



## PRESS RELEASE

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### VirTra Signs Co-Venture Agreement with Modern Round

Tempe, Ariz. (January 21, 2015) -- VirTra Systems (OTC: [VTSI](#)), a leading provider of use of force training and [shooting simulators](#) to military, law enforcement agencies and other organizations, today announced the Company has signed a Co-Venture Agreement with Modern Round, a privately-held company, to develop the world's first simulator-based shooting lounge, where customers will enjoy a fun, safe and highly-engaging experience along with world-class amenities. The facility will not permit live firearm shooting.

Patrons will be treated to exceptional food and drinks brought right to their personal shooting bay. Each welcoming location will be climate-controlled, have no loud gunshot noise, and through the use of 100 percent simulated weapons, ensure maximum safety. The facility and amenities are thoughtfully designed to cater to women, men, families and for corporate events. In many ways, this first of its kind experience will be similar to the growing number of simulated golf ranges, with one key difference being that Modern Round does not require as large of a facility or as much land.

"We are dedicated to creating the most enjoyable, non-threatening, and safe shooting and entertainment experience available anywhere in the world," said Barry Monheit, Chief Executive Officer and Co-Founder of Modern Round, who has been Chairman of Smith & Wesson (NASDAQ:SWHC) since 2005.

"One exciting element is the potential to train both women and men in learning to shoot and the safe handling of simulated firearms, prior to using a real firearm. Also, we think the combination of a welcoming, friendly, safe and uniquely fun shooting lounge with exceptional food and drink in an entertainment environment will be a winning combination throughout the U.S. We have aggressive goals and high expectations for this concept and VirTra's expertise is invaluable in this endeavor. We are pleased to have them as a partner. We have concluded Modern Round is the right business concept, at the right time and for the right reasons. We anticipate strong customer demand, and if our assumptions are correct, we have the capability and interest in establishing Modern Round locations throughout the United States and beyond in the years to come," Monheit added.

The Co-Venture Agreement includes the development of a series of new shooting experiences exclusively for Modern Round facilities. VirTra's role is focused on the shooting simulator portion both at store opening and with ongoing, regular updates and maintenance. VirTra received today a 5 percent ownership stake in Modern Round and VirTra will have the right to purchase up to an additional 5 percent of Modern Round stock, if certain conditions are met in 2016 or later, for a potential total ownership of 10 percent. Modern Round affiliates will have the right to purchase up to a 10 percent ownership interest in VirTra if certain conditions are met in 2016 or later. As part of the agreement, VirTra will receive ongoing royalty payments from each Modern Round location. The exact location and date of the first facility opening is still being finalized.

Bob Ferris, VirTra's Chief Executive Officer, commented, "We are excited to be a key part of this promising enterprise that can both safely educate and highly entertain through a very innovative model. Barry and his partners have deep commercial experience and a remarkable track record of launching financially successful ventures. We are honored to be selected as the shooting simulator provider. This venture represents an opportunity for us to leverage our proprietary training technology and develop new technology for the commercial market."

## About VirTra Systems

VirTra is a global leading provider of the world's most realistic and effective use of force and [firearms shooting simulators](#). VirTra is the higher standard in firearms training simulators, offering a variety of simulator platforms, powerful gas-powered recoil kits and the patented Threat-Fire™ simulated hostile return fire system. VirTra's products provide the very best simulation training available for personnel that are entrusted with lethal force and critical missions. The Company's common stock is not registered under the Securities Exchange Act of 1934 and the Company does not currently file periodic or other reports with the Securities and Exchange Commission.

[www.VirTra.com](http://www.VirTra.com)

## Forward-looking Statements

This news release includes certain information that may constitute forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "proposed," "planned," "potential" and similar expressions, or are those, which, by their nature, refer to future events. All statements, other than statements of historical fact, included herein, including statements about VirTra's beliefs and expectations, are forward-looking statements. Forward-looking information is necessarily based upon a number of assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Although VirTra believes that such statements are reasonable, it can give no assurance that such forward-looking information will prove to be accurate. VirTra cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors. Accordingly, due to the risks, uncertainties and assumptions inherent in forward-looking information, readers and prospective investors in the Company's securities should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof, is based upon the opinions and estimates of management and information available to management as at the date hereof and is subject to change. The Company assumes no obligation to revise or update forward-looking information to reflect new circumstances, whether as a result of new information, future events or otherwise, except as required by law.

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