

Release to the Australian Securities Exchange

XTEK Market Update

Canberra – Thursday 16 June 2016: XTEK Limited (ASX:XTE), is pleased to provide a market update on a number of activities.

Showcasing XTAtlas™

At the invitation of the Australian Capital Territory Government, XTEK will be showcasing XTAtlas™, XTEK's contextual video and mosaic mapping technology, to a Global Supply Chain Forum in Canberra on 16 June 2016. The unique XTAtlas™ technology geo-references live aerial video onto a digital map to deliver high definition video images in context to the map in real-time.

XTEK aims to license the XTAtlas™ technology with multiple Unmanned Aerial Systems (UAS) suppliers to integrate XTAtlas™ into their systems and also build and sell XTEK XTAtlas™ capable UAS. The Global Supply Chain Forum involving executives from several global defence prime contractors, will provide excellent opportunities for the commercialisation of XTAtlas™.

Share Purchase Plan

XTEK has a Share Purchase Plan (SPP) closing on 22 June 2016. The SPP provides all eligible shareholders with the opportunity to increase their shareholding in the Company at a 12.5% discount to the volume weighted average price over the 5 trading days prior to and including the Closing Date of the Offer, subject to a maximum price of \$0.42 per share.

The following information is provided in response to shareholder questions received regarding the SPP:


- The capital raised from the SPP will be used as working capital to fund a range of activities, including the development and commercialisation of XTAtlas™, marketing and sales support for the Agency business and the commercial Unmanned Aircraft System (UAS) business and to initiate the build of a new XTclave™ manufacturing plant.
- The Directors and most employee shareholders are participating in the SPP.
- An opportunity exists, through the issue of a top-up placement, for sophisticated investors / shareholders to obtain shares in XTEK under the same conditions as the SPP. This will be facilitated by Patersons Securities Limited (Lead Manager and Underwriter).

Shareholders should refer to the SPP Offer Booklet that was mailed on 2nd June 2016 for further information. If you have any questions, or require a replacement SPP Booklet and Application Form, please contact XTEK Limited on 1800 500 032.

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
16 June 2016