Matrix Composites & Engineering Ltd

A.B.N 54 009 435 25

11 April 2011

Company Announcements Office
Australian Securities Exchange
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

ISSUE OF SHARES ON SETTLEMENT OF PLACEMENT

Matrix Composites & Engineering Ltd (ASX:MCE) (**Matrix**) confirms that it has received payment for, and has issued 3,550,000 fully paid ordinary shares (**Shares**) upon settlement of the placement to institutional and sophisticated investors announced to the ASX on 4 April 2011.

Further details in relation to the Shares are set out in the Appendix 3B released to ASX on 11 April 2011.

Secondary trading notice given pursuant to paragraph 708A(5)(e) of the Corporations Act.

The *Corporations Act* 2001 (Cth) (**Act**) restricts the on-sale of securities issued without disclosure, unless the sale is exempt under the Act. Upon giving this notice, a sale of Shares within 12 months of their issue will fall within the exemption in section 708A(5) of the Act.

Matrix hereby notifies ASX that:

1. Matrix issues the Shares without disclosure to investors under Part 6D.2 of the Act;

2. this notice is given by Matrix under paragraph 708A(5)(e) of the Act;

3. as at the date of this notice, Matrix has complied with the provisions of Chapter 2M of the Act as they apply to Matrix, and section 674 of the Act; and

4. as at the date of this notice, there is no excluded information of the type referred to in subsections 708A(7) and (8) of the Act.

Yours sincerely

Michael Kenyon
Company Secretary

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