

QUICKSTEP AUGMENTS EUROPEAN AEROSPACE PRESENCE WITH OFFICIAL OPENING OF MUNICH SITE

- **Quickstep's new testing and manufacturing facility in Germany officially opened today at the EADS group facilities in Munich.**
- **Development work and initial manufacturing trials already underway for EADS subsidiaries Eurocopter and Airbus Deutschland GmbH - Site Laupheim.**

International advanced composites group Quickstep Holdings Limited (**ASX: QHL – “Quickstep”**) has completed a major link in its international network of showcase sites, with the official opening of a new testing and manufacturing facility in Germany. The facility will be operated by Quickstep's wholly owned subsidiary, Quickstep GmbH, and will be used to conduct manufacturing trials and development work for European aerospace groups including Eurocopter and Airbus.

The Centre was officially opened on Tuesday 9 October, by Australia's Ambassador to Germany, Mr Ian Kemish AM, at a function held on site at the EADS group facilities in Munich. A Quickstep QS20 composites production machine was successfully commissioned at the site in August.

Quickstep Managing Director, Mr Nick Noble, said the Centre represented an integral component of the Company's strategy to qualify the Quickstep Process for use in aerospace parts manufacturing.

“Gaining access to the global aerospace industry represents Quickstep's most important long term growth objective,” Mr Noble said. “This new facility, located inside the EADS premises in Ottobrunn, Munich, will enable Quickstep to conduct vital development work with a number of key aerospace groups that we anticipate may lead to our first large-scale aerospace manufacturing contracts in 2008.”

The first projects to be conducted at the site will involve development work carried out under the landmark Cooperation & Development Agreement (CDA) with Eurocopter, the world's largest helicopter supplier, announced in May; as well as the manufacture of prototype parts for Airbus Deutschland GmbH - Site Laupheim, a wholly owned subsidiary of the global aerospace company, Airbus, announced in August. Both Eurocopter and Airbus are part of the EADS group, a global leader in aerospace, defence and related services, which in 2006 generated revenues of over €39 billion.

The CDA signed with Eurocopter in May establishes the framework for a long-term collaboration to investigate, optimise and qualify the manufacture of composites parts for the helicopter giant. Subject to success with the initial optimisation phase, the agreement lays the foundations for an industrialisation process leading to the commencement of commercial production of aerospace components using the Quickstep Process for a number of helicopter programs during 2008.

Dr Christian Weimer, Head of Production Technologies and Projects at Eurocopter, said the new German facility would enable Quickstep and Eurocopter to work closely together to further develop Quickstep's technology, and position Eurocopter to be 'first to market' with its application within the global aerospace industry.

“Our initial research has underlined the significant potential for the Quickstep Process to improve performance in our products, as well as providing increased production efficiency and improved performance,” he said. “Our target is to be ready to apply the Process on future aircraft and helicopter programs as soon as possible, and this Centre will enable us to do that.”

Australia's Ambassador to Germany, Mr Ian Kemish AM, who officiated at the opening, congratulated Quickstep on the establishment of the Centre.

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“This is an example of the world class technology that Australia can bring to the international community,” he said.

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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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 Munich 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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