

XTEK subsidiary secures export licence for ballistic sales



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The foreign subsidiary of the Australian defence technologies firm has secured a permanent licence to export to ballistic products to Mexico.

XTEK Limited's US [subsidiary](#), HighCom Armor Solutions, has secured approval for permanent export licences for ballistic product sales to Mexico City.

Current orders are worth a total of US\$2.1 million, and will be used for federal, state, and local municipal personal protection deployment.

This follows the approval of a warehousing distribution agreement (WDA) with Performance Materials by the US State Department office of Directorate of Defense Trade Controls.

The WDA is projected to value armour products distribution over the next 10 years up to US\$50 million.

“Previously, exports to Mexico were limited by the need to continuously request export licences for quantities of any size, with each request typically taking several weeks to be awarded – so this new licence streamlines the process significantly and makes it a much more attractive opportunity to export to these Mexican customers,” Phillippe Odouard, XTEK managing director, said.

"The orders represent the start of a new expansion into Mexico that we are confident will build significantly."

The company has completed the successful filing and approval from the US State Department office of Directorate of Defense Trade Controls for a WDA with strategic partner Performance Materials.

The agreement is projected to value personal protective armour products distribution over the next 10 years of up to US\$50 million, with an option to increase.

With the approval of the WDA, further approvals for exports up to a total of about US\$2.1 million have now been secured.

XTEK has filed an initial permanent export licence (DSP5) for the first tranche of product export valued at approximately US\$900,000.

A second permanent export license has also been approved to facilitate an additional export valued at approximately US\$1.2 million.

Deliveries on the second export are expected to begin in the first quarter of 2021.

According to XTEK, the WDA would expedite the company's approach to the Mexico strategy for distribution of Level IV and other USML personal protective equipment.

Mike Bundy, HighCom CEO, added, "HighCom is excited about this opportunity not only from the more than two decades of working in Mexico but also from the standpoint of our continued commitment to international trade compliance and the effective deployment of resource capability through such programs.

"Today is important for what tomorrow brings, and our business development and trade compliance team members have executed on a thorough and exhaustive process to ensure our company and group globally is adhering to the strict US government trade compliance regulations while streamlining supply and delivery of critical life-saving equipment to our allies south of the border."

<https://www.defenceconnect.com.au/land-amphibious/7416-xtek-subsiary-secures-export-licence-for-ballistic-sales>