

Release to the Australian Securities Exchange Acceptance of Placement Offer for New Securities

Canberra, Tuesday 28 August 2012

The Directors wish to announce that, XTEK Limited (ASX:XTE) has received a Placement Acceptance Notification from a major shareholder for the issue of 7,700,000 fully paid new securities in the capital of the Company at an issue price of \$0.026 per security.

The private placement by the Company for the issue of the new securities to the value of \$200,200.00 is to satisfy an offer received from the major shareholder who, for timing reasons, was unable to participate in the recent Rights Issue as conducted by the Company. The funds as raised by the issue of Placement Securities will be used as working capital for the Company.

The placement of the new securities will be completed on 21 December 2012 and the Company will then give further notification pursuant to section 708(5) of the *Corporations Act 2001*.

XTEK is a leading company in the Australian Homeland Security Market. XTEK's knowledge and expertise is focused on the delivery of protection and sustaining solutions for defence forces, state and federal law enforcement agencies, corrections and customs services and government clients. 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
28 August 2012