

Release to the Australian Securities Exchange**XTEK Annual General Meeting**

Canberra – 28 October 2014: XTEK Limited (ASX:XTE) advises that the 2014 Annual General Meeting of the Company, is scheduled to commence at 12.30 pm on 28 November 2014 at XTEK Head Office, 3 Faulding Street, Symonston, ACT 2609.

A copy of the Notice of Meeting, Explanatory Statement and Proxy Form are attached and form part of this announcement.

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 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 October 2014

NOTICE OF ANNUAL GENERAL MEETING

Friday 28 November 2014

Notice is hereby given that the Annual General Meeting of the Shareholders of XTEK Limited ('Company' or 'XTEK') will be held at XTEK Head Office, 3 Faulding Street, Symonston, ACT 2609, on Friday 28 November 2014, commencing at 12:30 pm.

The Explanatory Notes that accompany and form part of this Notice of Annual General Meeting describe the various matters to be considered.

ORDINARY BUSINESS

1. Chairman's Address

2. Financial Statements and Reports

To receive and consider:

- the Financial Report;
- the Directors' Report; and
- the Auditor's Report for the financial year ended 30 June 2014.

Note: The Auditor of XTEK or their representative, will be available to receive questions relevant to the Financial Report and the Auditor's Report.

3. Resolutions

- Resolution 1

Adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the Remuneration Report, as set out in the Annual Report for the Financial Year ended 30 June 2014, be adopted".

Note: The vote on this resolution is advisory only and does not bind the Company or its Directors.

- Resolution 2

Election of Mr. Uwe Boettcher as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purpose of section 201H(3) of the Corporations Act and for all other purposes, Shareholders confirm the appointment of Mr. Uwe Boettcher, being a retiring Director and being eligible, be re-elected as a Director of the Company".

- Resolution 3

Consolidation of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That pursuant to section 254H of the Corporations Act and with effect from 12 December 2014, the issued share capital of the Company will be consolidated through the conversion of every ten fully paid ordinary shares in the Company into one fully paid ordinary share in the Company and that any resulting fractions of a share be rounded up to the next whole number of shares"

OTHER BUSINESS

4. Other Business

To transact any other business that may be legally brought forward at the AGM.

DETERMINATION OF VOTING ENTITLEMENTS

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that the shareholding of each member for the purposes of ascertaining voting entitlements for the Annual General Meeting, will be as it appears in the share register at 7.00pm (Canberra Time) on Wednesday, 26 November 2014.

By order of the Board



Lawrence A Gardiner
Company Secretary

20 October 2014

EXPLANATORY STATEMENT

PURPOSE OF INFORMATION

The purpose of this Explanatory Statement (which is included in and forms part of the Notice of Annual General Meeting dated 20 October 2014) is to provide members with an explanation of the business of the meeting and of the resolutions to be proposed and considered at the Annual General Meeting (AGM) to be held on Friday 28 November 2014 commencing at 12:30pm at XTEK Head Office, 3 Faulding Street, Symonston, ACT 2609 and to assist members to determine how they wish to vote on each resolution.

FINANCIAL STATEMENTS AND REPORTS

Pursuant to the Corporations Act, the Directors of a public company are required to hold an Annual General Meeting and must table the financial statements and reports of the Company (including the Directors' Report and Auditor's Report) for the previous financial year before the members at that Annual General Meeting.

Shareholders have been provided with all relevant information concerning the Company's financial statements, the Directors' Report and Auditor's Report in the Annual Report of the Company for the year ended 30 June 2014. A copy of the Annual Report has been forwarded to each Shareholder (other than those Shareholders who have previously notified the Company that they elect not to receive the Annual Report, whether in paper form or electronically). Any Shareholder who has made this election and now wishes to receive a paper or electronic copy of the Annual Report should contact the Company to arrange receipt. The Annual Report can also be viewed, printed and downloaded from the Company's website www.xtek.net. A copy of the financial statements, the Directors' Report and the Auditor's Report will also be tabled at the meeting.

Shareholders should note that the sole purpose of tabling the financial statements and the reports of the Company at the Annual General Meeting is to provide the Shareholders with the opportunity to be able to ask questions or discuss matters arising from the financial statements and/or the reports at the meeting. It is not the purpose of the meeting that the financial statements or the reports be accepted, rejected or modified in any way. Further, as it is not required by the Corporations Act, no resolution to adopt, receive or consider the Company's financial statements or the reports (other than the Remuneration Report) will be put to the Shareholders at the meeting.

Members will be given a reasonable opportunity at the meeting to ask questions and make comments on the financial statements and the reports. The Company's Auditor will also be available to receive questions and comments from Shareholders about the preparation and content of the financial statements and the Auditor's Report and the conduct of the audit generally.

Further, any Shareholder entitled to cast a vote at the AGM may submit written questions to the Auditor if:

- (a) the question is relevant to:
 - (i) the content of the Auditor's Report to be considered at the AGM; or
 - (ii) the conduct of the audit of the 2014 financial report to be considered at the AGM; and
- (b) the Shareholder gives the question to the Company no later than 5 business days before the day on which the AGM is to be held.

REMUNERATION REPORT (Resolution 1)

- The Directors' Report for the year ended 30 June 2014 contains a Remuneration Report, which sets out the policy for remuneration of the Directors and the Company Secretary.
- The Corporations Act requires that a resolution be put to the Shareholders of listed companies at their Annual General Meetings that the Remuneration Report be adopted.
- The Corporations Act expressly provides that the vote is advisory only and does not bind the Directors or the Company.
- Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.



ELECTION OF MR. BOETTCHER AS A DIRECTOR (Resolution 2)

Clause 6.1 (f) and (g) of the Company's constitution requires at least one Director retire from office and be subject to re-election (if sought) at the next annual general meeting of the Company, when the Director may be re-elected. In accordance with Clause 6.1 (g) Mr. Boettcher has agreed to retire at the 2014 AGM, he is eligible for re-election and is seeking re-appointment as a Director.

Biography of Mr. Uwe Boettcher

Mr. Uwe Boettcher, aged 62, was appointed a Director of the Company on 28 April 2009 and subsequently appointed Chairman of the Company on 25 June 2009. Mr. Boettcher is the Principal of the law firm, Boettcher Law, starting his career at King & Wood Mallesons and most recently having been a partner at Abbott Tout Lawyers. He is a Fellow of the Australian and New Zealand College of Notaries and a practicing Notary Public. In 2005, he was appointed as a Fellow of the Australasian Institute of Banking and Finance. In 2011, he was appointed a Foundation Fellow of the Australian Association of Capital Angels. He is a past Chairman of the National Health Sciences Centre Limited and the Australasian Legal Alliance.

Other Directorships

- Chairman of Kord Defence Group of Companies
- Director Greenmag Group Pty Ltd
- Director of Capital Angels Pty Ltd
- Director of Manuka Corporate Pty Ltd
- Alternate Director of Mineral Carbonation International Pty Ltd

CONSOLIDATION OF SHARES (Resolution 3)

(a) The Proposal

- (i) **General**
Pursuant to the section 254H of the Corporations Act 2001, the Company proposes to consolidate the issued share capital of the Company through the conversion of every ten fully paid ordinary shares in the Company into one fully paid ordinary share in the Company. Under section 245H of the Corporations Act 2001, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting.
- (ii) **Timing**
The consolidation if approved by shareholders, will take effect from 12 December 2014.
- (iii) **Treatment of Fractions**
Where the consolidation of a shareholders holding results in an entitlement to a fraction of a share, the fraction will be rounded up to the nearest whole number of shares.

(b) Reasons for consolidation

- (i) XTEK has a large number of shares on issue (over 201 million) due to historical equity-based capital raisings. The number of shares on issue is disproportionate to XTEK's peers, so the Company proposes to reduce this number by way of a share consolidation.
- (ii) The consolidation may help improve liquidity leading to some improvement in the Company's share price relative to the Company's net asset value per share.
- (iii) The Directors have noted that the share price at its prevailing level is subject to high volatility on low volume trading, which is unfavourable to Shareholders, the consolidation could help reduce this volatility.

(c) Effect of consolidation

- (i) If the proposed share consolidation is approved by Shareholders, the number of XTEK shares on issue will be reduced from approximately 201 million to approximately 20 million.
- (ii) As the consolidation applies equally to all of the Company's shareholders, individual shareholdings will be reduced at the same ratio as the total number of the Company's shares (subject to rounding of fractions).
- (iii) The consolidation will have no material effect on the percentage interest of each individual shareholder in the Company. The aggregate value of each shareholder's holding should not materially change, other than minor changes as a result of rounding.
- (iv) Shareholders should note that the reduction of share capital, if approved, will also have an effect on the Company's share price.



(c) Tax implications

- (i) Particular taxation implications will depend upon the circumstances of each shareholder, accordingly shareholders are encouraged to seek and rely only on their own professional advice in relation to their particular tax position.
- (ii) The share consolidation will be undertaken in accordance with section 245H of the Corporations Act 2001. Subject only to rounding, there will be no change to the proportionate interests held by each shareholder in the Company as a result of the share consolidation.
- (iii) Neither the Company nor its Officers, Employees or Advisors assumes any liability or responsibility for advising shareholders about tax consequences arising from the share consolidation.

(d) Directors recommendation

The Company's Directors unanimously recommend that shareholders vote in favour of the share consolidation. Each Director holding shares in the Company, intends to vote in favour of Resolution 3 (share consolidation). The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3.

(e) No other material information

Other than set out in this document or previously disclosed to the shareholders of the Company, there is no other information that is known to the Directors which may be reasonably expected to be material to the making of a decision by a shareholder in respect to the share consolidation.

(f) Timetable for share consolidation

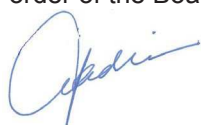
The timetable below assumes the proposed share consolidation has been approved by shareholders.

Event	Date
Last day for trading in pre-consolidated securities	01 December 2014
Trading in consolidated securities on a deferred settlement basis commences	02 December 2014
Last day to register transfers on a pre-consolidation basis	04 December 2014
Registration of securities on a post consolidation basis	05 December 2014
Issue Date and dispatch on new holding statements	11 December 2014
Normal trading commences following share consolidation	12 December 2014

Voting Statement

The Voting Statement relating to all resolutions is included in the Notice of Meeting.

By order of the Board



Lawrence A Gardiner
 Company Secretary
 Dated: 20 October 2014

INFORMATION FOR SHAREHOLDERS

Voting and Proxy Votes

1. A member entitled to attend and vote at the meeting has a right to appoint a proxy.
2. The proxy need not be a member of the Company.
3. A member who is entitled to cast two or more votes may appoint up to two proxies and, in the case of such an appointment, may specify the proportion or number of votes each proxy is appointed to exercise.
4. If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes which each proxy may exercise, each proxy may exercise half of the votes.
5. The proxy form included in this Notice of Annual General Meeting must be signed by the member or the member's attorney. Proxies given by corporations must be signed under the hand of a duly authorised officer or attorney.
6. To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be lodged with the Share Registry - Computershare Investor Services Pty Limited at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, using the reply paid envelope supplied or by facsimile to +61 3 9473-2555 as soon as possible and in any event not later than 48 hours prior to the time appointed for the Annual General Meeting.
7. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.
8. If a Shareholder appoints the Chairperson of the meeting as the Shareholder's proxy and does not specify how the Chairperson is to vote on an item of business, the Chairperson will vote, as proxy for that Shareholder, in favour of the item on a poll.
9. Members should refer to the Explanatory Statement, which accompanies and forms part of this Notice of General Meeting, for information regarding voting restrictions.
10. Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chairperson of the Annual General Meeting) a natural person to act as its representative at any general meeting.
11. The Chairman intends voting undirected proxies in favour of all resolutions.

Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations Shareholders entered on the Company's Register of Members as at 7:00 pm on 26 November 2014 are entitled to attend and vote at the meeting. On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

How to Vote

To vote on the resolutions, members will need to follow these steps:

Either: Complete the Form of Proxy and return it by facsimile or mail (to be received no later than 26 November 2014 to the following office or facsimile number:

Computershare Investor Services Pty Limited
GPO Box 242,
Melbourne, Vic, 3001
Facsimile number: 03 9473 2555

Or Attend the AGM.

Queries Please contact the Company Secretary, Mr. Lawrence Gardiner, on (+61 2) 6163 5588



Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 12:30pm (AEDT) on Wednesday 26 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of XTEK Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of XTEK Limited to be held at XTEK Head Office, 3 Faulding Street, Symonston, ACT 2609 on Friday 28 November 2014 at 12:30pm (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr. Uwe Boettcher as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Consolidation of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

XTE

1 8 5 6 4 3 A

Computershare +