

VECTOR COMPOSITES AND QUICKSTEP COMPOSITES ENTER INTO STRATEGIC TEAMING AGREEMENT

- **Vector and Quickstep sign formal agreement to jointly promote the patented Quickstep Process to the aerospace and defense industries in North America.**
- **Agreement represents continuation of strong partnership between Vector and Quickstep in collaborating on Research & Development initiatives in the North America market.**

Dayton, Ohio – Vector Composites, Inc. (“Vector”) and Quickstep Composites LLC (“Quickstep”) are pleased to announce the signing of a strategic teaming agreement under which the companies will jointly promote the Quickstep Process for system applications and customers in the aerospace and defense industries of 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.

Under the terms of the agreement, Vector and Quickstep will collaborate to create business opportunities in funded research and development (R&D), prototype development and demonstration of advanced composite structural components, and aerospace production programs. The activities will include joint presentations to potential customers and participation at industry trade shows, plus development of comparative material properties via the Quickstep Process for comparison to other processes, leading to prototype and commercial production contracts.

The teaming agreement resulted from Vector and Quickstep’s success in winning 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 research program include Lockheed Martin, BAE Systems and ITT Integrated Structures.

Vector has also recently been granted a license to use the Quickstep Process in North America for aerospace and defense production applications, which will ultimately result in the purchase of a Quickstep production machine and associated services.

Commenting on the teaming agreement, Dale Brosius, President of Quickstep Composites and a Director of its Australian parent company Quickstep Holdings Ltd, said:

“Based on our close working relationship with Vector, and the increasing range of opportunities to demonstrate and commercialize the Quickstep Process in the U.S. and Canada, we are excited to formalize our collaboration. Not only will the two companies work together on curing of traditional autoclave qualified and new out-of-autoclave prepregs, we will also advance the pairing of the Quickstep Process with infusion technologies brought forward by Vector.”

Vector CEO Lyle Dunbar further commented: “We are very pleased to be the first licensee of the Quickstep Process in North America, and now have several years of experience and understanding of how it fits within our manufacturing portfolio. We have the capability to offer customers interested in Quickstep a complete solution, from part and tooling design through to serial production in our AS9100-certified Dayton facility.”

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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; phone 937-281-1444, or Lyle Dunbar at lyledunbar@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

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