

Release to the Australian Securities Exchange

XTEK selected as exclusive Australian Heckler & Koch value-added reseller

Canberra – Wednesday 1 May 2019: XTEK Limited (ASX: XTE, 'XTEK', the 'Company') is pleased to announce that Heckler & Koch GmbH ("H&K") have appointed XTEK to be their exclusive representative regarding the marketing and sale of their products to the law enforcement and military authorities of Australia.

Key highlights

- **XTEK appointed as H&K's exclusive value-added reseller in Australia**
- **H&K is a world leading manufacturer of high quality and innovative weapon systems to security forces, the police and special forces of NATO and NATO-associated states**
- **In addition to product distribution, XTEK plans to implement Australian Industry Content and provide repair and maintenance services for the life of the H&K weapon systems sold**
- **Further, XTEK has recently responded to multiple tenders for weapon systems with H&K in Australia**

XTEK Managing Director Philippe Odouard commented: "We are very proud to have been selected as Heckler & Koch's exclusive value-added reseller in Australia. They are a prestigious and world leading manufacturer of high-quality weapon systems to global customers. In addition, this agreement enables a pathway to higher margin revenue streams of Australian Industry Content, training, repair and maintenance services. This is aligned with our existing strategy and ensures XTEK is a Defence supplier of choice in Australia."

H&K has appointed XTEK to be the authorised and exclusive value-added reseller for its weapons systems in Australia for the military and law enforcement authorities. H&K is globally recognised as a world leading designer and manufacturer of high quality and innovative small arms weapon systems. H&K partners with security forces, police and special forces of NATO and NATO-associated states. Based in Germany, H&K also has global operations in the US, UK and France. H&K holds a market leading position across its major product categories.

This agreement allows XTEK to exclusively market and distribute H&K small arms weapon systems to Australian law enforcement authorities and the Australian Defence Force (ADF). As the exclusive value-added reseller, XTEK can introduce Australian Industry Content such as making carbon fibre parts using its XTclave™ to the weapon systems to best suit customer capability requirements in Australia and overseas. XTEK will also perform higher margin services such as training, repair and maintenance services on the H&K weapon systems for its life cycle.

XTEK has recently submitted responses to separate ADF and Victoria Police tenders for the supply of the weapon systems. The ADF tender covers the long-term supply and maintenance of small arms weapons systems while the Victorian Police tender is associated for the supply of rifles in the short term.

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
1 May 2019

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 key focus for XTEK. In addition, XTEK has developed a range of new technologies which it is now commercialising for the 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