Press release – 17 February 2015

XTEK to supply highly advanced portable submersible remote vehicles in Australia and New Zealand

Forms partnership with world's biggest underwater Remotely Operated Vehicle maker VideoRay

XTEK Limited (ASX: XTE) has secured a significant agreement with VideoRay, the world's largest underwater Remotely Operated Vehicle (ROV) manufacturer, enabling XTEK to offer a complete range of remote vehicles to the Australian and New Zealand market.

United States-based VideoRay has sold over 3,500 submersible ROVs worldwide and the latest agreement establishes XTEK as the exclusive reseller of VideoRay systems to the defence and law enforcement sectors in Australia and New Zealand.

According to a Markets and Markets report, the global ROV market is estimated to be worth $US1.2 billion in 2014 and is expected to register a compound annual growth rate of 20.11% in 2019.

"We see a growing requirement for underwater surveillance in Australia and New Zealand and believe that there will be strong demand for submersible ROVs across a number of industries,"

"VideoRay is the perfect complement to XTEK's cutting-edge product portfolio and will enable us to provide remote vehicle solutions to cover air, land and sea environments.

"This is only the first of a number of exciting developments that lie ahead for the company this year and 2015 marks an important inflection point for XTEK." said XTEK's Chief Executive Officer, Brian Malcolm.

Under the agreement, XTEK will also provide Through Life Support for VideoRay systems in Australia at its world-class workshop facility in Canberra.

"XTEK's expertise with homeland security, EOD, and forensics is a great complement for VideoRay. Many of our customers around the world are already successfully using VideoRay products for Defense, Security and Law Enforcement applications, and we look forward to leveraging our success in these markets with XTEK in Australia and New Zealand." Says Chris Gibson, VideoRay Vice President of Sales and Marketing.

VideoRay systems are a highly advanced and cost-effective small solution for underwater exploration. Its versatile ROVs can be fitted with a wide range of sensors and tools to suit multiple price points and a wide range of applications, such as search and rescue, law enforcement, salvage, research and safety inspections.

The most recent and notable use of VideoRay ROVs was during the raising of the cruise ship Costa Concordia, which was wrecked off the coast of Isola del Giglio in Italy in January 2012.

XTEK is already an industry leader in the supply of Unmanned Aerial Vehicles from AeroVironment and bomb disposal/tactical robots from innovative companies such as Cobham PLC, ICOR Technology, NIC Limited and ReconRobotics.

XTEK is able to back its exceptional solutions with highly qualified technicians and advanced facilities to provide clients with a world-class maintenance and repair capability here in Australia.

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For further information and interview opportunities, contact Tibor Fekete, Head of Business Development, XTEK Limited on 1800 500 032. Photographs are available on request.

About XTEK Limited

XTEK Limited is listed on the Australian Securities Exchange main board (ASX code: XTE). The only listed homeland security company in Australia, XTEK is one of the top Small Medium Enterprise (SME) Defence Contractors providing equipment, training and support services to Defence, Federal and State Government Departments and Police Forces responsible for Australia's national security. http://www.xtek.net

About VideoRay

With more than 3,500 Remotely Operated Vehicles (ROVs) delivered around the world, VideoRay is the global leader in Observation ROV technology. VideoRay is an extremely versatile, portable, affordable, and reliable solution for underwater operations including surveys, offshore inspections, search & recovery, homeland & port security, science & research, fish farming, and other unique applications in underwater environments. "Plug and play" technology allows you to quickly attach sensors and accessories in the field so you can successfully complete your mission. http://www.videoray.com