

## QUICKSTEP TO RAISE \$10.6M VIA PLACEMENT AND LAUNCHES SHARE PURCHASE PLAN

- Quickstep announces a A\$10.625 million placement following strong investor support
- Placement to result in an issue of 125 million new shares to institutional and sophisticated investors
- Funds will be used to strengthen Quickstep's balance sheet to allow flexibility to accelerate future growth projects and reduce debt
- Additional shares to be offered to existing eligible Quickstep shareholders under a Share Purchase Plan

**Sydney, 7 March 2019 – Quickstep Holdings Limited (ABN 55 096 268 156) (Company or QHL)** is pleased to announce that it has received irrevocable commitments to raise A\$10.625 million (before costs) through a placement of 125 million fully-paid ordinary shares (**Shares**) at an issue price of \$0.085 per Share to institutional and sophisticated investors (**Placement**). The issue price represents a 9.1% discount to the volume weighted average market price (**VWAP**) of Shares over the five trading days prior to Quickstep going into a trading halt (of A\$0.0935). New Shares issued will rank equally with existing Shares, and are expected to be issued and commence trading on ASX on 13 March 2019.

Funds raised pursuant to the Placement will be used to strengthen Quickstep's balance sheet to allow flexibility to accelerate future growth projects and reduce the Company's level of debt.

Curran & Co. acted as Sole Book Runner and Lead Manager to the placement.

Shareholder approval will not be required for the Placement. The Company advises that 68,597,169 Shares will be issued under the Company's 15% placement capacity under Listing Rule 7.1. The remaining 56,402,831 Shares will be issued under the Company's additional 10% placement capacity under ASX Listing Rule 7.1A. The VWAP of Shares over the 15 trading days before the date on which the Placement price was agreed was A\$0.0841. Therefore, the issue price under the Placement is more than 75% of the 15 trading day VWAP as required by Listing Rule 7.1A.3(b).

In addition to the Placement, QHL is pleased to announce that it is offering eligible shareholders the opportunity to participate in a Share Purchase Plan (**SPP**) to acquire up to \$15,000 worth of Shares at an issue price of \$0.085 per Share (**SPP Price**) without paying brokerage or other transaction costs. The SPP Price is the same as the price of the Shares being issued under the Placement.

The SPP will not be underwritten. Quickstep reserves absolute discretion regarding the amount raised under the SPP and the exercise of its right to scale back applications. An appropriate scale-back policy will be applied if Quickstep decides to scale back applications under the SPP. Further details regarding the SPP are set out below.



Funds raised under the SPP will be used for the same purposes as the Placement, as described above.

Quickstep’s Managing Director, Mr Mark Burgess, said: “Quickstep continues to make outstanding progress in its operational and financial performance. We are addressing significant new business opportunities that require a stronger balance sheet which provides the headroom for growth. I am delighted that we received such strong demand from a broad range of institutional investors who believe in the company and its vision to be a leading global supplier of advanced composite solutions.”

### Details of SPP

Participation in the SPP is entirely optional and is available exclusively to shareholders who were registered as holders of Shares at 5.00pm (AEDT) on 6 March 2019, and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

The offer of Shares under the SPP will be made in accordance with ASIC Class Order [CO 09/425] and therefore will not require a prospectus for the purposes of Chapter 6D of the Corporations Act 2001 (Cth).

Eligible Shareholders will be able to participate in the SPP by choosing one of the following levels of participation:

Number of Shares applied for	Amount payable for that parcel (rounded down to nearest dollar)
11,765	\$1,000
23,530	\$2,000
58,824	\$5,000
117,648	\$10,000
176,471	\$15,000

The SPP is non-renounceable. This means that Eligible Shareholders who do not take up their entitlement to participate in the SPP will not be able to transfer or receive any value for those entitlements. The issue of Shares under the SPP will not be subject to shareholder approval.

The SPP offer is intended to be open from 13 March 2019 to 27 March 2018. However, QHL reserves the right to alter these dates at its discretion.

Full details of the SPP will be set out in the offer documentation to be released to ASX and mailed to Eligible Shareholders on or about 13 March 2019. Questions relating to the SPP should be directed to the Shareholder Information line on 02 9774 0499. Please leave a message with a phone number we can contact you on.

### Important notice

This announcement is not an offer or an invitation to acquire securities. In particular, this release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'US Person' as defined in Regulation S under the US Securities Act of 1933 (Securities Act) (US Person) or in any other jurisdiction. This announcement may not be released or distributed in the United States or to any US Person. Any securities described in this announcement have not been, and will not be registered under the Securities Act or the securities law of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, or to, or for the account of or benefit of, any US Person, except in a transaction exempt from, or not subject to, the registration requirements under the Securities Act.

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## **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](http://www.quickstep.com.au)

## **For further information:**

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