

QUICKSTEP SECURES INAUGURAL MANUFACTURING DEVELOPMENT CONTRACT WITH AIRBUS UNIT

- Commissioning at Quickstep's new German testing and manufacturing facility now complete.
- Inaugural manufacturing development contract secured with Airbus subsidiary, Airbus Deutschland GmbH, Site Laupheim, for the manufacture of prototype parts.
- Positions Quickstep to secure additional manufacturing opportunities with the EADS/Airbus Group.

International advanced composites group Quickstep Holdings Limited (ASX: QHL – “Quickstep”) has moved quickly to capitalise on its strategic presence in the European aerospace sector, today announcing that its 100%-owned German subsidiary, Quickstep GmbH, has secured its first contract with **Airbus Deutschland GmbH, Site Laupheim**, the developer and producer of interior components for the Airbus family of aircraft, including the new A380 aircraft.

The landmark development contract, which represents a significant breakthrough in the Company's entry to the global aerospace sector, follows the signing of a Cooperation & Development Agreement (CDA) with Eurocopter, the world's largest helicopter supplier, in May this year.

The first work to be conducted at the new site will involve the manufacture of prototype parts for **Airbus Deutschland GmbH, Site Laupheim**, a wholly owned subsidiary of the global aerospace company, Airbus.

Quickstep said today (**Wednesday**) that the new QS20 composites production plant, located at the facilities of the giant EADS Group in Ottobrunn, Munich, has now been fully commissioned, and is ready to commence product development work for a select group of European customers. The new facility will also underpin work to be carried out under the CDA with Eurocopter.

Quickstep's Managing Director, Mr Nick Noble, said the contract with Airbus Deutschland GmbH in Laupheim represented another significant milestone for the Company, following hard on the heels of the successful launch of the new production facility in Germany.

“We are very pleased that the first program in the newly established production facility will be manufacturing development work with one of the world's aerospace leaders,” Mr Noble said. “This highlights the value of our strategy of establishing showcase sites in close proximity to key target markets to enable us to work more closely with potential customers.”

“We are exceptionally pleased by the positive response we have already received in Germany, with two of the largest participants in the European aerospace sector – Eurocopter and Airbus – having already committed to development work,” Mr Noble said. “Quickstep has a strong management team based in Germany who will continue targeting key European companies with an interest in the Company's composites manufacturing technology, and we expect our German operations to contribute substantially to the Company's growth in the years ahead.”

Quickstep GmbH is led by CEO, Dr Jens Schlimbach, and Dr Amol Ogale, Head of Production & Development. Both Dr Schlimbach and Dr Ogale have extensive project management experience, having managed a number of German national and international projects at the Institut für Verbundwerkstoffe GmbH (“Institute for Composite Materials”) in Kaiserslautern, Germany.

Mr Noble said that, while details of the contract with Airbus Deutschland GmbH in Laupheim would remain confidential, the prototype parts were scheduled to be delivered by the end of September.

“We are confident that these initial manufacturing development programmes, if successful, may lead to additional opportunities down the track,” he said.

Both Airbus and Eurocopter are part of the giant EADS group, a global leader in aerospace, defence and related services, which in 2006 generated revenues of over €39 billion.

Quickstep’s German facility is the Company’s fourth international showcase site, with similar sites also operating at the University of Manchester in the UK, at the National Composite Center in Dayton in the US, and at the Victorian Centre for Advanced Materials Manufacturing (VCAMM) in Geelong, Australia.

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Released by:
Nicholas Read/ Kate Bell
Read Corporate
Telephone: (+61-8) 9388 1474

On behalf of:
Mr Nick Noble
Managing Director
Quickstep Holdings Ltd
Telephone: (+61-8) 9432 3200

Background on Quickstep Holdings Limited - www.quickstep.com.au

Western Australian-based **Quickstep Holdings Limited** (ASX Code: **QHL**) is an advanced materials company which owns a scalable platform for the energy efficient manufacture of performance efficient composite materials.

Listed on the Australian Stock Exchange in 2005 following a successful IPO, Quickstep initially raised A\$6 million to underpin the worldwide commercialisation of its innovative and proven technology with application in the multi-billion dollar aerospace, automotive, mass transit and renewable energy sectors.

Composites combine high strength with light weight and are key materials in aerospace, automotive, marine, defence, 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 proprietary process is based around a 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 automated Quickstep pilot production facilities operating at five separate locations with, aside from its own plant in Fremantle, West Australia; one in Japan; a third at the Victorian Centre for Advanced Materials Manufacturing (VCAMM) in Geelong; a fourth at the Northern Aerospace Technology Exploitation Centre (NATEC) in Manchester, England in conjunction with the University of Manchester; and a fifth recently established in the US at Dayton, Ohio, the birthplace of the aviation industry. A sixth machine has now been commissioned in Germany at the European Aeronautic Defence & Space Company (EADS) group facilities in Ottobrun to support a Cooperation & Development Agreement with Eurocopter, the world’s largest helicopter manufacturer, signed in May 2007.

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 and the Australian National University (ANU).

Quickstep’s business model is self-manufacture, joint venture manufacturing arrangements and co-branding and co-marketing agreements with leading composites manufacturers, Original Equipment Manufacturers (OEM’s), Tier One suppliers and alliance partners utilizing the Quickstep Process.

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