

Release to the Australian Securities Exchange

Market Update - XTEK achieves strong revenue growth in FY18

Canberra – Tuesday 21 August 2018: XTEK Limited (ASX: XTE, 'XTEK', the 'Company') is pleased to provide shareholders and investors with the following market update regarding preliminary revenue (unaudited) achieved for the financial year ending 30 June 2018 ("FY18").

Key highlights:

- **Achieved FY18 revenue of approximately A\$17.2m revenue (up 91% from FY17)**
- **FY18 revenue achieved represents the upper end of guidance range (A\$11m to A\$18m)**
- **Cash at bank of A\$5.9m at the end of June 2018**
- **Contracted revenue of approximately A\$38m in place at the end of June 2018**
- **Reconfirms FY19 revenue guidance of between A\$17 and A\$26m**

Following a strong finish to FY18, XTEK expects to achieve preliminary revenue (unaudited) of approximately A\$17.2m for FY18. This represents a 91% increase on FY17 revenue (A\$9.0m) achieved and is at the upper end of the Company's revenue guidance of A\$11m to A\$18m. Cash at bank at 30 June 2018 was A\$5.9m, which is more than double the cash position as at 30 June 2017 (A\$2.8m). XTEK will release full year preliminary results to the market by 31 August 2018.

The operational progress achieved in FY18 has placed the Company in a strong position to build on its momentum in FY19, with A\$38m of contracted revenue already in place. XTEK reconfirms its FY19 revenue guidance of between A\$17m and A\$26m.

XTEK Managing Director Philippe Odouard commented: *"We are proud to update shareholders on the Company's achievement of approximately A\$17m in preliminary FY18 revenue. Achieving the upper end of revenue guidance is a testament to the significant operational progress made by XTEK during the last 12 months. Our focused strategy is delivering results and combined with a healthy contract revenue pipeline, we expect to generate improved revenue and earnings in FY19."*

In addition, the Company notes that all outstanding XTEK options were exercised prior to expiry date of 15 July 2018 by small cap investment management firm Kentgrove Capital.

David Lamm, Managing Director of Kentgrove Capital commented: *"Kentgrove Capital has been a long-term supporter of XTEK and we are very encouraged by XTEK's recent growth trajectory. In particular we see enormous global commercial potential in XTEK's unique manufacturing technology XTclave™, which produces strong, lightweight materials for personal body armour. XTEK is starting to fulfil that potential with recent contract wins. We are pleased to continue our support for the company through the recent exercise of our entire option holding."* - **ENDS** -

Signed for and on behalf of XTEK Limited:



Lawrence A. Gardiner
Company Secretary
21 August 2018

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