

Release to the Australian Securities Exchange

XTEK's HighCom Receives Urgent A\$2.2m Body Armour Order

Key highlights:

- Purchase Order to supply of specialist ballistic armour products worth A\$2.2m
- Many thousands of individual high-performance items to be provided from current inventory
- Urgent shipment to be dispatched to an undisclosed international customer
- Negotiations underway to supply multiple large follow-on orders

Thursday, 12 October 2023. XTEK Limited (ASX: XTE, 'XTEK', 'Group') is pleased to announce that its HighCom Armor Solutions Inc. (HighCom) business has received a Purchase Order valued at A\$2.2m to urgently supply many thousands of its high-end ballistic body armour products from existing inventory to an undisclosed international customer.

Over the last 12 months, HighCom has had a policy of maintaining increased inventory levels of raw materials and finished goods, to counter what have been highly constrained supply chains on the one hand, but also to be best positioned to be highly responsive for large scale customer orders.

Accordingly, HighCom has not only been able to fulfill its growing domestic US monthly run rate sales operations, but it has also been perfectly positioned to support expected periodic large government orders as well as to be ready to surge support for any unforeseen escalations occurring around the world, from its current inventory.

Our HighCom Armor team has a proven track record of being able to rapidly manufacture, ship, and deliver large scale orders for NIJ level IV body armour and ballistic helmets in record time as demonstrated in its successful delivery of the US\$33.21m order to a large European customer.

The HighCom Armor team is also concurrently negotiating multiple larger orders to meet current customer demand that can be easily fulfilled from its inventory of finished goods. Unlike many of our competitors, the HighCom team is also able to support any sustained demand beyond the current order by completing the production of partly finished "core" subassembly items into final products, as well as by manufacturing new items from its holdings of raw materials and component parts.

Scott Basham, XTEK Group CEO, said,

"This new international order, valued at A\$2.2m, received from an undisclosed international customer, will see many thousands of our advanced high-performance body armour products rapidly dispatched from inventory to meet this customer's urgent delivery priorities.

In parallel with this order, we are also negotiating multiple similarly sized orders, and some even bigger contracts, which if received, could potentially see our entire finished goods inventory of body armour and helmets completely consumed, and then see us potentially needing to ramp up our production lines back to similar levels as we did to supply our advanced lifesaving, high-performance ballistics protection products to Europe previously.

Our policy of maintaining levels of resilience in our raw and finished goods inventories were put in place for this exact situation, and consequently we believe we are very well placed to support the significant immediate, and any sustained ongoing demand for equipment that may be required over the coming days, weeks, and months."

This announcement has been authorised by the XTEK Limited Board of Directors

Signed for and on behalf of XTEK Limited



Lawrence A Gardiner
Company Secretary
12 October 2023

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About XTEK Limited

XTEK Group is comprised of XTEK Ltd and its wholly owned subsidiary HighCom Armor Inc. (US) and operates as two distinct divisions – Ballistics Division & Technology Division.

As announced on 9 October 2023, the Group proposes to seek shareholder approval to change its ASX listed entity name to HighCom Limited (ASX:HCL) at its Annual General Meeting on 23 November 2023.

The Ballistics Division, which will be known post name change approval as “HighCom Armor”, is focused on designing, manufacturing, and supplying global military, law enforcement, and first responder customers with world-class, advanced personal protection ballistic products and solutions for Body Armour, Ballistic Helmets, and Composite Armour Panels & Platform Structures.

For more information on HighCom Armor Solutions Inc. visit www.highcomarmor.com

The Technology Division, which will be known post name change approval as “HighCom Technology”, is focused on supplying Australian Defence and Security Agencies with world-leading Small Uncrewed Aerial Systems and Sensor Payloads, and Australian-made Mission Control Software, and local Service Support.

For more information on XTEK Ltd. visit www.xtek.net