



Release to the Australian Securities Exchange

- 1. Appointment of Chief Executive Officer.**
- 2. Submission of Material Tender.**

Wednesday 29th August 2007. The Directors are pleased to announce that XTEK Limited (“the Company”), has today appointed Mr. David Jarvis, a seasoned XTEK veteran as the Company’s Chief Executive Officer. Mr. Jarvis joined the Company in 2004 as Chief Operating Officer (COO) and has been acting CEO for the majority of 2007.

Mr. Jarvis has overseen, in conjunction with the XTEK management team, a significant turnaround in the performance of XTEK throughout 2007 in comparison to 2006. The company has aggressively managed its cost base down while at the same time implementing key building blocks to underpin future growth and generate new income streams including the capacity to provide integrated logistics support for XTEK’s fleet of equipment, the achievement of Registered Training Organisation status and ISO 9001 accreditation, each of which are related components to the logistical support initiative.

Bruce Higgins Chairman of XTEK commented:

“David Jarvis is a former military officer and a graduate of the Royal Military Academy Sandhurst. Prior to joining XTEK, David had 14 years commercial experience in Asia in profitable international growth companies operating in the security and related industries. David’s skills and experience are well aligned with our business needs and has the full support of the Board and Management.”

Mr. Jarvis’ base compensation will be \$247,600 per annum with a short term incentive plan of up to 30% additional compensation based on meeting financial and non financial measures set by the Remuneration Committee of the Board.

Mr. Jarvis has a Long Term Incentive Plan (LTIP) in the form of 1,200,000 XTEK performance rights. The terms of the grant will be exercise price’s of \$0.2235 for previously issued Tranche One (420,000 rights) and \$0.1761 for Tranche Two issue (920,000 rights) with vesting subject to performance testing over three years against the ASX 300 index.

Tender Submission

XTEK was selected, through an Invitation To Register (ITR) interest short listing process to participate in a tender for the delivery of a Modular Combat Body Armour System (MCBAS).

This system forms a part of the Department of Defence Capability Plans, specifically the “Project Land 125 Phase 3 Subsystem”.

Key aspects of this tender are to provide fragmentation protection and protection against small arms fire as an integral part of the close combat soldiers clothing. In addition to the supply of equipment the tenderer must also provide integrated logistics support and manage an in service support function.

The project is defined by the Department of Defence as a major project (greater than \$20M). Consequently were XTEK to be successful, this singular opportunity could be a multiple of XTEK’s current annual (\$13m) revenue. Were that to eventuate the Company would finance the impact of the opportunity from its own resources.

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XTEK's tender response has recently been submitted. Any outcome is unlikely to be known until late in this calendar year.

XTEK expects the tender to be extremely competitive.

XTEK Ltd is the leading company in the Australian Homeland Security Market. XTEK's knowledge and expertise is focused on the delivery of leading 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

For further information please contact:

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Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
29th August 2007

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