

Announcement Summary

Entity name

XTEK LIMITED.

Announcement Type

New announcement

Date of this announcement

4/10/2021

The Proposed issue is:☒ A standard pro rata issue (including non-renounceable or renounceable)☒ A placement or other type of issue**Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)**

ASX +security code	+Security description	Maximum Number of +securities to be issued
XTE	ORDINARY FULLY PAID	19,199,070

Ex date

6/10/2021

+Record date

7/10/2021

Offer closing date

25/10/2021

Issue date

27/10/2021

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
XTE	ORDINARY FULLY PAID	10,384,615

Proposed +issue date

8/10/2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

XTEK LIMITED.

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

103629107

1.3 ASX issuer code

XTE

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

4/10/2021

1.6 The Proposed issue is:☒ A standard +pro rata issue (non-renounceable or renounceable)☒ A placement or other type of issue**1.6a The proposed standard +pro rata issue is:**☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

XTE : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

XTE : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

10

For a given quantity of +securities held

37



What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

19,199,070

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.26000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Securityholders eligible to participate in the Entitlement Offer who take up their entitlement in full will have the opportunity to apply for an additional number of New Securities in excess of their entitlement through a top-up facility (Additional Securities). Any New Securities issued in excess of entitlements will be limited by the allocation policy as set out in the Offer Booklet. Allocations may be scaled-back at the discretion of the Company,

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

Allocations may be scaled-back at the discretion of the Company, having regard to the pro-rata entitlements of eligible securityholders

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 3C - Timetable

3C.1 +Record date

7/10/2021



3C.2 Ex date

6/10/2021

3C.4 Record date

7/10/2021

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

11/10/2021

3C.6 Offer closing date

25/10/2021

3C.7 Last day to extend the offer closing date

20/10/2021

3C.9 Trading in new +securities commences on a deferred settlement basis

26/10/2021

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

27/10/2021

3C.12 Date trading starts on a normal T+2 basis

28/10/2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

1/11/2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

MST Financial Services Pty Ltd ACN 617 475 180 (MST) is the Lead Manager to the Entitlement Offer

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

XTEK has agreed to pay MST a management fee of 2% of the total cash proceeds raised from the Entitlement Offer

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

MST is the underwriter to the Entitlement Offer

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The Entitlement Offer is partially underwritten by MST up to A\$3 million



3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

XTEK has agreed to pay MST an underwriting fee of 4% of the total cash proceeds raised from the Entitlement Offer

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

See Section 9 of the Offer Booklet in relation to the Entitlement Offer to be released to the AS on Monday 11 October 2021 and Slide 41 of the Investor Presentation released to the ASX on Monday 4 October 2021

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ Yes

3E.2e (i) What is the name of that party?

XTEK Chairman and Non Executive Director, Uwe Boettcher has indicated he will sub underwrite the Entitlement Offer

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Up to A\$260000

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

NIL - Mr. Boettcher will not receive any fees for his sub underwriting of the Entitlement Offer

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

See Slide 29 of the Investor Presentation as released to to the ASX on Monday 4 October 2021

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

The Entitlement Offer will be extended to securityholders in Australia and New Zealand only

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes



3F.5a Please provide further details of the offer to eligible beneficiaries

The Entitlement Offer will only be made available to eligible nominees or custodians with a registered address in Australia or New Zealand who are registered as a holder of shares as at 7pm on Thursday 7 October 2021.

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.xtek.net/investors

3F.7 Any other information the entity wishes to provide about the proposed issue

N/A

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ No

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

XTE : ORDINARY FULLY PAID

Number of +securities proposed to be issued

10,384,615

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.26000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes



Part 7C - Timetable

7C.1 Proposed +issue date

8/10/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

10,384,615 shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

MST Financial Services Pty Ltd (MST) is the Lead Manager to the Placement

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

XTEK has agreed to pay MST a management fee of 2% of the total cash proceeds from the Placement

7E.2 Is the proposed issue to be underwritten?

☒ Yes



7E.2a Who are the underwriter(s)?

MST is the underwriter to the Placement

7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

Fully underwritten

7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

XTEK has agreed to pay MST an underwriting fee of 4% of the total cash proceeds raised from the Placement

7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

See Slide 41 of the Investor Presentation released to the ASX on Monday 4 October 2021

7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Standard share registry, legal and other external advisers and ASX administration fees

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

See Slide 29 of the Investor Presentation as released to the ASX on Monday 4 October 2021

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

No

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)