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23 October 2017

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

2017 ANNUAL GENERAL MEETING – NOTICE OF MEETING

Enclosed is a copy of the Notice of Meeting and Proxy Form for the 2017 Annual General Meeting of Quickstep Holdings Limited (ASX: QHL), which has been issued to shareholders.

Signed for and on behalf of Quickstep Holdings Limited.

A handwritten signature in black ink, appearing to read 'Jaime Pinto', is written over a horizontal line.

Jaime Pinto
Company Secretary



Quickstep Holdings Limited
ACN 096 268 156

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT

Date of Meeting

Thursday 23 November 2017

Time of Meeting

2:00pm (AEDT)

Place of Meeting

Computershare Sydney
Level 4
60 Carrington Street
Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING

This Annual General Meeting of Quickstep Holdings Limited (the “**Company**”) will be held on Thursday 23 November 2017 at the premises of Computershare Sydney, Level 4, 60 Carrington Street, Sydney, New South Wales, commencing at 2.00 pm (AEDT) (the “**Meeting**”).

The Explanatory Statement that accompanies this Notice provides additional information on the matters to be considered at the Meeting. The Explanatory Statement and Proxy Form form part of this Notice.

AGENDA

BUSINESS:

Financial Statements and Reports (No Resolution Required)

To receive and consider the financial statements for the year ended 30 June 2017 together with the Directors’ Report, Remuneration Report and the Auditor’s Report.

A copy of the 2017 Annual Report may be obtained from the Company’s website at

<http://www.quickstep.com.au/Investors-Media/Financial-Reports>

Resolution 1 - Adoption of Remuneration Report (Non-binding Resolution)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company’s Directors’ Report for the year ended 30 June 2017 be adopted.”

Note: Under the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion

To the extent required by section 250R of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of the Company’s or the Group’s key management personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member. However, a person (the “voter”) may cast a vote as a proxy where the vote is not cast on behalf of such a member or a closely related party of such a member and the voter is either:

- (a) appointed as a proxy by writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the Chair and the appointment of the Chair as proxy does not specify how the proxy is to vote on Resolution 1 and expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the key management personnel.

Resolution 2 - Re-election of Director - Mr Bruce Griffiths

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr Bruce Griffiths, a Director of the Company who retires by rotation in accordance with clause 13.2 of the Company’s Constitution and offers himself for re-election, be re-elected as a Director.”

NOTICE OF ANNUAL GENERAL MEETING

Resolution 3 – Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant to Mr Mark Burgess of 6,188,120 Rights under the Quickstep Incentive Rights Plan, as described in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution 3 by any Director of the Company who is eligible to participate in the Quickstep Incentive Rights Plan and any associate of such a Director. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.*

Resolution 4 – Approval of issue of securities under ASX Listing Rule 7.1A

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, pursuant to and for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of (or the entry into agreements to issue) Equity Securities representing up to 10% of the issued capital of the Company (calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2) on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion

The Company will disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of holder of ordinary securities, if the resolution is passed, and by any associates of those persons. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.*

Other business

To consider any other business which may properly be brought before the Meeting in accordance with the Constitution and the Corporations Act.

BY ORDER OF THE BOARD

Jaime Pinto
Company Secretary
11 October 2017

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

SNAPSHOT TIME:

The time nominated by the Board pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) for the purpose of determining voting entitlements at the Meeting is 7.00 p.m. (AEDT) time on Tuesday 21 November 2017.

DIRECTING VOTES BY PROXY:

A Proxy Form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by phoning Computershare Investor Services on 1300 850 505. Alternatively, you may photocopy the enclosed form.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form. Alternatively, please visit **www.investorvote.com.au** and follow the instructions on the enclosed proxy form to complete and lodge the proxy online.

Should you wish to direct your proxy how to vote please indicate your direction in the appropriate box(es) on the Proxy Form otherwise your proxy will have a discretion to vote as he/she thinks fit.

To the extent required by section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1 or 3 if the person is either a member of the Company's or Group's key management personnel or a closely related party of such a member and the appointment does not specify the way the proxy is to vote on Resolutions 1 or 3 (as applicable). However, the proxy may vote if the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Company's or Group's key management personnel.

Where the Chair is appointed proxy he will vote in accordance with the Shareholder's directions as specified on the Proxy Form or, in the absence of direction, in favour of the Resolutions contained in this Notice. In exceptional circumstances, the Chair may change his voting intention, in which case an ASX announcement will be made. Where a Resolution relates to the remuneration of a member of the Company's or the Group's key management personnel, by not directing the Chair how to vote you will be directing the Chair to vote in favour of the Resolution in accordance with his voting intentions and expressly authorising him to exercise your proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Quickstep Holdings Limited ("**Company**").

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

The Directors recommend Shareholders read this Explanatory Statement in full before deciding how to vote on each of the Resolutions contained in the Notice.

Financial Statement and Reports

The Corporations Act requires the Company's financial statements and reports for the last financial year to be laid before the Meeting. The financial statements and reports are contained in the Company's 2017 Annual Financial Report, available from the Company's website (www.quickstep.com.au).

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

The Company's auditor, KPMG, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies, and the independence of the auditor.

Resolution 1 – Adoption of Remuneration Report

The Remuneration Report of the Company for the year ended 30 June 2017 is set out in the Directors' Report of the Company's Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Executive and Non-Executive Directors and key executive employees of the Company. A reasonable opportunity will be given for the discussion of the Remuneration Report at the Meeting.

Shareholders should note that pursuant to section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company or the Directors. However, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Meeting, and then again at the Company's 2018 Annual General Meeting, the Company will be required to put to Shareholders a resolution at the 2018 Annual General Meeting proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company ("**Spill Resolution**").

If more than 50% of the Shareholders vote in favour of a Spill Resolution, the Company would be required to convene an extraordinary general meeting ("**Spill Meeting**") within 90 days of the Company's 2018 Annual General Meeting. All of the Directors who were in office when the Company's 2018 Directors' Report was approved by the Directors, other than the Managing Director of the Company, would cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved would be the Directors of the Company.

Key management personnel details of whose remuneration are included in the Remuneration Report and their closely related parties are prohibited from voting on Resolution 1, except in the circumstances described in the voting exclusion statement set out in the Notice.

Directors' Recommendation:

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

EXPLANATORY STATEMENT

Resolution 2 – Re-election of Director – Mr Bruce Atkin Griffiths

Mr Bruce Griffiths retires by rotation in accordance with Clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election.

Mr Griffiths is an independent non-executive Director and a member of the Remuneration, Nomination and Diversity Committee. He has had a successful and extensive career, spanning more than 40 years, in the manufacturing industry. He has held a number of senior executive roles within the industry and has a long history in working with Government. Bruce was recently awarded the Order of Australia Medal for services to the automotive manufacturing industry and to the community. Previous appointments include: Rail Supplier Advocate from 2009 to 2014, Chairman - Futuris Automotive Group (2007-2012), Managing Director - Futuris Automotive Group (1992 -2007), Chairman - Air International Thermal Systems (2008-2011), Board Member - AutoCRC (Advanced Automotive Technology Ltd) (Inception-2012), Vice President of the Federation of Automotive Products Manufacturers (FAPM) (1990-2012). Member - Automotive Industry Innovation Council, Advisory Board Member - Enterprise Connect, Chairman - Sail Melbourne ISAF Sailing World Cup. Mr Griffiths' honors include: Order of Australia Medal - 2013, Centenary Medal for Services to the Development of the Auto Industry Policy and Victorian Manufacturing Hall of Fame for services to the Manufacturing Industry.

Mr Griffiths is also currently a Board Member of the Industry Capability Network Limited (ICNL) and a director of Australian composite wheels manufacturer Carbon Revolution Pty Limited.

Mr Griffiths' initial appointment as a Director was in February 2013 and he was re-elected to the Board at the Company's 2013 and 2016 Annual General Meetings. At the end of September 2017 Mr Griffiths had been a Director for approximately four and ½ years. In accordance with the Company's rotation policy, Mr Griffiths is eligible to stand for re-election at this year's Annual General Meeting.

After appropriate consideration, the Board's members (excluding Mr Griffiths) unanimously resolved that Mr Griffiths' distinct set of skills and experience, including his knowledge of composites manufacturing, experience in the automotive industry, experience with complex manufacturing systems, and his experience with Australian Government Industry groups, is of obvious and on-going benefit to the Board, and that Mr Griffiths' independence has not been impaired during his tenure.

Directors' Recommendation:

The Board (other than Mr Griffiths) recommends that Shareholders vote in favour of Resolution 2.

Resolution 3 – Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan

ASX Listing Rule 10.11 requires a listed entity to obtain shareholder approval for the issue of securities to related parties, which includes a Director of the Company.

ASX Listing Rule 10.12, exception 4 provides that approval under ASX Listing Rule 10.11 is not required where securities are to be issued to a person under an employee incentive scheme with approval under ASX Listing Rule 10.14. ASX Listing Rule 10.14 requires a listed entity to obtain shareholder approval for the issue of securities under an 'employee incentive scheme' to certain parties, including a director, or an associate of a director.

EXPLANATORY STATEMENT

Accordingly, the Company is seeking Shareholder approval under ASX Listing Rule 10.14 for the following grants of Rights to the Managing Director, Mr Mark Burgess:

- 1,237,624 Performance Rights forming part of Mr Burgess' STI for the 2017-2018 financial year (the **"2018 STI Offer"**);
- 2,475,248 Performance Rights representing Mr Burgess' LTI for the 2017-18 financial year (the **"2018 LTI Offer"**);
- 412,376 Deferred Rights which will vest if Mr Burgess' employment with the Group continues to 31 August 2018 (the **"August 2018 Offer"**);
- 825,248 Deferred Rights which will vest if Mr Burgess' employment with the Group continues to 31 August 2019 (the **"August 2019 Offer"**);
- 412,376 Performance Rights forming part of Mr Burgess' transitional entitlements under his Executive Contract of Employment (the **"2018 Transitional Offer"**); and
- 825,248 Performance Rights forming part of Mr Burgess' transitional entitlements under his Executive Contract of Employment (the **"2019 Transitional Offer"**),

(together, the **"Burgess Offer"**).

If approval is given under ASX Listing Rule 10.14 approval is not required under ASX Listing Rule 7.1.

The August 2018 Offer, August 2019 Offer, 2018 Transitional Offer and 2019 Transitional Offer are all transitional grants provided for in Mr Burgess' Executive Contract of Employment, the terms of which were announced to ASX on 3 April 2017. These transitional grants were designed to ensure that some Rights are able to vest in the first two years of participation in the Quickstep Incentive Rights Plan.

The number of Rights was calculated with input from an independent remuneration advisor who has indicated that the total remuneration package including the Rights for Mr Burgess' role is within the range of market practice for comparable roles in comparable ASX listed companies, and is therefore reasonable remuneration.

ASX Listing Rule 10.15 sets out the information that must be provided to Shareholders in order to obtain Shareholder approval for the Burgess Offer under ASX Listing Rule 10.14. The following information is provided in accordance with ASX Listing Rule 10.15:

(a) The features of the Burgess Offer are summarised below:

Aspect	Details
Instrument	<p>The Quickstep Incentive Rights Plan authorises the granting of rights to certain employees of the Group (including Directors employed in an executive capacity), in the form of (among others) Performance Rights and Deferred Rights. Each Right entitles the holder to one Share (or a cash equivalent based on the 45 day VWAP preceding the date on which the Right is to vest).</p> <p>Performance Rights will vest when certain Performance Conditions are met. Deferred Rights will vest when certain service conditions are satisfied.</p>
Maximum number of Shares that may be acquired	<p>The maximum number of Rights that may be granted to Mr Burgess under the Burgess Offer is 6,188,120 Rights. Accordingly, the maximum number of Shares that can be acquired by Mr Burgess under the Burgess Offer is a total of 6,188,120 Shares.</p>

EXPLANATORY STATEMENT

Aspect	Details
Amount payable for Rights	No amount will be payable by Mr Burgess under the Burgess Offer for the Rights as they are part of the intended total remuneration package for the 2016-17 and 2017-18 financial years. No amount is payable on vesting or exercise of the Rights.
Measurement Period	<p>The various measurement periods under the Burgess Offer are set out below:</p> <ul style="list-style-type: none"> • for the 2018 STI Offer, 1 July 2017 to 30 June 2018; • for the 2018 LTI Offer, 1 September 2017 to 31 August 2020; • for the August 2018 Offer, the Deferred Rights vest if Mr Burgess' employment with the Group continues to 31 August 2018; • for the August 2019 Offer, the Deferred Rights vest if Mr Burgess' employment with the Group continues to 31 August 2019; • for the 2018 Transitional Offer, 1 September 2017 to 31 August 2018; and • for the 2019 Transitional Offer, 1 September 2017 to 31 August 2019, <p>(each, a "Measurement Period").</p>
STI Conditions	<p>In order to be eligible for an STI, the relevant employee must achieve certain KPIs that have been determined by the RN&D Committee and approved by the Board.</p> <p>After assessing the overall achievement of KPIs based on the above review process, the RN&D Committee recommends the total incentive to be paid to the executive for approval by the Board.</p> <p>In the case of some senior executives, STIs are paid 50% in cash and 50% by way of issues of Rights under the Quickstep Incentive Rights Plan. No further Performance Conditions are imposed if the KPIs have been met.</p>
LTI Conditions	<p>The August 2018 Offer and August 2019 Offer are subject to service vesting conditions. For vesting of the August 2018 Offer to occur, Mr Burgess must remain employed by the Group on 31 August 2018 and not be in default under the terms of his Executive Contract of Employment as at that date. For vesting of the August 2019 Offer to occur, Mr Burgess must remain employed by the Group on 31 August 2019 and not be in default under the terms of his Executive Contract of Employment as at that date.</p> <p>The 2018 Transitional Offer, the 2019 Transitional Offer and the 2018 LTI Offer are subject to a Performance Condition based on achieving TSR targets over the respective Measurement Periods. In summary, TSR combines Share price appreciation over a period and dividends paid during that period (assuming that they are reinvested into Shares) to show the total return to Shareholders over that period. When calculating the Company's TSR its Share price at the beginning and end of the Measurement Period will be calculated as the 45 day VWAP of Shares as at the relevant date.</p> <p>For vesting to occur the Company's TSR over the Measurement Period must be positive (i.e. if Shareholders have not gained then the Performance Rights will not vest). If the Company's TSR is positive but the AOAI movement is negative over the Measurement Period then vesting, if any, will be at the discretion of the Board (i.e. only applies if the Company has outperformed a general fall in the market by protecting against a similar fall in the Company's Share price).</p>

EXPLANATORY STATEMENT

Aspect	Details		
LTI Conditions (continued)	If the Company’s TSR is positive and the movement in the AOAI is also positive then the following vesting scale will apply:		
	Performance Level	Company’s TSR Relative to AOAI Movement Over the Performance Period	Vesting %
	Below Threshold	<Increase in the AOAI	0%
	Threshold	= Increase in the AOAI	25%
		>100% of AOAI increase & <110% of AOAI increase	Pro-rata
	Target	110% of AOAI increase	50%
		>110% of AOAI increase & <120% of AOAI increase	Pro-rata
	Stretch and above	120% of AOAI increase	100%

- (b) There is no amount payable by Mr Burgess under the Burgess Offer and no loan will be made to Mr Burgess in respect of the Burgess Offer.
- (c) Since the last ASX Listing Rule 10.14 approval, the following Rights have been issued under the Quickstep Incentive Rights Plan:

Name	Number of Rights received ⁽¹⁾	Price for each Right ⁽¹⁾	Date of Shareholder approval ⁽¹⁾
Mr David Marino	3,237,894	Nil	24 November 2016

⁽¹⁾ Further details regarding the above issues can be found in the 2016 notice of Annual General Meeting released to ASX on 18 October 2016.

- (d) The persons who are eligible to participate in the Quickstep Incentive Rights Plan are employees of the Group (including a Director employed in an executive capacity) or any other person who is declared by the Board to be eligible to receive a grant of Rights under the Quickstep Incentive Rights Plan. Mr Burgess is currently the only Director eligible to participate in the Quickstep Incentive Rights Plan.
- (e) It is proposed that the Rights will be granted to Mr Burgess as soon as practicable (and in any event within 12 months) after the date of the Meeting.
- (f) A voting exclusion statement in respect of Resolution 3 is set out in the Notice.

Executive key management personnel remuneration is determined by the RN&D Committee, having regard to relevant market practices and the circumstances of the Company on an annual basis. It is the view of the RN&D Committee that it is in the interests of Shareholders for Mr Burgess to receive part of his total remuneration package in the form of at-risk securities that will vest based on Performance Conditions during a defined Measurement Period. This is also considered best practice with regards to evident market practices. It should therefore be considered appropriate to provide securities to executive Directors of the Company instead of cash only. Further details in relation to Mr Burgess' remuneration are set out in the Company's 2017 Annual Report.

EXPLANATORY STATEMENT

The Directors (with Mr Burgess abstaining) believe that the future success of the Company depends on the skills and motivation of the people engaged in the management of the Company's operations. It is therefore important that the Company is able to retain people of the highest calibre, such as Mr Burgess. The Directors (excluding Mr Burgess) consider that the issue of the Rights to Mr Burgess is an appropriate form of remuneration for Mr Burgess and is part of a reasonable remuneration package (taking into account the Company's and Mr Burgess' circumstances).

Directors' Recommendation:

The Directors (other than Mr Burgess), unanimously recommend that Shareholders vote in favour of Resolution 3. Mr Burgess makes no recommendation in relation to this Resolution.

Resolution 4 – Approval of issue of securities under ASX Listing Rule 7.1A

ASX Listing Rule 7.1 permits entities to issue up to 15% of their issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

ASX Listing Rule 7.1A permits eligible entities which have obtained shareholder approval by special resolution to issue Equity Securities representing up to an additional 10% of their issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**").

The Company seeks Shareholder approval under Resolution 4 to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (set out in paragraph (d) below).

Relevant Requirements of ASX Listing Rule 7.1A

(a) Eligible entities

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as it has a market capitalisation of approximately \$44 million as at 5 October 2017.

(b) Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the Meeting. A resolution under ASX Listing Rule 7.1A cannot be put at any other Shareholder meeting. As a special resolution, Resolution 4 requires approval of 75% of the votes cast by Shareholders present and eligible to vote.

(c) Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX. As at the date of this Notice, the Company has only one class of Equity Securities quoted on ASX, being fully paid ordinary Shares.

(d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 4 is passed, the Company may issue or agree to issue, during the period of approval, the number of Equity Securities calculated in accordance with the following formula in ASX Listing Rule 7.1A.2:

$$(A \times D) - E$$

EXPLANATORY STATEMENT

Where:

A	<p>The number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:</p> <ul style="list-style-type: none"> • plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2; • plus the number of partly paid ordinary securities that became fully paid in the 12 months; • plus the number of fully paid ordinary securities issued in the 12 months with the approval of shareholders under ASX Listing Rules 7.1 or 7.4. This does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval pursuant to Listing Rule 7.1 or ratification pursuant to Listing Rule 7.4; • less the number of fully paid ordinary securities cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

(e) Interaction between ASX Listing Rules 7.1 and 7.1A

The Additional Placement Capacity under ASX Listing Rule 7.1A is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Company has 562,880,792 Shares on issue as at the date of this Notice. If Resolution 4 is passed, the Company will be permitted to issue up to:

- 84,432,118 Equity Securities under ASX Listing Rule 7.1; and
- 56,288,079 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under ASX Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in paragraph (d) above).

The effect of Resolution 4 will be to allow the Company to issue securities under ASX Listing Rule 7.1A without using the Company's placement capacity under ASX Listing Rule 7.1.

Information for Shareholders as required by ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A, information is provided in relation to the Additional Placement Capacity as follows:

(a) Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the VWAP for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities to be issued is agreed; or
- if the Equity Securities are not issued within 5 trading days of the date above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues Equity Securities under the Additional Placement Facility, existing Shareholders' economic interests may be diluted if the Equity Securities are issued at a discount. Further, existing Shareholders' voting power in the Company will be diluted as shown in the table below, by up to 9.09%.

EXPLANATORY STATEMENT

There is a risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Shareholder approval at the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date or the new Equity Securities may be issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities, and also on the Company's Share price post issue of the Equity Securities.

The following table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares as at the date of this Notice for variable "A".

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue as at the date of this Notice. The number of Shares may increase as a result of issues of Shares that do not require Shareholder approval (for example a pro rata entitlement issue or scrip issued under a takeover offer) or future placements under ASX Listing Rule 7.1 that are approved by Shareholders in the future; and
- two examples of where the issue price of Shares has decreased by 50% and increased by 50% as against the current market Shares price (which, for the purposes of this table, is \$0.078 as at 5 October 2017).

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		\$0.039 Assuming 50% decrease in Issue Price	\$0.078 Issue Price	\$0.117 50% increase in Issue Price
Current Variable A (562,880,792 Shares)	Number of Shares that could be issued under the Additional Placement Capacity (10%)	56,288,079 Shares	56,288,079 Shares	56,288,079 Shares
	Funds raised	\$2,195,235	\$4,390,470	\$6,585,705
50% increase in current Variable A (844,321,188 Shares)	Number of Shares that could be issued under the Additional Placement Capacity (10%)	84,432,119 Shares	84,432,119 Shares	84,432,119 Shares
	Funds raised	\$3,292,853	\$6,585,705	\$9,878,558
100% increase in current Variable A (1,125,761,584 Shares)	Number of Shares that could be issued under the Additional Placement Capacity (10%)	112,576,158 Shares	112,576,158 Shares	112,576,158 Shares
	Funds raised	\$4,390,470	\$8,780,940	\$13,171,410

EXPLANATORY STATEMENT

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Options are exercised into Shares before the date of the issue of the Equity Securities under the Additional Placement Capacity.
- The table does not show an example of the economic dilution that may be caused to a particular Shareholder's shareholding by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A on the basis of the Company's current issued share capital, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Capacity consists only of Shares.
- The issue price is assumed to be the Share price of \$0.078 at market close on 5 October 2017 (rather than being based on the 15 day VWAP).
- In each case, an issue of the maximum number of Shares under the Additional Placement Capacity would dilute the Shareholders as at the date immediately prior to the issue by up to 9.09%. For example, based on the current number of Shares, existing Shareholders would have 562,880,792 votes out of a total post-issue number of Shares of 619,168,871, representing 90.9% of the post-issue total number of Shares (or a dilution of 9.09%).

(c) Placement Period

Shareholder approval of the Additional Placement Capacity under ASX Listing Rule 7.1A is valid from 23 November 2017 (the date of this Meeting) and expires on the earlier of:

- the date which is 12 months after the date of the Meeting; or
- the date that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of the main undertaking),

(the "Placement Period").

The Company will only issue new Equity Securities during the Placement Period. The approval will cease to be valid in the event that Shareholders' approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

(d) Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds to finance further developments and commercialisation of the Company's automotive and aerospace technology, for capital expenditure on other projects, and/or for general working capital; or
- non-cash consideration for acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; and/or
- in repayment of debt.

EXPLANATORY STATEMENT

(e) Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate and other forms of equity and debt financing;
- the effect of the issue of new Equity Securities on the control of the Company;
- the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or an associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A on the issue of any new Equity Securities.

(f) Details of Equity Securities issued under earlier placement capacity approval

As at the date of this Notice, the total number of Equity Securities issued by the Company in the 12 months preceding the date of the Meeting is 406,649, representing 0.07% of the total number of Equity Securities on issue at the commencement of the 12 month period.

Set out below are details of all issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting (as at the date of this Notice).

Date of issue:	4 May 2017
Number issued and type of security issued:	406,649
Summary of terms:	Fully paid ordinary Shares.
Names of persons who received securities or basis on which those persons was determined:	Issued to senior management in satisfaction of vested rights issued pursuant to executive contracts of employment.
Price:	\$0.115816 per Share.
Discount to market price (if any):	406,649 Shares at a deemed price of \$0.115816 per Share were issued at a 0.71% premium to the closing price on 4 May 2017 of \$0.115.
Total non-cash consideration received:	Pursuant to Executive Contracts of Employment.
Current value of that non-cash consideration:	\$36,598 (being 406,649 Shares at the closing Share price on 26 September 2017 of \$0.09).

EXPLANATORY STATEMENT

(g) Voting exclusion

A voting exclusion statement is included in this Notice.

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

GLOSSARY

In this Explanatory Statement, Notice and Proxy Form:

Additional Placement Capacity means the placement facility to issue Equity Securities representing up to 10% of the Company's issued capital pursuant to ASX Listing Rule 7.1A.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual General Meeting means an annual general meeting of the Company.

AOAI means the All Ordinaries Accumulation Index.

ASX means ASX Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Auditors' Report means the auditors' report included in the annual report for the year ended 30 June 2017.

Board means the board of directors of the Company.

Chair means the chair of the Meeting.

Chairman means the chairman of the Company.

Company means Quickstep Holdings Limited (ACN 096 268 156).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Deferred Right means a Right that vests if the relevant service conditions are satisfied.

Directors means the current directors of the Company.

Directors' Report means the directors' report included in the Company's annual report for the year ended 30 June 2017

Equity Securities has the same meaning as in the ASX Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Group means the Company and any of its subsidiaries.

KPI means a key performance indicator.

LTI means long term incentive.

Managing Director means the managing director of the Company appointed in accordance with clause 17.1 of the Constitution.

Meeting means the Annual General Meeting convened by the Notice.

Notice means this notice of Annual General Meeting including the Explanatory Statement and Proxy Form.

Option means an option to acquire a Share.

Performance Condition means a vesting condition based on performance against an indicator that is linked to Shareholder benefit.

Performance Right means a Right that vests based on satisfaction of a Performance Condition.

Proxy Form means the proxy form accompanying the Notice.

Quickstep means the Company.

Quickstep Incentive Rights Plan means the Company's incentive rights plan as amended from time to time.

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2017.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Right means an entitlement issued under the Quickstep Incentive Rights Plan in the form of either a Deferred Right or a Performance Right.

RN&D Committee means the Company's Remuneration, Nomination and Diversity Committee.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

STI means short term incentive.

TSR means total shareholder return.

VWAP means volume weighted average price.

\$ means Australian dollars unless otherwise stated.

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

QHL

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX

Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:
Control Number: 9999999
SRN/HIN: I9999999999
PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 2.00pm (AEDT) on Tuesday, 21 November 2017

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Quickstep Holdings Limited hereby appoint

☐

the Chairman
of the Meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Quickstep Holdings Limited to be held at Computershare Sydney, Level 4, 60 Carrington Street, Sydney NSW 2000 on Thursday, 23 November 2017 at 2:00pm and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1 and 3 (except where I/we have indicated a different voting intention below) even though Items 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1 and 3 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Bruce Griffiths	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Grant of Rights to Managing Director under the Quickstep Incentive Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of issue of securities under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

QHL

999999A

Computershare +



ABN 55 096 268 156

All general correspondence to:
Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000
Facsimile +61 3 9473 2500
www.investorcentre.com/contact
www.computershare.com.au

QHLM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Quickstep Holdings Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Jaime Pinto
Company Secretary