

Surface Transforms plc
("Surface Transforms" or the "Company")

Contract Announcement

Surface Transforms (AIM:SCE) is pleased to announce that it has signed a pre-production contract with an international aerospace system supplier ("Customer") for the supply of its carbon ceramic brake discs onto a US military aircraft (the "Contract"). The Contract succeeds the previous development agreement with this customer of June 2010 and is one of the "game changer" contracts alluded to in the Company's final results announced on 29 August 2014.

The Contract will have a modest positive revenue impact in each of Surface Transforms' 2014/15 and 2015/16 financial years with production sales projected to commence in the subsequent 2016/17 financial year subject to final qualification and flight testing. The Contract is on a rolling three year basis and the Company estimates that sales at contract maturity will exceed £1.3m per annum. The Contract commits the Company to exclusive supply of its products to the customer for a significant segment of the aerospace market.

The Company and the Customer will now approach the aircraft manufacturer and US Department of Defense to achieve qualification and issue the necessary regulatory approvals for the Company to supply equipment into the mainstream aerospace market.

Additionally, the Company continues to work with the Customer on a separate programme to develop a generic carbon ceramic brake system for application both in civil and military aviation. Progress of this programme will be announced in due course.

David Bundred, Chairman said "This is a significant announcement for the Company following many years of technical development. The Contract will positively impact sales this financial year and next, with mature volumes in the 2017/18 financial year. Furthermore, this prestigious contract provides an important reference point for other customers considering adopting the Surface Transforms technology.

As a result of recent production improvements, the Company has sufficient capacity to deliver the volumes for this aerospace contract award

Separately, the Company continues to make progress with automotive customers on other "game changer" contracts and expects further announcements will be made in due course.

Enquiries:

Surface Transforms plc

Dr. Kevin Johnson, CEO	+44 151 356 2141
David Bundred, Chairman	+44 7785 388 848

Cantor Fitzgerald Europe

David Foreman, Rick Thompson (Corporate Finance)	+44 207 894 7000
Paul Jewell, David Banks (Corporate Broking)	+44 207 894 7000