

QUICKSTEP ANNOUNCES STRATEGIC SUPPLY AGREEMENT WITH SWOOP AERO

21 October 2021: Quickstep Holdings Limited (ASX: QHL) (Quickstep or the Company) is pleased to announce a new manufacturing partnership with Swoop Aero Pty Ltd (Swoop Aero). Swoop Aero is an Australian company with strong capability in the design, development, manufacture and operation of next generation unmanned solutions for commercial cargo applications. Quickstep will supply Swoop Aero with engineering and manufacturing services, tooling and an initial production run of aircraft for their recently launched KITE™ unmanned cargo aircraft.

The initial order value under the Strategic Supply Agreement (SSA) with Swoop Aero is approximately \$1.5 million with a delivery period expected to run through to mid-2022. Swoop Aero has indicated that there is scope for Quickstep to potentially supply a much larger number of aircraft ship sets in the future, if demand meets their internal demand forecasts, and the SSA includes options for additional quantities.

Additionally, the Company has signed an agreement to invest \$2 million in convertible notes which may convert into a minority stake in Kookaburra Aerospace Pty Ltd, the parent company of Swoop Aero. The \$2 million investment commitment is expected to be paid partly in cash and partly as a credit against invoices under the Strategic Supply Agreement for delivery of aircraft, design and engineering services and tooling. The cash payment of \$500,000 is payable immediately from the Company's operating cash flow. The remaining \$1.5 million will be provided as a credit against purchase order(s) under the Strategic Supply Agreement.

Mark Burgess, Chief Executive Officer of Quickstep, said "Swoop Aero is a great example of an exciting Australian start-up successfully developing world-leading technology in a new market segment. Their technical achievements and demonstrated operational capability make them a great launch customer for the recently established Quickstep Advanced Air Mobility business and further develops our ability to access the dynamic and rapidly growing unmanned aerial vehicles (UAV) market. We look forward to supporting their undoubted growth potential."

Eric Peck, CEO of Swoop Aero added "Our strategic supplier-operator collaboration with Quickstep furthers our goal to keep our innovation and manufacturing local. We are driving outcomes for Australian industries which in turn is delivering impact across the globe. The partnership will underpin our continued focus on building sovereign manufacturing capability, the resilience of which proved to be a significant strength of the organisation in overcoming the industry disruptions caused by COVID-19. With demand for our services increasing worldwide, this strategic partnership will further support the growth targets for our manufacturing capability. Thanks to Quickstep, we can guarantee that our manufacturing team can meet the increased demand for our aircraft, with up to 1000 aircraft already planned for manufacture in 2022."

Authorised by and for further information:

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About Quickstep Holdings

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace composite business in Australia, with facilities in Sydney, Geelong, Melbourne and Dallas. The group employs more than 280 people in Australia and internationally. More information about Quickstep is available at www.quickstep.com.au

About Swoop Aero

Swoop Aero is an Australian drone-powered logistics company founded in 2017 to transform how the world moves by making access to the skies seamless. The company integrates drone logistics into the first and last mile of the supply chain to transform its strength and agility. Their goal is to provide a service accessible by 1 billion people in 2030, delivering impact across industries including health, transport, disaster management, and Search and Rescue. Since its founding in 2017, Swoop Aero has worked with some of the largest organisations in global health across three continents, including UNICEF, the Gates Foundation, UK Aid, USAID and Gavi the Vaccine Alliance. Swoop Aero's forward-thinking approach to health and successful operations in three continents has led them to be recognised globally as a leading player in the med-tech industry.

More information about Swoop Aero is available at www.swoop.aero

Forward looking statements

This release contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in this release including, amongst others, changes in general economic and business conditions, regulatory environment, exchange rates, results of advertising and sales activities, competition, and the availability of resources. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release. Except as required by law, the Company assumes no obligation to update or correct the information in this release. To the maximum extent permitted by law, the Company and its subsidiaries and officers do not make any representation or warranty as to the likelihood of fulfilment of any forward-looking statements and disclaim responsibility and liability for any forward-looking statements or other information in this release.