

26 March 2012

Quickstep Completes First Production Parts for Joint Strike Fighter

HIGHLIGHTS:

- **Serial production of “flying” F-35 parts now underway at Quickstep’s facilities, with first parts completed and presented to Northrop Grumman for acceptance**
- **Second Purchase Order for Group 1 parts received, covering production throughout 2013**
- **Parts to be fitted to production series aircraft have been completed 2 months ahead of schedule**
- **Regular cash flow now expected from shipment of Group 1 JSF parts – ramping up during 2012**

Perth, 26 March 2011 – Quickstep Holdings Limited (ASX Ticker: QHL), an Australian-based advanced composites manufacturer, is pleased to announce it has completed the first production parts for the international F-35 Lightning II Joint Strike Fighter (“JSF”) program under the Purchase Order secured by Quickstep in July 2011. The parts have been presented for acceptance to Northrop Grumman weeks ahead of the schedule agreed with Northrop Grumman in 2009.

The parts, assembled access panels for the F-35 aircraft, represent the first “flying” Group 1 parts manufactured by Quickstep for the JSF program. Quickstep initially expects to manufacture approximately one completed part per week and will gradually ramp up in quantity.

Quickstep’s Managing Director, Mr Philippe Odouard, said the commencement of commercial JSF production was a very significant event for the Company and demonstrates that Quickstep has successfully completed the very challenging development, contract negotiation and industrialisation phase and has moved into the production and revenue phase.

“This represents the start of Quickstep’s first major production contract for the international defence industry – a core part of the Company’s growth strategy,” Mr Odouard said.

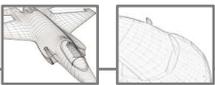
“With serial production now underway we will be making regular shipments of Group 1 JSF parts to Northrop Grumman and receiving regular cash flow, with the intention of ramping up production over the next 12 months.”

Quickstep recently received its second Purchase Order for Group 1 parts covering manufacturing and delivery throughout 2013. While details of Purchase Orders will continue to remain confidential, the 2013 Purchase Order represents a 3 fold increase in JSF part deliveries compared to 2012 quantities and Quickstep’s production ramp up will be completed to meet this timetable.

“To date, Quickstep has met, and in many cases outperformed, all JSF delivery deadlines agreed with Northrop Grumman – a record of which we can be justifiably proud,” Mr Odouard said.

Quickstep expects to secure Long Term Agreements to manufacture Group 2 and Group 3 JSF parts during 2012, which would increase the number and types of JSF parts the Company, will manufacture.

Approved for Public Release by Lockheed Martin 3/22/12



“While recent developments in the US may result in some changes to the JSF program, we do not anticipate any immediate impact on the ramp-up of our operations in Australia. However we will continue to communicate with Northrop Grumman and Lockheed Martin with regards to future purchase programs,” Mr Odouard said.

-ENDS-

Released by:
Nicholas Read / Kate Bell
Read Corporate
Telephone: (+61-8) 9388 1474

On behalf of:
Mr Philippe Odouard
Managing Director
Quickstep Holdings Ltd
Telephone: (+61-8) 9432 3200
www.quickstep.com.au

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 different 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 developed 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 manufacturing, 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:

Investors

Philippe Odouard – Managing Director
Quickstep Holdings Limited
Telephone: (+61-8) 9432-3200
E: podouard@quickstep.com.au

Media

Kate Bell / Nicholas Read
Read Corporate
Telephone: (+61-8) 9388-1474
E: info@readcorporate.com.au

Or:

Visit www.quickstep.com.au