

The Manager
Market Announcements Office
Australian Securities Exchange
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by XTEK Limited ACN 103 629 107 (ASX: XTE) ("**XTEK**") under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) ("**Corporations Act**").

On 4 October 2021, XTEK announced a partially underwritten traditional pro rata non-renounceable entitlement offer ("**Entitlement Offer**") of 1 fully paid ordinary share in XTEK ("**New Shares**") for every 3.7 fully paid ordinary shares held in XTEK as at 7.00pm (Sydney time) on 7 October 2021 to eligible shareholders with a registered address in Australia or New Zealand.

The Entitlement Offer price per New Share is A\$0.26 per New Share which is the same price as fully paid ordinary shares offered to institutional investors under the institutional placement by XTEK announced to ASX on 4 October 2021.

The maximum number of New Shares that may be issued under the Entitlement Offer is 19,199,070 to raise up to approximately A\$5,000,000.

In addition to being able to apply for New Shares in the capital of XTEK under the Entitlement Offer, eligible shareholders who take up their full entitlement under the Entitlement Offer will be able to apply under a Top-Up Facility for additional New Shares in XTEK out of any New Shares for which subscriptions are not made under the Entitlement Offer ("**Additional Shares**").

Further details regarding the Entitlement Offer are set out in the offer booklet accompanying this notice lodged with ASX and mailed to all eligible shareholders today, 11 October 2021.

Pursuant to section 708AA(2)(f) of the Corporations Act, XTEK states that:

- (a) XTEK will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, XTEK has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to XTEK; and
 - (ii) section 674 of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- (e) the potential effect that the Entitlement Offer will have on the control of XTEK, and the consequences of that effect are as follows:
 - (i) as at the date of this notice, the issued capital of XTEK consists of 81,421,174 issued fully paid ordinary shares ("**Shares**") which includes the Shares issued under the institutional placement completed by XTEK and announced to ASX today, 11 October 2021 ("**Placement**");
 - (ii) as at the date of this notice, Altor Capital Management Pty Ltd and its associates ("**Altor**") hold a relevant interest in 9,906,977 securities, which includes the Shares issued to Altor under the Placement and which equates to a voting power in XTEK of 12.17%;

- (iii) as at the date of this notice, UDB Pty Ltd and its associates (“**UDB**”) hold a relevant interest in 5,740,408 securities, which equates to a voting power in XTEK of 7.05%;
- (iv) the potential effect of the issue of New Shares on the control of XTEK and the consequences of that effect will depend on a number of factors, including investor demand, existing shareholdings in XTEK and the extent to which eligible shareholders take up New Shares under the Entitlement Offer and applying for Additional Shares under the Top up Facility. However, having regard to the terms of the Entitlement Offer, which is structured as a pro rata issue, no shareholder of XTEK is likely to increase their shareholding in XTEK above 20% as a result of participation in the Entitlement Offer. XTEK does not expect that any person will increase their percentage shareholding in XTEK in a way that will have a material impact on the control of XTEK.

This announcement has been authorised by the XTEK Limited Board of Directors

Signed for and on behalf of XTEK Limited



Lawrence A Gardiner
Company Secretary
11 October 2021