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ASX ANNOUNCEMENT

SUCCESSFUL COMPLETION OF RETAIL ENTITLEMENT OFFER

24 MARCH 2023

Matrix Composites & Engineering Ltd (ASX: MCE, "**Matrix**" or the "**Company**") is pleased to announce the successful completion of the retail component ("**Retail Entitlement Offer**") of its fully underwritten¹ 1 for 2.95 pro-rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**") that was announced on Wednesday, 1 March 2023.

The Retail Entitlement Offer closed at 2.00pm (AWST) on Wednesday, 22 March 2023 and raised approximately \$7.96 million at \$0.28 per fully paid ordinary share ("**New Share**"). Together with the institutional component of the Entitlement Offer and the Institutional Placement ("**Institutional Offer**") that raised approximately \$12.2 million, the total amount raised is \$20.2 million ("**Equity Raising**").

The Retail Entitlement Offer is fully underwritten¹ by Bell Potter Securities Limited ("**Bell Potter**", "**Lead Manager**", and "**Underwriter**").

Under the Retail Entitlement Offer, in addition to each Eligible Retail Shareholder's entitlement (as defined in Matrix's Retail Offer Booklet released to ASX on Wednesday, 8 March 2023) ("**Entitlement**"), Eligible Retail Shareholders were offered the opportunity to apply for additional new shares ("**New Shares**") (up to 50% of their Entitlement) under a "top-up" facility ("**Top-Up Facility**").

Approximately \$6.4 million of valid applications were received from Eligible Retail Shareholders, representing a take-up rate of approximately 80.8%. A total of 5,453,925 New Shares were not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer and will be allotted to sub-underwriters of the Entitlement Offer.

New Shares issued under the Retail Entitlement Offer will rank equally in all respects with existing Matrix ordinary shares. Settlement of the Retail Entitlement Offer is scheduled for Tuesday, 28 March 2023. The New Shares are expected to be issued on Wednesday, 29 March 2023 and commence trading on the ASX on a normal settlement basis on Thursday, 30 March, 2023. Holding statements in respect of New Shares issued under the Retail Entitlement Offer are expected to be dispatched on Friday, 31 March 2023.

Proceeds from the Equity Raising will strengthen Matrix's capability to win and execute on its current pipeline and expected future opportunities, and to fund the costs associated with the Equity Raising.

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This announcement was authorised for release by the Managing Director and CEO of Matrix. All dollar amounts are in Australian dollars unless otherwise indicated.

¹ Refer to slides 37-41 of the investor presentation dated Wednesday, 1 March 2023 for a description of the terms and conditions of the underwriting arrangement.

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ABOUT MATRIX COMPOSITES & ENGINEERING

Matrix Composites & Engineering 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.

Important Notices

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Matrix, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Matrix's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Matrix, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Matrix as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Matrix, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

No offers in breach of foreign securities law

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**") or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this announcement may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Matrix's securities.

Involvement of the Lead Manager

Neither the Lead Manager nor its related bodies corporate and affiliates, and each of its respective officers, directors, partners, employees, consultants, contractors, agents and advisers

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("Beneficiaries"), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement and nor do they make any recommendation as to whether any potential investor should deal in Matrix's securities. There is no statement in this announcement which is based on any statement made by the Lead Manager or any other Beneficiary. To the maximum extent permitted by law, the Lead Manager and the Beneficiaries expressly disclaim all liabilities (including for fault, negligence, or negligent misstatement) in respect of, and take no responsibility for, any part of this announcement, and make no representation or warranty (whether express or implied) regarding any part of this announcement, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this announcement (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Matrix or which a prospective investor may require in evaluating a possible investment in Matrix).

Neither the Lead Manager nor the Beneficiaries make any recommendation as to whether any potential investor should deal in Matrix's securities. Further, neither the Lead Manager or the Beneficiaries accept any fiduciary obligations to or duty of care to or relationship with any investor or potential investor in connection with the Equity Raising or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Equity Raising and any other transaction or other matter arising in connection with this announcement.

The Lead Manager and the Beneficiaries may, from time to time, have interests in the new securities under the Equity Raising or other securities of Matrix, including providing corporate advisory or other financial advisory services to Matrix and/or managing the offering of such New Shares under the Equity Raising. Further, they may have long or short positions in, act as market maker or buy or sell those securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities. A Beneficiary may act as a lender and/or counterparty to Matrix or its affiliates and may or now in the future provide financial accommodation or services to Matrix or its affiliates.

Determination of eligibility of investors

The eligibility of investors to participate in the Equity Raising is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Matrix and/or the Lead Manager. To the maximum extent permitted by law, Matrix, the Lead Manager, and the Beneficiaries each disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise.