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ASX/Media Release

4 April 2011

MATRIX COMPOSITES & ENGINEERING LIMITED ANNOUNCES \$36 MILLION CAPITAL RAISING

Highlights

- Institutional Placement of \$30.175m successfully completed
- Share Purchase Plan (SPP) to raise an additional \$6.0m of equity capital
- Incorporation of an SPP enables participation by all Shareholders

Offer Summary

Matrix Composites & Engineering Limited ("Matrix", ASX Code: MCE) is pleased to announce that it has successfully undertaken an Institutional Placement of 3,550,000 shares (representing 4.9% of current issued capital) at \$8.50 per share to raise \$30.175 million. The issue price represents a discount of 5.9% to the volume weighted average price of the Company's shares for the 5 trading days up to and including 31 March 2011.

The Institutional Placement was heavily oversubscribed with strong demand from new and existing Australian and Asian institutional investors.

Commenting on the success of the Institutional Placement, Matrix CEO, Mr. Aaron Begley said, "We are delighted with the strong support shown by institutional investors for the Institutional Placement and the level of oversubscriptions is an endorsement of Matrix's growth strategy".

Austock Securities acted as Sole Bookrunner and Sole Lead Manager.

In addition, Matrix will also offer eligible Shareholders up to \$15,000 of shares through a Share Purchase Plan ("SPP") at a price of \$8.50 per share. The target amount to be raised under the SPP is \$6.0 million. The SPP is not underwritten. The SPP will be open to Australian and New Zealand resident Shareholders on the register on 1 April 2011 and who are eligible to participate under the terms of the SPP. Details of the SPP will be contained in documentation which will be mailed to eligible Shareholders shortly.

The net funds raised from the Institutional Placement and SPP will be used for property development (specifically Henderson Stage 2 - the construction of new headquarters), capital expenditure relating to new product developments, expansion of overseas facilities and general corporate purposes.

All new shares issued under the Institutional Placement and the SPP will rank equally with existing shares.

Head Office:

42 Truganina Road, Malaga Western Australia 6090
Post Office Box 2349, Malaga Western Australia 6944
T +61 8 9249 3637
F +61 8 9249 7815
E matrix@matrixap.com.au
W www.matrixap.com.au

European Sales Office:

Rotterdam House 116 Quayside, Newcastle Upon Tyne
NE1 1DY England
T +44 191 206 4114
F +44 191 206 4001
E matrix@matrixap.com.au
W www.matrixap.com.au





Indicative Timetable

Institutional Placement	Friday, 1 April 2011
SPP Record Date	Friday, 1 April 2011
Settlement for Institutional Placement	Thursday, 7 April 2011
Allotment and ASX quotation of shares issued under Institutional Placement	Friday, 8 April 2011
SPP offer opens	Monday, 11 April 2011
SPP offer closes	Thursday, 5 May 2011
Allotment of shares issued under SPP	Tuesday, 10 May 2011
ASX quotation of shares issued under SPP	Friday, 13 May 2011

Matrix and the Lead Manager reserve the right to amend any or all of these dates at its absolute discretion, subject to the Corporations Act 2011(Cth), the ASX Listing Rules and any other applicable laws.

ENDS

This release does not constitute an offer to sell, or a solicitation of an offer to buy, shares in the United States or to, or for the account or benefit, U.S. persons (as defined in Regulation S under the U.S. Securities Act for 1933 ("U.S. Securities Act"))("U.S. Persons"). The shares to be issued in the equity raising have not been and will not be registered under the U.S. Securities Act. Shares may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons.

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