

QUICKSTEP FORMS R&D AND MARKETING ALLIANCE WITH US-BASED ZYVAX INC

- **Quickstep signs formal Cooperation Agreement with Zyvox Inc, a US-based supplier of tool preparation and mould release formulas for composites manufacturing.**
- **Agreement acknowledges strong synergy between the two companies and mutual interest in demonstrating the compatibility and benefits of the Quickstep Process.**
- **Zyvox to supply tool preparation and mould release products to all Quickstep facilities for use in testing and demonstrating.**
- **Intention to formalise a sales and marketing agreement to jointly promote composite production using the Quickstep Process with Zyvox products.**

International composites manufacturing group, Quickstep Holdings Limited (ASX: QHL – “Quickstep”), and global chemical supplier, Zyvox Inc (“Zyvox”), today jointly announced a new business alliance focusing on the development and promotion of composite production techniques utilising Quickstep’s patented composites manufacturing process combined with Zyvox’s proprietary tool treatment formulas.

The ‘Quickstep Process’ – as with all composites manufacturing - requires that a barrier treatment be applied to moulds and tooling parts in order to prevent the manufactured component from sticking to the mould. Zyvox manufactures a range of proven, environmentally friendly, high-performance treatment products, and can also develop new formulas to meet specific manufacturing requirements. The alliance recognises that Quickstep’s and Zyvox’s patented innovations for composites manufacture are complementary, and significant synergies could be generated through a formal business alliance.

Under the terms of the agreement, which will initially run for a 5-year period, Zyvox will supply tool preparation and mould release products to all Quickstep locations, including pilot production facilities, for use in testing and demonstrations. Zyvox will also provide support to Quickstep research and development as new requirements are identified.

Zyvox CEO, Ms Nancy Layman, said the alliance would allow Zyvox and Quickstep to jointly present an enhanced composites manufacturing solution to potential customers.

“Quickstep and Zyvox have arrived on the market at a time when there is a global demand for high-volume, low-cost manufacturing methods for advanced composites materials,” she said. “Both parties believe that the Quickstep manufacturing process is unique, and, when used in conjunction with Zyvox’s tool preparation and mould release formulas, will present an attractive total solution to manufacturers seeking improved production efficiencies.”

The agreement also allows for the establishment of an Agreed Strategic Sales & Marketing Understanding between the two companies.

Quickstep Managing Director, Mr Nick Noble, said, “Setting a formal marketing agreement would allow both companies to plan, fund and resource projects in advance”.

“We believe our customers make decisions regarding materials and processes for composites production based on successful demonstrations of the technology. We have therefore made an in principle agreement to jointly demonstrate and promote activities to allow both Quickstep and Zyvox to better demonstrate the advantages of our systems to potential customers,” he added.

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Background on Quickstep Holdings Limited

Quickstep Holdings Limited ASX Code: **QHL**) is an advanced materials company listed on the Australian Stock Exchange and focused on the worldwide commercialization of an innovative, fully proven Australian composites manufacturing technology with application in the multi-billion dollar aerospace and automotive industries as well as other mid-tier market segments.

Composites combine high strength with light weight and are key materials in aerospace, automotive, marine, defense, public transport and industrial applications. The global composites parts market is growing strongly, reflecting a shift towards the greater use of composites as an increasingly desirable replacement for metals in many applications because of their high strength and reduced weight.

Quickstep's unique and patented Quickstep Process is an innovative fluid-based curing technology that significantly reduces the cost and time involved in the production of composites compared with conventional processes. Quickstep has been at the leading edge of the growing need to reduce part costs since the early 1990s, with a significant investment in the development of the Quickstep Process over the past decade.

Quickstep already has fully automated Quickstep pilot production facilities operating at four separate locations with one in Japan, a second at the Victorian Centre for Advanced Materials Manufacturing (VCAMM) in Geelong, a third at the Northern Aerospace Technology Exploitation Centre (NATEC) in Manchester, England in conjunction with the University of Manchester, and a fourth at the National Composites Center (NCC) in Ohio in the US.

Global alliances are also in place with major international advanced materials suppliers such as Toray Composites (in the USA and Japan) and German-based industrial chemicals and performance materials giant Degussa AG, alongside R&D and Applications Development Agreements with groups such as VCAMM.

Quickstep's business model is to generate multiple revenue streams from equipment and license sales to major aerospace, automotive and marine manufacturers; joint venture arrangements and co-branding and co-marketing agreements with leading composites manufacturers, Original Equipment Manufacturers (OEM's), Tier One suppliers and alliance partners; and contract and in-house manufacturing operations and sales utilizing the Quickstep Process.

www.quickstep.com.au

Background on Zyvax Inc

Zyvax develops and manufactures high performance tool preparation and mould release products. These formulas are based upon proprietary technology and components. Zyvax mould release coatings utilize performance-based, scientific expertise and leading-edge manufacturing process knowledge. The combination of these elements allows Zyvax to develop solution driven mould release products that deliver superior performance in every application.

Zyvax has a continuous track record of performance across a wide variety of industries. From creating the first line of solvent-free and environmentally friendly slipcoat products for the aerospace industry, to the first solvent-based variable release coating system for marine and transportation, the Company has earned its reputation for leading edge manufacturing process solutions.

In 2001, Zyvax "WaterWorks" line won the Worldwide Innovation Award as 'Best Mould Release' at the prestigious JEC Composites Show in Paris.

www.zyvax.com
www.waterworks4.com

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