

Small Shareholding Sale Facility

Sydney, 12 February 2019 – Quickstep Holdings Limited (ABN 55 096 268 156) (Company or QHL) today announced a small shareholding sale facility for shareholders who hold parcels of the Company's shares with a market value of less than A\$500 (**Small Holdings**). The facility is being established in accordance with the ASX Listing Rules and the Company's Constitution.

As at 5:00 pm (Sydney time) on 6 February 2019 (**Record Date**), a Small Holding is any shareholding of 7,042 ordinary shares or less, based on the closing price of \$0.071 on the Record Date. As at the Record Date, Small Holdings represent a total of 4,611,959 ordinary shares, held by 1,582 shareholders.

The Company is offering this sale facility to assist holders of Small Holdings to sell shares without having to use a broker or pay brokerage. The Company will pay for all the costs of the sale for shareholders who use this facility, excluding tax consequences from the sale which remains the shareholder's responsibility.

The Company values all its shareholders, however, it incurs significant administrative costs maintaining such a large number of Small Holdings. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings. Shareholders who own 7,043 shares or more will not be eligible to participate.

If eligible shareholders wish to sell shares through the facility, they do not need to take any action. Unless these shareholders hold more than A\$500 worth of shares at 5:00 pm (Sydney time) on 29 March 2019, they will have their shares sold (pursuant to the powers under QHL's Constitution) and the proceeds remitted to them. If eligible shareholders **do not** wish to sell shares through this facility, they **should** complete and return the notice of retention form to the Company's share registry, Computershare Investor Services Pty Limited, by 5:00pm (Sydney time) on 29 March 2019 (**Retention Date**).

Upon the sale of the Small Holdings by the appointed broker, proceeds shall be forwarded to eligible shareholders as soon as practicable.



A summary of the key dates in respect of the facility is as follows:

Event	Date
Record Date to determine which shareholders are eligible shareholders	6 February 2019 at 5:00 pm (Sydney time)
Notice sent to eligible shareholders	13 February 2019
Retention Date (last day for receipt of notice of retention forms)	29 March 2019 at 5:00 pm (Sydney time)

Attached is a copy of the Letter and Information Pack sent to all shareholders holding an unmarketable parcel of the Company's shares as at the Record Date.

-ENDS-

About Quickstep Holdings

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace-grade advanced composite manufacturer in Australia, operating from state-of-the-art aerospace manufacturing facilities at Bankstown Airport in Sydney, NSW and a manufacturing and R&D/ process development centre in Geelong, Victoria. The group employs more than 200 people in Australia and internationally. Quickstep is partnering with some of the world's largest aerospace / defence organisations including Lockheed Martin (US), Northrop Grumman (US), Boeing Defense (US) and BAE Systems (UK), as well as Victorian-based Marand Precision Engineering. Quickstep is currently working on new opportunities with a number of additional companies including General Atomics (US). More information about Quickstep is available at www.quickstep.com.au

For further information:

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12 February 2019

Dear Shareholder

IMPORTANT NOTICE – SALE OF YOUR SMALL HOLDING OF SHARES

We are writing to advise you that Quickstep Holdings Limited (**Company**) has established a share sale facility (**Facility**) for holders of parcels of Company shares with a market value of less than A\$500 (**Small Holdings**). The Facility is being established in accordance with the ASX Listing Rules and the Company's Constitution.

The Company is offering the Facility to assist holders of Small Holdings to sell their shares. Holders of Small Holdings who take advantage of the Facility will have their shares sold without having to act through a broker or pay brokerage fees. The Company will also organise payment of the other costs associated with the sale and transfer (although any tax consequences from the sale of your shares will be your responsibility).

By facilitating the sale of Small Holdings, the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

Our records show that you held a Small Holding of 7,042 shares or less based on the Company share price of A\$0.071 as at the close of trade on 6 February 2019 (**Record Date**). Unless you advise the Company that you do NOT wish to sell your shares through the Facility by 5:00pm (Sydney Time) on 29 March 2019 (**Retention Date**), or unless your shareholding is not a Small Holding on the Retention Date, the Company intends to sell your shares through the Facility. Payment will be sent to you as soon as is practicable following settlement of the sale.

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder's decision as to whether they wish to retain their shares. This information will, if released, be available on the ASX website www.asx.com.au (ASX code "QHL") and on the Company's website <http://www.quickstep.com.au>.

What should you do?

If you do **NOT** wish to sell your shares through the Facility, you should complete and return the **attached** form to the address on the form so that it is received by 5:00pm (Sydney Time) on 29 March 2019. Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, unless your shareholding is not a Small Holding on the Retention Date, the Company will, after the Retention Date:

- (a) sell all of your shares at a price to be determined by when and how the shares are sold, and without any cost being incurred by you; and
- (b) deal with the proceeds of the sale as set out in the **attached** information sheet.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser.

The **attached** information sheet sets out further details of the Facility, which you should read before making any decision.

If you have any queries about lodging your form or the practical operation of the Facility please contact the Shareholder Information Line on 02 9774 0499 and leave a message with a phone number we can contact you on. We will call you back within 24 hours.

Yours sincerely

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

For and on behalf of Quickstep Holdings Limited

Jaime Pinto
Company Secretary

1. WHAT IS A SMALL HOLDING OF SHARES?

A Small Holding of shares is a holding of Company shares valued at less than A\$500. Based on the price of Company shares at the Record Date, this is a holding of 7,042 shares or less.

2. WHAT PRICE WILL I RECEIVE FOR SHARES SOLD THROUGH THE FACILITY?

The shares will be sold through ASX (including by crossing) at the market price of the Company's shares (in the opinion of the broker appointed to sell the shares), at or around the date and time the shares are to be sold (which is expected to be as soon as practicable after the Retention Date). If at this date the value of your shares have increased so you no longer have a Small Holding (due to an increase in the number of shares you hold or an increase in the share price) your shares will NOT be sold. Sales under the Facility will be made by PAC Partners through the ASX (including by crossing).

You will not have control over the time at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day and may not be the best price on the day your shares are sold. The Company currently expects that all shares sold under the Facility will be sold at the same price to ensure that all eligible shareholders are treated equally.

3. WHAT IS THE PRICE OF QUICKSTEP HOLDINGS LIMITED SHARES?

The last sale price of Company shares on 6 February 2019 was A\$0.071. The share price changes frequently and more recent prices are available from the ASX website (www.asx.com.au) under the ASX code "QHL".

4. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO ME?

Payment will be sent to you as soon as is practicable following settlement of the sale. Payment will be made in Australian dollars by direct credit or cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds. Cheques will be sent by post to the address as shown in the share register at the time the share sale payment is run.

5. IF I BUY MORE SHARES, WILL I RETAIN MY HOLDING?

Yes, the Company will treat any purchase of additional shares that increases the value of a Company shareholding to more than A\$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares purchased must be registered by 5:00pm (Sydney Time) on 29 March Date 2019 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

6. WHAT IF MY SHARES ARE HELD IN A CHESS HOLDING?

If your shares remain in a CHESS holding at 5:00pm (Sydney Time) on 29 March 2019, the Company may move those shares to an issuer sponsored holding and the shares will be sold through the Facility.

7. DO I NEED TO PAY ANYTHING IF I PARTICIPATE IN THE FACILITY

The company will pay all costs and expenses arising in connection with the Facility. Any tax consequences from the sale will be your responsibility.

8. WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF PARTICIPATING IN THE FACILITY

Advantages include:

- receiving a cash payment from the sale of your Small Holding;
- avoiding any brokerage or related selling expenses; and
- the sale price being determined by reference to the market price.

Disadvantages include:

- no longer holding any shares in the Company (unless you subsequently buy more);
- possible capital gains tax being payable; and
- the price of the Company's shares may subsequently rise.

9. WHERE CAN I GET FURTHER INFORMATION?

If you have any queries about lodging your form or the practical operation of the Facility please contact the Shareholder Information Line on 02 9774 0499 and leave a message with a phone number we can contact you on. We will call you back within 24 hours.

10. IMPORTANT NOTES

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX or to vary, delay or cancel the sale of your shares and not proceed with any sale of shares at any time before your shares are sold.

The letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell Company shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Company share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being a Small Holding. Under these circumstances your shares will not be sold as part of this Facility.