

MATRIX TO ESTABLISH DEEP WATER HYPERBARIC TEST CHAMBER FOR SUBSEA CONTROL MODULES

17 MAY 2022

OVERVIEW

- Matrix to establish the first deep water hyperbaric test chamber in the southern hemisphere suitable for subsea control module testing in the oil & gas industry.
- Joint initiative with WA Government and SICA, with \$0.6 million from each of the State
 Government and industry participants to fully fund a required \$1.2 million upgrade to
 the hyperbaric chamber, which will be owned and operated by Matrix at the
 Company's Subsea Test Facility.
- The upgraded test chamber is set to be operational during the FY23 financial year, unlocking significant recurring revenue opportunities for Matrix.

Matrix Composites & Engineering Ltd (ASX: MCE, "Matrix" or the "Company") is pleased to announce it will develop the first deep water hyperbaric chamber in the southern hemisphere suitable for use in the oil & gas industry, as part of a joint initiative with the Western Australian ("WA") State Government and the Subsea Innovation Cluster Australia ("SICA").

Matrix has received a \$1.2 million funding package, with \$0.6 million from the WA State Government and the same amount from industry participants. This will fully fund Matrix to modify and upgrade an existing deep water hyperbaric chamber owned and operated by the Company at its Subsea Test Facility in Henderson, WA, also the largest of its kind in the southern hemisphere.

The upgraded deep water test chamber means Subsea Control Modules ("SCMs") will no longer have to be sent overseas for repairs or testing, drastically cutting time and costs.

Establishing the new test chamber is part of a broader program overseen by SICA to develop a more comprehensive Regional Deepwater Testing Facility that will provide comprehensive testing and repair services across the APAC region.

SICA was established by National Energy Resources Australia, an independent, federally funded non-for-profit working to support Australia's energy transition.

The test chamber is expected to be operational during the FY23 financial year.

Matrix Chief Executive Officer Aaron Begley said the Company was delighted to be part of the project and at the forefront of SCM testing in Australia.

"It is a real game changer, one that not only brings significant savings to the oil and gas sector but also taps into the resources and talented capabilities currently available in WA," Mr Begley said.

"For Matrix, this unlocks a new revenue stream with significant potential for repeat work, and crucially we have a substantial competitive advantage to secure SCM repair and testing work as the only suitable provider in the southern hemisphere."



WA Minister for State Development, Jobs and Trade Roger Cook said:

"This world-class facility will streamline the test and repair process, providing significant time and cost savings across the subsea industry for operators and equipment suppliers.

"Jointly funded by the State Government and industry, this is an exciting step towards the development of a comprehensive regional deep water testing facility in WA."

The WA State Government's media release regarding the joint initiative can be viewed here: https://www.mediastatements.wa.gov.au/Pages/McGowan/2022/05/Australias-first-ever-hyperbaric-test-facility-for-subsea-control-modules-to-be-based-in-WA.aspx



The existing deep water hyperbaric chamber owned and operated by Matrix

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This announcement was authorised for release by the Managing Director and CEO of Matrix.

FOR FURTHER INFORMATION PLEASE CONTACT:

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ABOUT MATRIX COMPOSITES & ENGINEERING

<u>Matrix Composites & Engineering</u> specialises in the design, engineering, and manufacture of composite and advanced material technology solutions for the oil and gas, civil and infrastructure, resources, defence, and transportation industries. With more than 20 years-experience, Matrix has gained a reputation as an industry leader and has become a major exporter of Australian goods and services with customers located all over the world. From its award-winning head office in Australia and offices in the United States, and a global network, Matrix is uniquely positioned to deliver complete turnkey solutions offerings with localised customer support.