

xG TECHNOLOGY, INC.

Form FWP

November 04, 2013

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www.xgtechnology.com Road Show Presentation Solving the Spectrum Crisis Issuer Free Writing Prospectus Filed Pursuant to Rule 433 Registration No. 333 - 191867 November 1, 2013

2 xG® and xMax® are registered trademarks of xG Technology, Inc. Copyright 2013, All Rights Reserved.
www.xgtechnology.com Free Writing Prospectus Disclosure Link to documents on www.sec.gov On November 1, 2013, the issuer, xG Technology, Inc., filed a Registration Statement on Form S - 1/A Amendment No. 1 (Registration No. 333 - 191867) with the Securities and Exchange Commission (the "SEC") with respect to the offering to which this presentation relates. A copy of the preliminary prospectus for the offering is included in that registration statement. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may obtain these documents for free by visiting EDGAR on the SEC web site at www.sec.gov . Alternatively, copies of the preliminary prospectus and, when available, the final prospectus relating to the offering may be obtained from Aegis Capital Corp., Prospectus Department, 810 Seventh Ave., 11 th Floor, New York, NY 10019, telephone: 212 - 813 - 1010, e - mail: prospectus@aegiscap.com ; or Felth and Company, Inc., Prospectus Department, 800 LaSalle Avenue, Suite 2100, Minneapolis, MN, 55402, telephone: 612 - 492 - 8800, e - mail: prospectus@felth.com .

3 xG® and xMax® are registered trademarks of xG Technology, Inc. Copyright 2013, All Rights Reserved. www.xgtechnology.com Safe Harbor Statement Certain statements contained in this material are forward - looking statements. These forward - looking statements are based on the current expectations of the management of xG Technology only, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward - looking statements, including the risks and uncertainties related to the progress, timing, cost, future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources, or patent protection for our products and commercialization activities, and others, all of which could cause the actual results or performance of xG Technology to differ materially from those contemplated in such forward - looking statements. Except as otherwise required by law, xG Technology undertakes no obligation to publicly release any revisions to these forward - looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. For a more detailed description of the risks and uncertainties affecting xG Technology, reference is made to the Registration Statement on Form S - 1 filed with the Securities and Exchange Commission (Registration No. 333 - 191867) which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward - looking statements. Please refer to the above - referenced Registration Statement for a comprehensive list of risk factors that could cause actual results, performance or achievements of the company to differ materially from those expressed or implied in such forward - looking statements. xG Technology undertakes no obligation to update or revise any forward - looking statements.

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www.xgtechnology.com Offering Summary Issuer xG Technology, Inc. Ticker NASDAQ: XGTI Offering Size
Approximately \$10 million (15% over-allotment) Securities Offered Common Stock Use of Proceeds Working
capital, product development, marketing activities, expanding the sales organization and funding the set-up of contract
manufacturing production lines Bookrunners Aegis Capital Corp and Feltl and Co.

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www.xgtechnology.com About xG Technology THE COMPANY • 10 years experience developing wireless communications technologies • Headquartered in Sarasota, FL; engineering facilities in Fort Lauderdale, FL • 70 employees (50 in engineering) • Broad IP portfolio: 64 US patent matters (47 issued) 142 international (68 issued) • Shares are traded on NASDAQ (symbol: XGTI) OUR PROPRIETARY XMAX COGNITIVE RADIO TECHNOLOGY • Allows all wireless devices to automatically identify and utilize available frequencies to ensure optimal communications • Contains end - to - end IP architecture supports all applications/ services/technologies • Is robust enough to exploit unlicensed, licensed and shared spectrum • Is spectrum agnostic, meaning that it can be tuned to operate in any band • Mitigates interference found in crowded wireless communication environments

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www.xgtechnology.com Rick Rotondo VP Marketing • Cofounder, Spectrum Bridge • Motorola, Lucent, Mesh Networks Chris Whiteley VP Bus. Dev. • 10+ years wireless networking • @Link Networks Management Team James Woodyatt President • 20+ years investment bkg. • Expertise in private equity & international sales Roger G. Branton CFO • xG cofounder • 20+ yrs. finance/merchant bkg. OPERATIONS Scott Garlington VP of Engineering • 25+ years voice/data/wireless comms. • Motorola, Lucent, Mesh Networks Pertti Alapuranen Director, Systems Design • 20+ years wireless comms. • Motorola, Mesh Networks, Nokia Mike Johnson Senior Product Manager • 25+ years wireless comms. • Motorola, Mesh Networks, SkyTel Joseph Bobier CTO • xG cofounder • Inventor of xG's core technology • Holder of 30+ patents ENGINEERING/TECHNICAL John C. Coleman CEO • Col., USMC (ret) • Expert , DoD wireless comms. George Schmitt CEO , MBTH (xG parent co.) • Chairman Board xG • 40+ years wireless comms. • Mannesman, Omnipoint , AirTouch Richard L. Mooers Director • xG cofounder • Board Member, MBTH • 20+ years finance/merchant bkg.

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www.xgtechnology.com Source: Rysavy Research Problem Wireless demand will far exceed capacity in only three years time • Global mobile data traffic will increase 18X from 2011 to 2016 , 50% CAGR by 2018 • Driven by: • Increased use of smart devices • Compelling content & apps Sources: FCC, Cisco, Ericsson Solution: xMax systems from xG Technology Demand vs. Capacity

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www.xgtechnology.com Cognitive Radio Solution xMax 'sees through' the spectrum clutter, eliminates interference,
and allows optimal use of licensed and unlicensed spectrum Solution: xMax systems from xG Technology Provides
benefits to users that have spectrum as well as those who do not Identifies optimum available spectrum to transmit
and/or receive signals Instantly finds alternative channels if interference is detected on current frequency Able to
exploit licensed and unlicensed spectrum Can operate in crowded and/or shared spectrum bands

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www.xgtechnology.com System on a Chip Extent of Competitors' Cognitive Radio Technology xG's Cognitive Radio
Network Solution 2016 2014 2013 2012 2011 2008 MANET (Mobile Ad - Hoc Network) Variable Channel Width
Self Organizing Networks Interference Mitigation MIMO (Multiple input – multiple output) Dynamic Spectrum Access
Leader in Cognitive Radio • xG's cognitive radio network solution surpasses competitors' offerings by extending the
capabilities of Dynamic Spectrum Access

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www.xgtechnology.com Rural Telcos - \$1.2B Time to Market Penetration LTE - \$2B Cable - \$3B Incumbent Carriers
- \$13B Cumulative Addressable Market = \$35B = markets xG has received orders DoD/Public Safety/DHS - \$7B
Utilities/Smart Grid - \$4B Security - \$5B Sources: nationalpriorities.org, ntca.org, energy.gov, uscensus.gov,
fema.gov, dhs.gov, shieldsecurity.net, infonetics.com, visiongain.com Key: Size of market and dollar value of
respective markets Cumulative Addressable Market = \$35B

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www.xgtechnology.com • Key Supplier Relationships Now Online – Validated circuit board assemblies from key supply chain partners • Completed Internal Production Run of xMax Equipment – Tested and confirmed final assembly, configuration and QC processes prior to releasing volume build orders • Successfully Deployed Cognitive Radio Beta Network with FL Rural Broadband Provider – Multiple access point deployment provides key feedback on system performance and features in a typical rural wireless installation • Received Necessary FCC Certifications for xMod, xVM and xAP (10/7/2013) – Allows full commercial production and delivery of all core cognitive radio components to customers • First Fulfilled Delivery Against Order Backlog – Shipped world’s first complete cognitive system to Walnut Hill Telephone Co. Key Milestones Since July NASDAQ Listing

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www.xgtechnology.com Market Development 2013 Current

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www.xgtechnology.com DoD/PUBLIC SAFETY/DHS DHS \$6M RURAL TELECOM \$18.3M OTHER \$10.9M
TELEMEDICINE Booked business secured by purchase order or purchase contract Backlog: \$35.24M

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www.xgtechnology.com Steps to Fulfilling Backlog • Order Inventory • Set up Contract Manufacturing • xG to initially run in parallel with CM • Tropical Assemblies selected as primary CM with Profab as secondary for parallel builds/redundancy - risk reduction • Approved by several large Fortune 500 OEM's - L - 3, Harris, SAIC, HEICO, IDEX • P&L Services Portfolio – Ext. Warranty & Deployment Eng. • Depot repair partners (iTek Services & Sanmina) have been selected • Deployment engineering partners selected (Wireless Facilities, Inc. Teleworx)

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www.xgtechnology.com Beyond the Backlog • Continued Advancement in Products • New features - self - organizing
networks, higher data rates, new frequencies • Expand intellectual property portfolio • Grow Sales & Marketing •
Vertical Strategy/Geographical

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www.xgtechnology.com Weekly Field Engagements • Nov 5 th - Dept. of Commerce Innovative Spectrum Technology
Day Demonstration (Washington, DC) • Nov 7 th - NYC Office of Emergency Management Field Demonstration
(Brooklyn, NY) • Nov 8 th - Indiana County Office of Emergency Management pilot network deployment (Indiana,
PA)

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www.xgtechnology.com Capitalization Table (1) Assumes 3,533,569 shares priced at \$2.83/share Security As of Nov
1, 2013 Pro Forma Post Offering % Fully Diluted Common Shares 12,645,138 12,645,138 60.2% Offering Shares (1)
3,533,569 16.8% Basic Shares Outstanding 12,645,138 16,178,707 Outstanding Warrants 4,148,976 4,148,976 19.7%
Outstanding Options 680,847 680,847 3.2% Fully Diluted Shares Outstanding 17,474,961 21,008,530 100.0%

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www.xgtechnology.com Pro Forma Balance Sheet 16,538 authorized, 14,333,195 shares issued and outstanding, pro
forma as adjusted

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www.xgtechnology.com Income Statement