

## VECTOR COMPOSITES SIGNS LICENSING AGREEMENT FOR PATENTED QUICKSTEP PROCESS

- Vector Composites signs agreement to use patented Quickstep Process for advanced composites manufacturing.
- Represents first Quickstep licensing agreement in North America, marking a key milestone in introducing Quickstep's manufacturing technology into a highly strategic market.

**Dayton, Ohio** – Australian advanced materials company Quickstep Holdings Limited (ASX:QHL – “Quickstep”) has taken a major step in introducing its patented Quickstep Process into the highly strategic North American market, today announcing that Vector Composites, Inc. (“Vector”) has been granted a license to use the Quickstep Process for development and manufacturing of advanced composite components. Vector is the first licensee of the Quickstep Process in North America.

The Quickstep Process is an Out-Of-Autoclave (“OOA”) polymer composite curing process using lower cost material technologies for the high speed manufacture of advanced composite, bonded metal, and fiber metal laminated structural components.

The licensing agreement will allow Vector to develop and produce composite structural parts using the Quickstep Process for aerospace and defense customers in the North American market from its Dayton, Ohio facility.

Initially, Vector will lease time on a Quickstep machine from Quickstep Composites LLC, a wholly owned subsidiary of Quickstep, located adjacent to the Vector facilities in Dayton. However the non-exclusive license agreement includes thresholds which would trigger the purchase of a Quickstep manufacturing machine by Vector, together with the payment of associated royalties and service fees consistent with Quickstep's business model.

Vector and Quickstep were recently awarded a major United States Air Force Small Business Innovation Research (“SBIR”) Phase II program, expected to total about US\$4 million in funding over a 27-month period. Vector is the lead contractor and Quickstep is the principal subcontractor to conduct the joint research program, which will focus on process qualification of bismaleimide and epoxy resin carbon fiber reinforced composite materials using the Quickstep Process for application to the F-35 Joint Strike Fighter aircraft. Industrial partners supporting the contract include Lockheed Martin, BAE Systems, and IIT Integrated Structures. Vector and Quickstep have previously collaborated on two Phase I SBIR projects for the U.S. Department of Defense.

“Becoming a formal licensee of the Quickstep Process is an important addition to our portfolio of out-of-autoclave technologies,” Vector CEO Lyle Dunbar said. “Over the past several years working closely with Quickstep, we have identified a number of advantages in the Process that we can capitalize on to bring value to our current and future customers.”

Quickstep CEO and Managing Director, Philippe Odouard added, “This signing of this license agreement with Vector marks a hugely significant milestone in bringing our innovative Quickstep Process to commercial reality, especially in the strategic North American market. Our previous and current work with Vector has demonstrated the value of our technology, and we are now looking forward to contributing to Vector's growth as they offer our technical solution to the aerospace and defense marketplace.”

**-ENDS-**

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**About Vector Composites:** Vector Composites Inc., Dayton, Ohio (“Vector”) is a small business contractor providing composite structures development and fabrication services for aerospace applications. Vector has a 30,000 sq foot facility for R&D and prototype development and demonstration including a 5,000 square foot clean room for layup and parts fabrication. Vector has a quality system that is AS9100 certified for aerospace composite parts production. Vector is conducting AFRL R&D contracts focused on lower cost Out-Of-Autoclave (“OOA”) composite processes (Quickstep, RTM, VARTM, Rapid Fiber Preforming), nano-composites, higher temperature bismaleimide, and multi-functional composite electronics enclosures manufacturing technology development and demonstration. Vector provides full-service composite parts fabrication services using its owned and leased equipment, which includes a Quickstep Machine, a Rapid Fiber Preforming Machine, an 8’ x 8’ x 30’ curing oven, a 4’ by 6’ autoclave, an automated ply-cutting table, paint booth, 50-ton press, and large 5-axis router. Lyle Dunbar is the President and Chief Executive Officer, and Tim Brocklehurst is the Vice President and General Manager of Production Operations. Board members include Lyle Dunbar, Bob Stratton, Lou Luedtke, and Dennis Rediker. Vector is owned by Composite Technology Investors LLC (CTI), an investment holding company founded by Lyle Dunbar, Chief Executive Officer of Ledcor Enterprises, Inc., CTI Managing Member, Solana Beach, California. The CTI managing board members are Bob Stratton and Lyle Dunbar. For more information on Vector Composites, please contact Tim Brocklehurst at 3251 McCall Street, Dayton, OH, 45417; [tbrocklehurst@vectorcomposites.com](mailto:tbrocklehurst@vectorcomposites.com); phone 937-281-1444, or Lyle Dunbar at [lyleedunbar@gmail.com](mailto:lyleedunbar@gmail.com).

**About Quickstep Composites:** Quickstep Composites LLC, Dayton, Ohio (“Quickstep”) is a wholly owned subsidiary of publicly traded Quickstep Holdings Ltd (ASX: QHL), based in North Coogee, Western Australia.

Quickstep is at the forefront of advanced materials manufacturing and technology transfer for the global aerospace and defence industries, and has significant capabilities and expertise in the production of aerospace-grade composite components using both conventional autoclave-based manufacturing and leading edge out-of-autoclave production technologies, including its proprietary Quickstep Process. Quickstep is set to generate revenue using three distinct business models:

1. Technology transfer through the provision of the proprietary Quickstep Process and production equipment.;
2. Manufacture of composite components, out of its Australian facility; and
3. Conducting paid or self-funded Research & Development on new composite structures.

In early 2009 the Company commissioned a A\$10 million manufacturing facility located in North Coogee, Western Australia giving it the second largest production capacity in Australia.

Quickstep has established strong working relationships with several major aerospace groups and Tier One Original Equipment Manufacturers (OEM’s) to the aerospace and defence sectors, and is also pursuing a range of commercial opportunities through its global network of subsidiaries (located in Dayton, Ohio; and Munich, Germany), as well as through Alliances with Universities (Manchester, UK and Geelong, Victoria, Australia) and a number of Teaming Arrangements.

Quickstep signed two Memorandums of Understanding (MOU’s) in 2009 in relation to manufacturing contracts for the international Joint Strike Fighter (JSF) program. The first was signed with global aerospace companies, Lockheed Martin and Northrop Grumman, for around \$700 million of potential contracts, with the projected start date for JSF part delivery scheduled for early 2012. The second MOU was signed with Melbourne-based Marand Precision Engineering for up to \$50 million of contracts to manufacture Vertical Tail skins for the JSF.

**For further information, visit: [www.quickstep.com.au](http://www.quickstep.com.au)**

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