is qualified in its entirety by reference to the full text of the form of Restricted Stock Award Agreement attached as Schedule 1 to Exhibit A to the Consulting Agreement, a copy of which is filed as Exhibit 10.3 to this Current Report on Form 8-K and incorporated herein by reference.

#### **Item 3.02 Unregistered Sales of Equity Securities.**

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 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 Warrant Exchange Shares were issued in exchange for other outstanding securities of the Company; (b) there was no additional consideration delivered by the Warrant Holders 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.

On June 12, 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 300 shares of Series 9 Preferred Stock with an aggregate stated value of \$315,000 (the “Preferred Shares”) for 601,259 shares of Common Stock (the “Preferred Exchange Shares”) at an effective price per share of \$0.5239. The Company issued the Preferred Exchange Shares to the holder on June 13, 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.

As of June 14, 2024, the Company has 26,831,422 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 contained in Item 1.01 of this Current Report on Form 8-K relating to Mr. Ali's restricted stock award is incorporated by reference herein to the extent required to be disclosed under this Item 5.02.

On June 12, 2024, the Board approved the following awards of options to purchase Common Stock (the "Options") pursuant to the 2018 Plan: 2,812,500 Options were awarded to Scott Pomeroy, the Chief Executive Officer of the Company; 1,640,625 Options were awarded to Brooke Turk, the Chief Financial Officer of the Company; and 975,000 Options were awarded to Soumya Das, the Chief Executive Officer of the Company's Real-Time Location System (RTLS) Division. Each Option has an exercise price of \$0.473 per share. The Options will vest 1/3<sup>rd</sup> annually over three years starting from the grant date. The Options expire on June 12, 2034.

The foregoing description of the Options awards does not purport to be complete and is qualified in its entirety by reference to the full text of the form of Incentive Stock Option Agreement filed as Exhibit 10.8 to the Company's Annual Report on Form 10-K filed on March 31, 2021, a copy of which is filed as Exhibit 10.4 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 8.01 Other Events.**

On April 16, 2024, the Company filed its annual report on Form 10-K for the year ended December 31, 2023 (the "2023 10-K"). Subsequent to the filing of the 2023 10-K, the Company became aware that the 2023 10-K inadvertently disclosed that the Company had paid Chardan Capital Markets ("Chardan") \$200,000 pursuant to Chardan's engagement letter with XTI Aircraft Company, dated as of June 7, 2022, as amended. As of the date hereof, such payment has not yet been made. This correction does not change any previously reported financial results of operations or any other disclosure contained in the 2023 10-K.

**Item 9.01 Financial Statements and Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
10.1	<a href="#">Amendment No. 6 to Equity Distribution Agreement, dated as of June 14, 2024, by and between XTI Aerospace, Inc. and Maxim Group LLC.</a>
10.2	<a href="#">Form of Exchange Agreement.</a>
10.3	<a href="#">Form of Restricted Stock Award Agreement (incorporated by reference to Schedule 1 to Exhibit A to the Consulting Agreement, dated March 12, 2024, by and between the Company and Nadir Ali, which was filed as Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the SEC on March 15, 2024).</a>
10.4	<a href="#">2018 Employee Stock Incentive Plan Form of Incentive Stock Option Agreement (incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K filed with the on March 31, 2021).</a>
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: June 14, 2024

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

## AMENDMENT NO.6 TO EQUITY DISTRIBUTION AGREEMENT

This **AMENDMENT NO. 6 TO EQUITY DISTRIBUTION AGREEMENT** (this "Amendment") is entered into as of June 14, 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, May 28, 2024 May 31, 2024 and June 10, 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 \$48,835,036 of shares with a reference to \$83,835,036 of shares.

2. Amendment to Sections 1(a)(xiii) and 1(a)(xvii) of the Equity Distribution Agreement. Sections 1(a)(xiii) and 1(a)(xvii) of the Equity Distribution Agreement are hereby amended by adding "Except as disclosed in the Registration Statement and the Prospectus," at the beginning of each section.

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]

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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

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## EXCHANGE AGREEMENT

This Exchange Agreement (the “**Agreement**”) is entered into as of June [●], 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 date hereof, the Holder acquired certain warrants to purchase shares of the Company’s common stock, \$0.001 par value per share (the “**Common Stock**”), as described on the signature page of the Holder attached hereto (the “**Existing Warrants**”).

B. The Company and the Holder desire to exchange (collectively, the “**Exchange**”) the Existing 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 below) after the date hereof (the “**Closing Date**”), pursuant to Section 3(a)(9) of the 1933 Act, the Holder hereby agrees to exchange the Existing Warrants for the Exchange Shares and the Company hereby agrees to issue the Exchange Shares to the Holder in exchange for the Existing Warrants. On the Closing Date, in exchange for the Existing Warrants, the Company shall deliver the Exchange Shares to the Holder by deposit/withdrawal at custodian 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 Existing Warrants shall be automatically cancelled without any further action of the Company or the Holder. For purposes of this Agreement, (x) “**Trading Day**” means a day on which the principal Trading Market is open for trading and (y) “**Trading Market**” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange (or any successors to any of the foregoing).

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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 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 Existing 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 Existing Warrants. The Holder owns the Existing 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. **Holding Period.** For the purposes of Rule 144, the Company acknowledges that the holding period of the Exchange Shares may be tacked onto the holding period of the Existing Warrants, and the Company agrees not to take a position contrary to this Section 5. The Company acknowledges and agrees that (assuming the Holder is not an affiliate of the Company) (i) commencing on June 19, 2024 (the “**Resale Date**”), the Exchange Shares will be eligible to be resold pursuant to Rule 144, (ii) the Company is not aware of any event reasonably likely to occur that would reasonably be expected to result in the Exchange Shares becoming ineligible to be resold by the Holder pursuant to Rule 144 commencing on the Resale Date and (iii) in connection with any resale of any Exchange Shares pursuant to Rule 144, the Holder shall solely be required to provide customary documentation and reasonable assurances that such Exchange Shares are eligible for resale, assignment or transfer under Rule 144, which shall not include an opinion of Holder’s counsel. The Company shall be responsible for any transfer agent fees or DTC fees or legal fees of the Company’s counsel with respect to the removal of legends, if any, or issuance of Exchange Shares in accordance herewith. As of the date hereof and notwithstanding the terms of the Existing Warrants or that certain Letter Agreement, dated December 15, 2023, by and between the Company and the Holder, the Company shall not be required to register the resale of the shares issuable upon exercise of the Existing Warrants (the “**Existing Warrant Shares**”) and the Holder shall not have any piggyback registration rights with respect to such Existing Warrant Shares.

6. **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.**

7. **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.

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

9. **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).

10. **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.

11. **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.

12. **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.

13. **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.

14. **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.

15. **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.

16. **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.

17. **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 Existing 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.

18. **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.

19. **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 Existing 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: \_\_\_\_\_

Name:

Title:

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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.

**HOLDER:**

Address for Notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
E-mail: \_\_\_\_\_

DTC Delivery Information:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

\_\_\_\_\_

Issuance Date of Existing Warrants: December 19, 2023  
Expiration Date of Existing Warrants: December 18, 2028

Number of Exchange Shares to be issued in the Exchange:

\_\_\_\_\_ 1

<sup>1</sup> NTD: Number of Exchange Shares will be equal to the Number of Existing Warrant Shares multiplied by 1.5 (rounded up to the nearest whole share).

\_\_\_\_\_