



9 November 2009

Statement regarding voluntary escrow of shares

Matrix Composites & Engineering Limited (ACN 009 435 250) (**Company**) advises that 28,707,138 fully paid ordinary shares in the capital of the Company are subject to voluntary escrow for the period of 12 months from the date of listing of the Company, except where:

- (a) the shares are sold after the release of the Company's full year accounts for the year ending 30 June 2010 in accordance with a broker agreement with Argonaut Securities Pty Ltd; or
- (b) a change of control event occurs in relation to the Company, including:
 - (i) a takeover offer being recommended by the Board of the Company;
 - (ii) a bidder acquiring more than 50% of the Company under a takeover bid that has become unconditional; or
 - (iii) the Company's shareholders approving a scheme of arrangement.

A handwritten signature in black ink, appearing to read "Paul Wright", is positioned above the printed name and title.

Paul Wright
Director and Company Secretary
MATRIX COMPOSITES & ENGINEERING LTD