

Quickstep's RST technology to revolutionise auto industry

- Launched today by Minister for Innovation, Senator the Hon Kim Carr, at Quickstep's Bankstown Airport facility
- Quickstep's resin spray transfer (RST) high-volume, low-cost panel production to revolutionise the global car industry
- Demonstration carbon fibre automobile panels shipped to leading European car makers has led to requests for quotes
- Technical success of Quickstep's RST technology confirmed
- European/US fuel savings and carbon emissions regulation are driving industry change

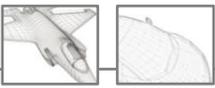
Sydney, 12 August 2013 – Carbon composites manufacturer Quickstep (ASX:QHL) today announced that it is fast-tracking commercialisation of its patented Resin Spray Transfer ("RST") technology which is poised to revolutionise the global automotive industry. This new technology, developed in Australia, was partly funded by an AusIndustry Climate Ready Grant.

Quickstep's RST technology meets the industry's three key manufacturing objectives - it allows strong vehicle parts to be produced at high speed, low cost and with a high quality finish.

This innovative 'robotised' process fully automates production of lightweight carbon fibre composite car panels so they can be made in minutes and at very low cost compared to other, more capital-intensive methods. RST enables car parts to be mass-produced with a high quality finish direct off the mould, a major improvement on existing carbon-fibre processes.

Quickstep managing director, Philippe Odouard said: "In the emerging emission-legislated world, every leading car manufacturer is aiming to develop cars that are lighter, more affordable and consume less fuel. This can be achieved using Quickstep's Resin Spray Transfer technology. We are delighted to have demonstrated RST's technical success by repeatedly manufacturing carbon fibre composite panels with our pioneering automatic plant in Sydney. It delivers car parts with a Class-A surface finish - without the need for the 're-work' that is commonly required with the manufacture of carbon fibre automotive panels.

"We plan to manufacture exterior parts ourselves and also to licence our technology, enabling auto makers to produce carbon fibre car panels with the strength of steel and half the weight. We have delivered carbon fibre



test panels to several carmakers to demonstrate the RST technology’s value. The price competitiveness of RST compared to other technologies is attracting attention, and has led to requests for quotes. We expect to manufacture parts in small quantities within the next few months and to increase to larger quantities shortly thereafter.”

The use of lightweight materials in cars is increasingly a battleground for car manufacturers, driven by legislation in Europe and the US to reduce fuel consumption and carbon dioxide (CO₂) emissions. About two-thirds of the energy needed to move a car is determined by weight, so the substantial weight savings available from using ultra-light, ultra-strong carbon fibre composite panels allow engines to be smaller, reducing fuel consumption and paving the way for mass adoption of affordable hybrid, electric and conventional cars with composite components.

Technical achievement

Parts manufactured using the RST technology have shown that they maintain surface finish, even after the extreme environmental ageing tests required for high-end “super cars.” They do not show ‘print through’ or other defects after painting and ageing.

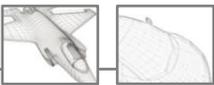
Discussions underway

Quickstep is in discussions with several leading global automotive manufacturers with a view to manufacturing panels using RST technology under licence. The company is pursuing large-volume production tests in co-operation with industrial partners in Germany, including Audi.

Research and development of Quickstep’s RST technology was partly funded by a \$2.5 million Climate Ready Grant from the Australian Federal Government.



Quickstep’s resin spray transfer (RST) technology automates production of strong, lightweight carbon-fibre composite car panels



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Background on Quickstep Holdings Limited

Quickstep Holdings (ASX:QHL) is a manufacturer of advanced carbon fibre composites for the aerospace and defence and automotive industries. The company operates state-of-the-art manufacturing facilities at Bankstown Airport in Sydney, Australia, and has offices in Germany and the United States.

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, valued at in excess of US\$300 billion worldwide. To date more than 68 JSF aircraft have been delivered to the US Department of Defense, and this number is now expected to grow rapidly. The company has also been selected by Lockheed Martin as the sole supplier of composite wing flaps for the C-130J "Hercules" 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 is also developing patented manufacturing technologies to produce high-volume A-grade finished composite components for automotives 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 its patented Quickstep Process and Resin Spray Technology (RST) for JSF, and is also conducting a major research and development program with car maker Audi aimed at delivering high-quality finish, low cost, fast processing of carbon fibre composite, together with specialised resins, particularly adapted to the automotive industry.

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