

21 January 2011



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MR JOHN SAMPLE  
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SAMPLETOWN VIC 3030



Dear Shareholder

**Removal of Auditor**

You will have recently received your Notice of General Meeting and Explanatory Memorandum of Matrix Composites & Engineering Limited (**Matrix**) which will be held on 10 February 2011 at 10.30am at the Claremont Yacht Club.

At that meeting, Matrix is proposing to have a shareholder resolution to remove Mack & Co as auditor of the company.

The *Corporations Act* 2001 (**Act**) provides that when an auditor receives a notice of intention to move a resolution for the removal of that auditor, the auditor may make representations in writing and request that a copy of the representations be sent to every member who is entitled to receive a notice of meeting. As noted in the Explanatory Memorandum, at that time Mack & Co did not make any representations pursuant to Section 329(3) of the Corporations Act.

Upon receipt of written notice for removal as auditor, Mack & Co has now made representations, a copy of which is enclosed.

Yours sincerely



**Nigel Johnson**  
Chairman

PARTNERS

ANTHONY C MACLEAN B BUS CA  
MATTHEW VAN RIESSEN B BUS CA  
DARREN J SHILLINGTON B COM CA  
CARL S LONGSHAW B COM CA  
NICHOLAS A CALDER B COM CA  
CHRISTOPHER C ROOS B COM CA  
SIMON S FERMANIS B COM MBA

17 January 2011

**WITHOUT PREJUDICE**

The Directors  
C/- Company Secretary Mr MP Kenyon  
Matrix Composites & Engineering Ltd  
PO Box 2349  
MALAGA WA 6944

Dear Sirs,

**RESPONSE TO SECTION 329 REMOVAL OF AUDITOR**

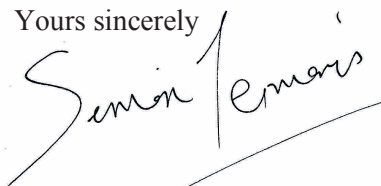
Mack & Co (the firm) received your written notice of removal as Auditor on Monday, 10<sup>th</sup> January 2011. In accordance with Section 329 (3) of the Corporations Act 2001, Mack & Co has the right to make representation in writing to the company and for this representation to be sent to the Company's shareholders prior the General Meeting, to be held on the 10<sup>th</sup> February 2011. Accordingly, the Partners of Mack & Co do hereby exercise this right.

Mack & Co has audited Matrix Composites & Engineering Ltd (Matrix) for over 5 years and its subsidiaries which include Specialist Engineering Services (Aust) Ltd for over 10 years. During this period, Mack & Co ensured that it had the capability and capacity to service the needs of Matrix and its subsidiaries (Matrix Group). For the year ended 30 June 2010, the firm signed the audit report for the Matrix Group on the 9<sup>th</sup> August 2010, well within the expectations of the Directors' and the Australian Securities Exchange (ASX) deadline of 30<sup>th</sup> September 2010.

Mack & Co has serviced the Matrix Group for over 15 years (both Audit and Tax) and we are pleased to have been involved with its success. We acknowledge the needs of the Matrix Group to move to a tier one consultancy firm to take them through the next stage of their growth.

We would like to thank the Board for the opportunity to be the Auditor of the Matrix Group and we wish you ongoing success.

Yours sincerely



SIMON FERMANIS  
PARTNER