

PRESS RELEASE



MBTH Portfolio Company xG Technology Announces Mobile Broadband Equipment to be Deployed in Costa Rica

xMax System Will Be a Showcase for Benefits of xG's Cognitive Technology

Sarasota, Fla.—May 20, 2015—MB Technology Holdings, LLC (“MBTH”) portfolio company xG Technology, Inc., (Nasdaq: XGTI; XGTIW) (“xG”), the primary holding of MBTH, announced today that it has received an order for approximately \$100,000 in xMax mobile broadband wireless equipment and services which will be deployed in a network to be initially installed in Escazu, Costa Rica, with plans to expand in other Latin American locations.

The xMax equipment order was received from MBTH portfolio company Itellum, LLC (“Itellum”), one of four companies who have entered into a formal agreement to participate in the initial xMax deployment as well as expansion into other Latin American markets thereafter. The other partners include Level 3 Communications (“Level 3”), Osmin Vargas Corporacion (“OV”), and MBTH. The xMax broadband wireless networking equipment will include compact, high-performance access points, fixed and mobile personal WiFi hotspot devices and mobile control switching centers.

The goal of the network deployment is to demonstrate how xMax can effectively provide voice and data coverage to underserved and hard-to-reach markets, in addition to showcasing the benefits of xG’s patented cognitive technologies, including interference mitigation, self-organizing networks and spectrum sharing.

The xMax network will be showcased as a free service to users in a specific area for the first three months. Thereafter, the parties involved have future expansion plans in Costa Rica, Central America and/or South America based on a mutually agreeable deployment plan and business model.

Tim Foss, CEO of Itellum, said, “The deployment of xMax will represent a game changing technology throughout the region. This will be the first time that cost-effective, mobile voice, texting and broadband technologies will be available to users, as well as operators and incumbents, who stand to potentially save millions or even billions of dollars in capital outlays, since xMax does not require expensive and scarce licensed frequencies.”

George Schmitt, CEO and Board Chairman of xG Technology, said, “We see this initial deployment as the first step in a larger scale plan to introduce the benefits of the xMax solution to additional Latin American markets. The efficiencies we have designed into the xMax system make it an excellent fit for these markets, because xMax can deliver more bandwidth, to more people, for a lower cost than traditional wireless or wire line systems.”

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ABOUT MB TECHNOLOGY HOLDINGS, LLC

MB Technology Holdings, LLC (MBTH) is a technology holding and service company established in 2010. Its mission is to pursue suitable acquisitions for its portfolio by identifying companies requiring assistance in their next phases of growth, both organically and via add-on acquisitions. MBTH strives to add immediate and measurable value to such firms by using proven methods that include everything from cash flow optimization techniques, realignment of cost structures, development of capital and liquidity strategies, and transitioning from a private to a public entity.

MBTH leverages the considerable experience that its executive team has amassed in creating the suitable financial structures (IPO's, follow-on offerings, private placements, other financial know-how) as well as the organizational frameworks (executive strategy and leadership, key C-level and technical staffing, supply chain development, etc.) that are critical yet often beyond the means and experience of private companies.

MBTH is able to offer the advantage of a global vision and perspective due to its international base of directors, close colleagues, investments and financial dealings. This gives MBTH a presence in, and access to, major centers including London, Stockholm, San Francisco, Zurich, San Jose and Reykjavik.

ABOUT XG TECHNOLOGY

[xG Technology](#) has created a broad portfolio of intellectual property that makes wireless networks more intelligent, accessible, affordable and reliable. The company has created [xMax, a patented all-IP cognitive radio technology](#) that enables robust mobile broadband communications for private, consumer and government networks. xMax can solve [the crisis facing the wireless industry](#) caused by data-hungry devices and applications that are straining network capacity. It eliminates the need to acquire scarce and expensive licensed spectrum, thus lowering the total cost of ownership for wireless broadband access. xG's goal is to help wireless broadband networks deliver voice, video and data services to fixed and mobile users. The xMax cognitive radio system incorporates advanced optimizing technologies that include spectrum sharing, interference mitigation, multiple-input multiple-output (MIMO) and software defined radio (SDR). These and other technologies make xMax ideal for wide area, as well as rapid emergency communication deployment. xG offers solutions for [numerous industries worldwide](#), including urban and rural wireless broadband, utilities, defense, emergency response and public safety.

Based in Sarasota, Florida, xG has over 50 U.S. and over 120 international patents and pending patent applications. xG is a publicly traded company listed on the NASDAQ Capital Market where xG common stock is traded under the symbol [XGTI](#) and xG warrants are traded under the symbol [XGTIW](#). For more information, please visit www.xgtechnology.com.

Contact Info

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MB Technology Holdings, LLC

941-954-8701

www.mbtechnologyholdings.com