

Release to the Australian Securities Exchange

XTEK receives first domestic purchase order for its proprietary XTclave™ manufactured body armour

Canberra – Thursday, 31 May 2018: XTEK Limited (ASX: XTE, 'XTEK', the 'Company') is pleased to announce it has received the first domestic purchase order from the Australian Defence Force (ADF) for its proprietary Small Arms Protective Insert (SAPI) plates manufactured with its proprietary patented XTclave™ process.

This is the first order from the ADF for XTEK's latest high-end ballistic armour which have been produced in-house using XTEK's XTclave™ technology. The purchase order is to supply a sample of XTclave™ SAPI plates to the ADF's Diggerworks for evaluation purposes. The key factor in Diggerworks' decision was the significant reduction in the weight of the XTclave™ SAPI plates when compared to systems that offer similar protection levels.

This purchase order follows the order from FY Composites (announced on 19 December 2017), and represents a significant milestone for XTEK's commercialisation strategy for the XTclave™ technology. Strategic discussions and product testing continues with several potential clients globally who have expressed interest in the XTclave™ technology. Further, XTEK continues to make progress with the development of its commercial scale manufacturing and production capabilities.

This order is scheduled to be delivered before the end of December 2018.

XTEK Managing Director Philippe Odouard commented:

"This purchase order represents a significant milestone in XTEK's strategy to commercialise its proprietary product portfolio. We now have received purchase orders from key customers in Europe and Australia for our XTclave™ made SAPI plates, which provides strong validation of the advantages of our in-house developed technology. XTEK remains focused on the commercialisation and production of its ballistic products."

ENDS

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
31 May 2018

Media enquiries:
Daniel Paproth
E: daniel.paproth@mcpartners.com.au
M: 0421 858 982

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.

The supply and maintenance of Small Unmanned Aerial Systems (SUAS) is a major focus for XTEK. In addition, XTEK has developed a range of new technologies which it is now commercialising for the domestic and international market. XTclave™ composite protection products and XTatlas™ real time contextual video provide novel solutions for western military forces.

For more information visit the XTEK website at www.xtek.net