



## Release to the Australian Securities Exchange

### Market Update

#### Canberra, Thursday 19 August 2010

On 25 June 2010, XTEK advised the market that as part of the company's growth initiatives the company was expanding its product lines to market a range of sustainability products.

Concurrently XTEK completed an initial order of these products with further orders scheduled for delivery in FY 2010/2011.

It has been determined that certain technical aspects of the products may not meet the original specification parameters.

XTEK is actively working with the design company to resolve the problems.

As a precautionary measure a trading halt was requested on 18 August 2010 to allow the company to assess any impact.

It has been determined a period of time not exceeding six months will be required to resolve the technical aspects of the product.

This will result in delayed revenue for the Company from that anticipated. Further initiatives will now be implemented to match the deferred revenue profile.

XTEK Ltd is a leading company in the Australian Homeland Security Market. XTEK's knowledge and expertise is focused on the delivery of protection and sustaining solutions for defence forces, state and federal law enforcement agencies, corrections and customs services and government clients. For more information visit the XTEK web site at [www.xtek.net](http://www.xtek.net)

**Signed** for and on behalf of XTEK Limited:

Lawrence A Gardiner  
Company Secretary  
Dated: 19 August 2010