

Release to the Australian Securities Exchange

XTEK's First International Commercial Order For XTclave™ Plates

Tuesday, 5 May 2020: XTEK Limited (ASX: XTE) is pleased to advise that it has received the first international commercial order for its light weight XTclave™ manufactured ballistic plates, which represents a key milestone in XTEK's ballistic armour commercialisation strategy.

Key Highlights

- First international commercial order of XTclave™ manufactured ballistic plates, worth >A\$1m
- Purchase order from CPE Production Oy, for use by the Finnish Defence Forces, following an extensive validation and testing process for qualification purposes by the Finnish Army
- This order demonstrates external validation of the quality and demand for XTEK's state-of-the-art technology, and places XTEK in a strong position to receive further orders

XTEK Managing Director, Philippe Odouard, said:

"This purchase order represents a key milestone for XTEK in the commercialisation of its proprietary XTclave™ technology. The qualification process undertaken, followed by a large order, is a clear execution of our strategy. We have worked very hard to ensure that the long customer cycles have progressed in parallel with the construction of the new manufacturing centre in Adelaide, to ensure that the manufacturing capability is utilised as soon as possible – and we are now very pleased to see this strategy successfully executed."

CPE Production Oy (CPE) is a supplier of high-performance lightweight ballistic protection solutions to the Finnish Defence Forces and other European defence customers. In late 2017, XTEK received a small purchase order for samples of its proprietary XTclave™ manufactured Small Arms Protective Insert (SAPI) plates for qualification purposes by the Finnish Army. The successful progression through intensive testing and validation, has led to this commercial scale order, providing significant external validation of the quality of the product.

XTEK is well-placed to service the growing demand for new generation armour and helmets from domestic and international customers with its new XTclave™ manufacturing centre in Adelaide, providing a commercial scale manufacturing capability using its advanced composite technology.

XTEK Chairman, Uwe Boettcher, said:

"The external validation of our ballistic products and XTclave™ manufacturing technology demonstrates international demand. XTEK has rapidly progressed through key milestones relating to the commercialisation of its ballistic armour products and is currently in active discussion with other potential customers."

Summary of key ballistic armour achievements and strong outlook:

- **September 2019:** Acquisition of US armour manufacturer
- **January 2020:** Launch of new armour products in the US
- **February 2020:** Official opening of the XTclave™ manufacturing centre in Adelaide
- **March 2020:** Achieved first Australian order of XTclave™ new generation armour
- **April 2020:** Part delivery of XTclave™ new generation armour to Australian customer
- **May 2020:** First international order of XTclave™ new generation armour for Finnish Defence Force
- **By mid 2020:** First order for new generation XTclave™ helmets for international customers expected

XTEK continues ongoing discussions with other potential customers and expects to commence exporting of ballistic products to the US in the near-term.

ENDS

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
5 May 2020

General enquiries:

Philippe Odouard, Managing Director
XTEK Limited
T: +61 2 6163 5507
E: philippe@xtek.net

Media enquiries:

Rod North, Managing Director
Bourse Communications Pty Ltd
T: +613 9510 8309 M: +61 408 670 706
E: rod@boursecommunications.com.au

About XTEK Limited

XTEK Limited provides high-quality products to deliver tailored solutions to the government, law enforcement, military, space and commercial sectors. XTEK is focused on developing and commercialising its proprietary technologies by leveraging its established distribution network. These technologies include XTclave™ produced ballistic products and advanced composite solutions, and XTatlas™ real time contextual video, which provide unique solutions for western military forces and other government agencies. In addition, the supply and maintenance of Small Unmanned Aerial Systems (SUAS) remains a focus for XTEK.

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

