

Release to the Australian Securities Exchange

XTEK announces the acquisition of Simmersion Holdings Pty Ltd

Canberra – Tuesday 24 November 2015: XTEK Limited (ASX:XTE), is pleased to announce it has today ratified an agreement to acquire the business and assets of Simmersion Holding Pty Limited (Simmersion), a specialist service provider that operates in the 3D modelling and simulation market, primarily focussed on urban planning. Simmersion will operate as a wholly owned subsidiary of XTEK.

The acquisition of Simmersion has been made possible by XTEK agreeing to purchase all shares held by Simmersion shareholders and by the issue of 175,000 XTEK Ordinary Shares to Simmersion shareholders on a pro-rata basis based on the number of shares each existing Simmersion shareholder held in the capital of Simmersion.

In completing the acquisition process, the Company has agreed to issue 175,000 new securities in the capital of the Company in full satisfaction of terms defined within the Share Sale Agreement entered into by XTEK, Simmersion and The Majority Vendors (CBDF Pty Ltd & Epicorp Seed Fund Pty Ltd). XTEK plans to continue the service support provided to existing Simmersion clients and potentially align its Unmanned Aircraft System business to provide data services for Simmersion in the future.

A separate announcement will be made by the Company following the completion of allotment and issue of the new securities by Computershare to Simmersion shareholders.

About XTEK Limited

XTEK Limited is a leading company in the Australian Homeland Security Market. XTEK's knowledge and expertise is focused on the delivery of protection and sustainment solutions for the government, law enforcement, military and commercial sectors. For more information visit the XTEK website at www.xtek.net

About Simmersion Holdings Pty Limited

Simmersion Holdings Pty Limited (www.simmersionholdings.com) is a 3D modelling and simulation services company that developed Simurban and Mycosm software. Simmersion has an extensive 3D data set covering parts of most of the capital cities in Australia. This data is used in Simurban software, by a number of local governments and a few property developers to visualize urban planning scenarios as part of the property development application process.

Signed for and on behalf of XTEK Limited:



Lawrence A Gardiner
Company Secretary
24 November 2015