

Release to the Australian Securities Exchange

Additional ADF SUAS Purchase Order

Thursday 9 July 2020: XTEK Limited (ASX: XTE) (XTEK, or the Company) is pleased to announce that it has received a purchase order from the Australian Defence Force (ADF) for the supply of additional AeroVironment WASP AE Small Unmanned Aerial Systems (SUAS). The order is worth ~A\$2.8m and is in addition to the ongoing SUAS supply contract to the ADF. This order represents XTEK's strong and continued relationship with the ADF.

Key highlights

- Purchase order worth ~A\$2.8m received from the ADF for WASP AE SUAS – delivery in FY2021
- Ongoing supply of spare parts and engineering services to support the ADF SUAS fleet, FY20 revenue worth A\$8m

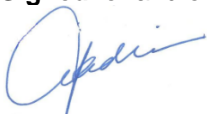
XTEK Managing Director, Philippe Odouard, said *“The supply and maintenance of SUAS remains an ongoing focus for XTEK. Our SUAS business underpins our increasing revenue, with recurring attributes. In addition, our facility in Canberra is in full operation providing critical repair and maintenance services to support the ADF's growing SUAS fleet. We are the full-service SUAS supplier of choice for the ADF and look forward to continue servicing our Defence Force.”*

XTEK has a strong relationship with the ADF, with more than fifty AeroVironment WASP AE SUAS delivered to date, and more SUAS scheduled for delivery in the near term. This new ADF purchase order for SUAS WASP AE SUAS through the support contract is worth A\$2.8m.

XTEK's comprehensive SUAS repair and maintenance facility in Canberra continues to support the ADF's growing SUAS fleet. Under the long-term support contract (secured in September 2019), XTEK has delivered around A\$8m in FY20. The current contract expires on 1st July 2022, with multiple options to extend in one year blocks until 2025. XTEK's key support services consist of providing spare parts, training, maintenance, and repairs including installation of spare parts, electronics and composite materials of the SUAS itself.

As the ADF's SUAS fleet continues to grow, XTEK is well placed to capture additional support revenue underpinned by the existing contracts with the ADF for additional SUAS supply, spare parts, and maintenance. Further potential sales are expected as the ADF explores and develops innovative applications to employ SUAS in the field.

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
9 July 2020

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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