

Release to the Australian Securities Exchange

Acquisition of HighCom completed

1 October 2019: XTEK Limited (ASX: XTE, 'XTEK', the 'Company') is pleased to announce it has completed the acquisition of HighCom Armour Solutions Inc ("HighCom"), a successful and profitable provider of proprietary body armour and personal protective equipment focused on the US market.

Key highlights

- **XTEK completed the acquisition of HighCom, a successful and profitable provider of body armour and personal protective equipment in the US market**
- **Purchase consideration comprised of 4.0m XTEK shares, A\$1.8m cash consideration, and future earnout based on HighCom's performance in CY2019**
- **The Company now has a clear path to execute its strategy and expand into the US market**

XTEK Managing Director Philippe Odouard commented:

"Following the completion of the HighCom acquisition, we look forward to our next stage of growth as we expand our business into the lucrative US market. We have acquired a profitable business with highly complementary products and a strategic network in place. This greatly accelerates our ballistic solutions strategy and provides us with high quality distribution network which we can leverage to provide a full range of products."

The transaction was initially announced on 17 July 2019 and completed as planned, after the necessary regulatory and HighCom shareholder approvals were granted. XTEK has now issued 4.0m fully paid ordinary shares to HighCom as per Appendix 3B released to the market on 30 September 2019. Separately, an earnout could be payable (as previously disclosed) as part of the total purchase consideration.

ENDS

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
1 October 2019

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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