

Release to the Australian Securities Exchange

XTEKs HighCom Subsidiary Ships 1st Tranche of US\$33.21m Order

Key highlights:

- **US\$33.21m Order for specialist ballistic armour received on 27 May 22**
- **100% of order has already been paid up front**
- **1st of multiple shipments has now been dispatched**
- **Revenue of US\$7.749m (Circa 23.3% of total order) now recognised**
- **Next shipment of US\$6.642m (Circa 20% of order) anticipated before 30 June 22**
- **Total Group new contracts since 1 March 22 now exceeds A\$77.6m**

Thursday 9 June 2022: XTEK Limited (**ASX: XTE, 'XTEK', 'Group'**) is pleased to announce that the Group's HighCom Armor Solutions Inc. (HighCom) business has dispatched the first 23.3% tranche of specialist ballistic products manufactured in our Columbus Ohio facility, that are included under the US\$33.21m order from an undisclosed international customer, that it previously announced on 27 May 22.

A key term of this contract called for the full prepayment of the entire US\$33.21m contract value, and XTEK can confirm that it has subsequently now recognised revenue of US\$7.749m against this order as a result of this shipment.

Assuming no logistics or transport delays being incurred, the Group anticipates the 2nd shipment of a further 20% of the order, worth US\$6.642m, will be dispatched and recognised as revenue before 30 June 22. The remaining 56.7% of the order will be delivered and recognised through Q1 FY2023.

Following the announcement on 6 June 22 of an A\$8.1m order from the Department of Defence for SUAS spares, the Group's total new order bookings since 1 March 2022 to more than A\$77.6m, with the Ballistics Division's new orders in that time comprising A\$64.4m of that total intake.

The Group does not expect any reduction in the volume of enquiries it is currently fielding from international customers until the various global tensions currently underway have been fully resolved.

Scott Basham, XTEK Group CEO, said,

"Our HighCom Armor team, under the great leadership of its CEO Mike Bundy, has been working absolutely tirelessly to manufacture, prepare, and now ship, this first tranche of the transformational US\$33.21m order that we announced on 27 May 22.

This first shipment, which weighed some 65,000kg and was comprised of 93 pallets of our specialist ballistic armour products, and which needed 4 semi-trailers to move it and a dedicated charter cargo aircraft to fly it out to the end user, is the largest ever shipment for we have dispatched from our Columbus OH facility.

The business now turns its attention to fulfilling the next tranche of this order, and also completing the various other major orders of these life-saving products that are underway for dispatch before 30 June 22.

In the meantime, our sales and business development teams continue to engage with customers all around the world, to help them with solutions to solve their large scale ballistic armour supply requirements."

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
9 June 2022

General & Media Enquiries:

Scott Basham,

Group CEO, XTEK Limited

T: +61 6217 2922

E: scott.basham@xtek.net

About XTEK Limited

XTEK Group is comprised of XTEK Ltd and its wholly owned subsidiary HighCom Armor Inc. (US) and operates as two distinct divisions – Ballistics Division & Technology Division. The Ballistics Division, based on our “HighCom Armor” business and brand, is focused on designing, manufacturing, and supplying global military, law enforcement, and first responder customers with world-class, advanced personal protection ballistic products and solutions for Body Armour, Ballistic Helmets, and Composite Armour Structures. The Technology Division is focused on manufacturing and supplying global Defence and Security Agencies with world-leading Australian-made and globally sourced Systems (UAVs & UGVs), Sensors, Software, and Support.

For more information on XTEK Ltd. visit www.xtek.net

For more information on HighCom Armor Solutions Inc. visit www.highcomarmor.com