

Release to the Australian Securities Exchange

XTEK Reports Solid Fourth Quarter and wins new \$665,000 contract for the supply and maintenance of bomb disposal equipment

Canberra – Thursday 16 July 2015: Leading defence and security equipment provider XTEK Limited (ASX:XTE) is pleased to report that it has recorded one of its strongest quarters in the Company's history in terms of cash receipts and revenue as it completed delivery of two key contracts and secured a new contract to supply bomb disposal equipment to a regional client

Key outcomes for XTEK during the quarter were:

- **Outstanding quarterly cash receipts of \$9.87m and revenue of \$9.46m for the three months to June 2015.**
- **Delivered and provided training on AeroVironment unmanned aerial systems (UAS) to the Australian Defence Force (ADF).**
- **Completed production and delivery of XTEK folding rifle chassis to the ADF.**
- **Delivered additional AeroVironment system to a regional client.**
- **Secured a new contract to the value of \$665,000 for the supply of bomb disposal equipment.**

The Company successfully delivered orders for XTEK designed and engineered Tactical 2 folding rifle chassis and AeroVironment WASP UAS to the ADF. XTEK also provided training on the AeroVironment UAS.



Separately, XTEK fulfilled an order to supply an AeroVironment system to another regional law enforcement client and believes that further regional UAS sales potential exists.



In addition to these deliveries, June also saw XTEK secure a new contract for the supply of cutting-edge bomb disposal equipment. This contract, valued at \$665,000, is scheduled for delivery later this financial year.

“The UAS and bomb disposal contracts once again emphasise XTEK’s reputation as a leading supplier of trusted, high-end solutions to our regional defence and law enforcement communities. It also highlights our extensive training capabilities.” said XTEK Chief Executive Officer, Brian Malcolm.

“XTEK is proud to be working so closely with our regional clients in the delivery of such world-class technical solutions.” **Ends.**

The Company is also pleased to advise that significant orders in hand have been received in the first quarter of FY16 and XTEK now has in place a \$10m capital draw down equity facility with Kentgrove Capital.

This equity facility allows for XTEK to raise cash on the draw down facility by issuing shares at a 5% discount to the market price at a time of it's choosing over the next three years. Having this equity facility allows the Company to expand its operations without being constrained by a lack of capital.

About XTEK Limited

XTEK Limited is a leading company in the Australian Homeland Security Market. XTEK's knowledge and expertise is focused on the delivery of protection and sustainment solutions for the government, law enforcement, military and commercial sectors.

XTEK is developing, on behalf of the US Department of Defense, advanced lightweight hard armour plate solutions using its proprietary XTclave™ isostatic composite consolidation technology. This program underscores XTEK's confidence in XTclave™, and is potentially key to future body armour contracts.

XTEK is also focusing on the UAS market for defence and commercial applications, including mapping, surveying, 3D modelling, photography and asset inspection. As well as developing its own range of UAS, XTEK also has the exclusive agency distribution agreement with AeroVironment for Australasia.

For more information visit the XTEK web site at www.xtek.net.

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
16 July 2015