

Quickstep contract to open up South Korean automotive market

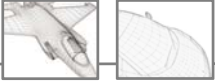
- **Korea Institute of Science and Technology (KIST) purchase demonstrates the growth potential of Quickstep's technology**
- **Opens up the world's fifth largest automotive market for Quickstep**
- **Quickstep to deliver equipment to KIST by end-2016**

Sydney, 7 April 2016– Manufacturer of advanced carbon fibre composites company Quickstep Holdings (ASX: QHL) is pleased to announce its entry into the South Korean automotive market through a new sales contract with the Korea Institute of Science and Technology (KIST). Quickstep will develop and supply composite manufacturing equipment, including its patented Resin Spray Transfer (RST) and Qure (Out-of-Autoclave) curing machine technologies, which KIST will use to develop prototype, demonstrator and niche-volume composite parts. Delivery is expected to be completed by the end of 2016 and will pave the way for further adoption of Quickstep's technologies in the growing South Korean automotive sector.

David Marino, Managing Director of Quickstep said: "This contract opens up the South Korean automotive market for Quickstep's process technology. Our patented technologies will enable medium-volume production of carbon fibre composite automotive parts, providing throughput of more than 10,000 parts per year. KIST is very well positioned within the automotive industry in South Korea, a sector that has made it a priority to develop lightweight carbon fibre solutions for future vehicles."

KIST is a well-respected, multi-disciplinary government research institute located in Seoul, South Korea, with a significant role in the development of South Korea's growing carbon fibre composite materials industry. It specialises in supporting Korean companies in the research, evaluation and introduction of new technologies into production environments. "This will be the first system of this kind in South Korea and we are very pleased with our decision to work with Quickstep to design and manufacture it for us," stated Dr. Jun-Kyung Kim, Jeonbuk Branch Composite Material Technology Institute Director General of KIST. "The system will offer the complete capabilities that we need to continue and expand our research in the field of composite materials science, with our goal to become the world's leading researcher in this area."

The Quickstep manufacturing system supplied to KIST will be optimised for niche- to medium-volume automotive industry production. This contract will drive further development of the RST and Qure systems for higher volume production, well above the current capacity of existing systems used in the aerospace sector.



KIST selected the Quickstep system after evaluating several processes. This provides a significant endorsement, confirming Quickstep's competitiveness compared to other composite manufacturing technologies used for medium-volume automotive applications. Quickstep's Qure and RST technology will enable KIST to produce Class-A surface quality parts at an overall lower cost, and will demonstrate the benefits of the system for industry uptake in the Korean market.

South Korea provides a number of opportunities for the uptake of Quickstep's process capabilities in the future, both in its fast-growing automotive market, as well as in its emerging aerospace manufacturing sector. The carbon fibre sector is seen as a major growth area in South Korea with significant government and industry investment going into major initiatives such as Carbon Valley Project in Jeollabuk-do province, creating an internationally focused region for research, development and industry in areas such as carbon fibre, artificial graphite, and carbon polymers.

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Background on Quickstep Holdings Limited

Quickstep Holdings Limited (ASX: QHL) is an Australian publicly listed company, at the forefront of advanced composites manufacturing and technology development. Quickstep is the largest independent aerospace-grade advanced composite manufacturer in Australia, partnering with some of the world's largest Aerospace/Defence organisations including: Lockheed Martin, Northrop Grumman, BAE Systems and Airbus.

Quickstep operates from state-of-the-art aerospace manufacturing facilities at Bankstown Airport in Sydney, NSW; a newly established production site for automotive parts manufacturing and R&D/ process development centre in Waurin Ponds, Victoria; and a development and customer support operation in Munich, Germany.

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 in excess of US\$300 billion worldwide. The company has also been selected by Lockheed Martin as the sole supplier of composite wing flaps for the C-130J "Super Hercules" military transport aircraft.

Quickstep has developed significant capabilities and expertise in the production of aerospace grade, advanced composite components, using both conventional autoclave-based manufacturing and leading out-of-autoclave production technologies (developed in-house and patented).

Automotive activities include contracts with Ford Australia for a carbon fibre air intake duct and the development and supply of a range of composite parts and assemblies for the Thales Hawkei military vehicle.

For further information:

Investors

Quickstep Holdings Limited
Telephone: +61-2 9774 0300
E: info@quickstep.com.au
or:
Visit www.quickstep.com.au

Media

Ashley Rambukwella
Financial & Corporate Relations
Telephone: +61 2 8264 1004 / 0407 231 282
E: a.rambukwella@fcr.com.au