

Release to the Australian Securities Exchange

XTEK Selected as Preferred Tenderer for Land 129 Phase 4 - Supply and Support of Small Unmanned Aerial Systems

Canberra – Wednesday 27 April 2016:

XTEK Limited (ASX:XTE) is pleased to advise that the Department of Defence has informed the Company that the evaluation of tenders received in response to the Supply and Support of Small Unmanned Aerial Systems has been completed. XTEK Limited has been selected as the Preferred Tenderer. The procurement remains conditional on the project achieving government approval at second pass and successful contract negotiations.

Commercial in Confidence contract negotiations involving a reduction in the scope of the initial supply are expected to commence shortly.

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. For more information visit the XTEK website at www.xtek.net.

Signed for and on behalf of XTEK Limited:

Lawrence A Gardiner Company Secretary 27 April 2016