



Mr Gonzalo Valencia
ASX Limited
Senior Adviser, Issuers, Melbourne
Level 45, Rialto South Tower
525 Collins Street, Melbourne VIC 3000
Email: gonzalo.valencia@asx.com.au

02 July 2009

Dear Mr. Valencia,

I am writing in respect to your letter dated 30th June 2009 concerning the late lodgment of an Appendix 3Y for Mr. Uwe Boettcher, a Director of XTEK Limited. In responding to the questions as raised in your correspondence, I am able to offer the following information:

Question 1 Please explain why the Appendix was lodged late.

Answer: The late lodgment of the Appendix 3Y was primarily due to the absence of the Company Secretary whilst attending a business conference in the USA during the reporting (5 day) period and his subsequent inability to access electronic Company correspondence due to a non functional computer (laptop) that had been damaged in transit. Under existing arrangements, the Company Secretary files all such notices (electronically) on behalf of all Directors on receipt of their disclosure notice or statement, however on this occasion due to the non availability of electronic communications, the Company Secretary was not aware of the significant change in holdings by Mr. Boettcher until his return to Australia. Mr. Boettcher had duly completed a Form 604 and lodged this with the ASX on 15th June 2009 for release to the market with a file copy to the Company Secretary's office. On return to his office, the Company Secretary actioned mail as received from Mr. Boettcher and duly filed the Appendix 3Y on 26th June 2009. This is considered an isolated incident.

Question 2 What arrangements does the Company have in places with its Directors to ensure compliance with disclosure obligations under Listing Rule 3.19A

Answer: The Company has in place formal contractual agreements with all Directors that require their compliance with disclosure obligations under Listing Rule 3.19A. These arrangements require close liaison between all Directors and the Company Secretary to ensure the relevant reporting processes have been employed. Mr. Boettcher duly followed this procedure and completed all necessary forms.

Question 3 If current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with Listing Rule 3.19B.

Answer: Current arrangements that are in force for meeting disclosure obligations under Listing Rules 3.19A and 3.19B are considered suitable and have been enforced with all Directors appointed to the Board since the Company became a listed entity in 2005. However, given the circumstances surrounding this isolated incident involving equipment failure and the absence of the Company Secretary, the Company will now put in place additional measures to ensure all Directors comply with Listing Rules 3.19A and 3.19B in the absence of the Company Secretary.

Please be assured that the late lodgment of the Appendix 3Y to cover the significant change of interests for Mr. Boettcher was not intentional and only occurred due to the circumstances as described above. In addition to the additional measures to cover disclosure obligations by Directors, additional backup communication devices will be provided to the Company Secretary to supplement primary equipment currently held. This will enable continuous communication capability for business purposes.

I trust the above information is to your satisfaction, should you require any further information in respect to this matter please contact myself in the first instance.

Yours sincerely



Lawrence A. Gardiner
Company Secretary
For and on behalf of
XTEK Limited



ASX Markets Supervision Pty Ltd
ABN 26 087 780 489
Level 45
South Tower
525 Collins Street
Melbourne VIC 3000

GPO Box 1784
Melbourne VIC 3001

Telephone 61 3 9617 8711
Facsimile 61 3 9614 0303
www.asx.com.au

30 June 2009

Mr Lawrence Gardiner
Company Secretary
Xtek Limited
25 Yallourn Street
FYSHWICK ACT 2609

By email only

Dear Lawrence

Xtek Limited (the “Company”) Appendix 3Y – Change of Director’s Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Company with ASX on 26 June 2009 for Mr Uwe Boettcher.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listing rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in the director's relevant interests occurred on 15 June 2009, it appears that the Director's Notice should have been lodged with ASX by 22 June 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by return e-mail or by facsimile on facsimile number (03) 9614 0303. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Thursday, 2 July 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

Sent electronically without signature

Gonzalo Valencia
Senior Adviser, Issuers (Melbourne)