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## Quickstep begins Lockheed Martin C-130J contract

- Quickstep receives initial purchase order from Lockheed Martin for its C-130J Super Hercules contract
- Export licence granted paving way to enter Long Term Agreement with Lockheed Martin
- Contract expected to generate up to A\$100 million over five years with production commencing in 2014

**Sydney, 22 August 2012** – Carbon composites manufacturer Quickstep (ASX:QHL) today announced that it has received the first purchase order relating to its contract with Lockheed Martin to supply composite wing flaps for the C-130J Super Hercules aircraft.

The order covers preliminary work such as planning, tooling and training activities which are already underway. This component of the contract is expected to be valued between \$1.4 million to \$1.6 million and will be completed prior to the first delivery of parts.

Together with the recent grant of an export licence, these activities pave the way to finalising the long term agreement (LTA) with Lockheed Martin. The LTA is estimated to generate revenues of \$75 million to \$100 million over five years.

Following signing of the LTA, Quickstep will prepare to manufacture initial components. First delivery of parts is expected in 1Q2014, in line with global supply chain delivery arrangements.

Quickstep's Managing Director, Mr Philippe Odouard, said that the company's success in winning competitive international tenders from companies such as Lockheed Martin and Northrop Grumman demonstrated Quickstep's world-class manufacturing capabilities.

"Quickstep is in partnership with several of the world's largest aerospace companies, raising awareness of our capacity to deliver high quality carbon composites products.

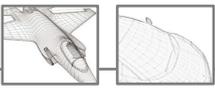
"The commencement of the contract with Lockheed Martin is an important milestone for Quickstep, and follows closely our opening of the most advanced carbon composites manufacturing facility in Australia.

"We look forward to securing further contracts and establishing Quickstep as an integral part of the global supply chain for high volume carbon composites manufacturing."



Quickstep will manufacture carbon fibre wing flaps for Lockheed Martin's C-130J Hercules aircraft, pictured above

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## **Background on Quickstep Holdings Limited**

Quickstep is an Australian company at the forefront of advanced composites manufacturing and technology development. The Company has significant capabilities and expertise in the production of high-end advanced composites for aerospace, defence and automotive use, and is creating a unique advanced composites manufacturing business in Australia using both traditional autoclave and its own world-leading non-autoclave production technologies.

Quickstep is an approved supplier for the international F-35 Lightning II Joint Strike Fighter (JSF) program - the largest military aerospace program in the world, currently valued at in excess of US\$300 billion worldwide. The Company delivered its first production JSF part in October 2011 and commenced serial production of flying parts in March 2012. Quickstep expects to secure agreements to manufacture more JSF parts before the end of 2012, increasing the variety of parts being manufactured.

The Company is seeking to secure additional manufacturing contracts in the global aerospace and defence industries, and in March 2012 announced that it had been selected by Lockheed Martin as the future sole source supplier for composite wing flaps for the C-130J military transport aircraft. Quickstep is currently partnering with some of the world's largest aerospace/defence organisations, including the US Department of Defense, Lockheed Martin, Northrop Grumman, Airbus and EADS.

Quickstep has a fully-commissioned aerospace-grade manufacturing facility located in North Coogee, Western Australia, and will soon relocate its manufacturing operations to the former Boeing facility at Bankstown, New South Wales, which offers the scale, resources and facilities necessary to undertake large-scale, long term aerospace manufacturing contracts.

In addition to its contract manufacturing business unit, Quickstep has also developing a patented manufacturing technology called the Quickstep Process for the production of high-volume A-grade finished composite components for automotive and specialist thick parts such as spars and wing skins for large defence and commercial aircraft.

The Company is currently working with the US Department of Defence to qualify the patented Quickstep Process for JSF and other industry standard aerospace materials, and is also conducting a major Research & Development program with car maker Audi aimed at delivering high surface finish, low cost fast processing of carbon fibre composite, together with specialised resins, particularly adapted to the automotive industry.

### **For further information:**

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