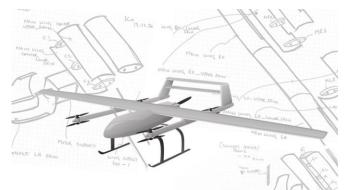


MEDIA RELEASE

QUICKSTEP ANNOUNCES INVESTMENT IN UNMANNED SYSTEMS AND LAUNCH OF QUICKSTEP ADVANCED AIR MOBILITY (QAAM)



29 July **2021:** Quickstep (ASX:QHL) today announced the acquisition of a minority stake in Carbonix, an industry leader in drone design and manufacturing who provide Data/Drone as a Service (DaaS) capabilities to a range of industries. A manufacturing agreement between Carbonix and the company is also under negotiation to support planned manufacturing volume growth.

Additionally, Quickstep has appointed Steve Osborne to the

role of Business Leader - Quickstep Advanced Air Mobility (QAAM), this will be in addition to his existing role as General Manager Group Business Development.

Osborne will lead the growth of Quickstep's newest business vertical, which focuses on leveraging the company's manufacturing, aerospace MRO services and R&D capabilities to enter the rapidly growing Advanced Air Mobility

(AAM) sector. The AAM sector, which includes drones and other eVTOL aircraft, is recognised as the 3rd revolution in aerospace. The Global AAM market is valued at AU\$226 billion from 2020 to 2029¹, in addition to the segment targeted by companies like Carbonix, the cargo drone manufacturing and operating market alone is predicted to reach US\$58B by 2035².

Quickstep Chief Executive Officer, Mark Burgess said, "We believe the Commonwealth Government's National Emerging Aviation Technologies Policy will support national AAM sector growth. Establishing a dedicated vertical ensures we are laser focused on taking advantage of the environment this creates. Quickstep's global reputation as an aerospace



manufacturer and the creation of our Aerospace Services business provides us the foundation to build, operate and maintain drone systems."

Osborne said, "Our Waurn Ponds site will be home to QAAM and become our drone manufacturing Centre of Excellence, leveraging our R&D capabilities and university relationships to provide drone companies with manufacturing solutions to aerospace quality at automotive pricing."

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¹ Teal Group: World Civil Unmanned Aerial Systems 2020/2021, market profile and forecast. Economic Benefit Analysis of Drones in Australia – 2020 Deloitte Access Economics. Deloitte Touche Tohmatsu

² Deloitte Insights – Advanced Air Mobility. 26th January 2021

In addition to identified manufacturing and sustainment opportunities, QAAM is developing partnerships with global leaders in the data, cargo and urban air mobility segments to bring advanced solutions to the Australian market. We expect these relationships to underpin significant growth from these segments in the coming years.

End

ABOUT QUICKSTEP HOLDINGS:

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace composites business in Australia, with facilities in Sydney, Geelong, Melbourne and Dallas. The group employs more than 290 people in Australia and internationally. More information about Quickstep is available at:

quickstep.com.au



FOR FURTHER INFORMATION:

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