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**MATRIX COMPOSITES & ENGINEERING LTD****ACN 009 435 250****2013 NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 10.00am (WST)**DATE:** Wednesday, 6 November 2013**PLACE:** The AMC Jakovich Centre, Lake Coogee Room  
4 McGrath Road, Henderson, Western Australia

***This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9412 1200.***

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on Wednesday, 6 November 2013 at:

The AMC Jakovich Centre, Lake Coogee Room, 4 McGrath Road, Henderson, Western Australia.

**YOUR VOTE IS IMPORTANT**

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The business of the Annual General Meeting affects your shareholding and your vote is important.

**VOTING IN PERSON**

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To vote in person, attend the Annual General Meeting on the date and at the place set out above.

**CORPORATE REPRESENTATIVES**

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A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Annual General Meeting. The appointment of the representative must comply with the requirements in section 250D of the Corporations Act 2001. The representative should bring to the AGM evidence of his or her appointment as the body corporate's representative, including any authority under which the appointment is signed. Unless the appointment states otherwise, the representative may exercise on the body corporate's behalf all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. Shareholders can download and fill out the 'Appointment of Corporate Representation' form from the website of the share registry of the Company – [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

**VOTING BY PROXY**

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To vote by proxy, please complete and sign the enclosed proxy form and return by:

- (a) post to the Company's share registry, Link Services Limited at Locked Bag A14, Sydney South NSW 1235, or deliver to Link Services Limited at 1A Homebush Bay Drive, Rhodes NSW 2138; or
- (b) facsimile to the Company's share registry, Link Services Limited on facsimile number (+612) 9287 0309; or
- (c) online by visiting [www.investorcentre.linkmarketservices.com.au](http://www.investorcentre.linkmarketservices.com.au). You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website,

so that it is received not later than 10.00am (WST) on Monday, 4 November 2013.

**Proxy forms received later than this time will be invalid.**

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the 2013 Annual General Meeting of Shareholders of Matrix Composites & Engineering Ltd will be held at 10.00am (WST) on 6 November 2013 at the AMC Jakovich Centre, Lake Coogee Room, 4 McGrath Road, Henderson, Western Australia.

The Explanatory Statement to this Notice of Annual General Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Annual General Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 4.00pm (WST) on 4 November 2013.

Terms and abbreviations used in this Notice of Annual General Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### 1. ORDINARY BUSINESS

#### 2. ANNUAL FINANCIAL REPORT

To receive and consider the financial statements of the Company for the year ended 30 June 2013, consisting of the Income Statements, Statement of Financial Position, Statements of Changes in Equity, Statements of Cash Flows, the Directors' Report, the Directors' Declaration and the Independent Auditor's Report.

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#### 3. RESOLUTION 1 – RE-ELECTION OF MR PETER JOHN HOOD AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, Mr Peter John Hood, being a director of the Company, retiring by rotation in accordance with clause 11.3 of the Company's constitution, and being eligible, is re-elected as a director of the Company.”*

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#### 4. RESOLUTION 2 – RE-ELECTION OF MR PAUL RICHARD WRIGHT AS A DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, Mr Paul Richard Wright, being a director of the Company, retiring by rotation in accordance with clause 11.3 of the Company's constitution, and being eligible, is re-elected as a director of the Company.”*

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**5. RESOLUTION 3 – THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2013 IS ADOPTED**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That the remuneration report, as set out in pages 18 - 20 of the Company's 2013 Annual Report, is adopted.”*

The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Voting exclusion:**

The Company will disregard any votes cast on Resolution 3 (in any capacity) by, or on behalf of, the following persons:

- a member of the key management personnel (KMP) (which includes each of the directors of the Company) whose remuneration is disclosed in the 2013 remuneration report; or
- a closely related party (as that term is defined in the Corporations Act) (such as close family members and any controlled companies) (Closely Related Party) of such a member of the KMP.

However, the Company will not disregard the vote if it is cast as a proxy for a person who is entitled to vote and:

- the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- the vote is cast by the person chairing of the Annual General Meeting and;
  - the appointment does not specify how the proxy is to vote; and,
  - the appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

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**6. OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Company's constitution and the *Corporations Act 2001* (Cth).

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**DATED: 4 OCTOBER 2013****BY ORDER OF THE BOARD**

**PETER TAZEWELL**  
**MATRIX COMPOSITES & ENGINEERING LTD**  
**CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY**

**ENQUIRIES**

Shareholders may contact the Company Secretary on (+ 61 8) 9412 1200 if they have any queries in respect of the matters set out in these documents.

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the 2013 Annual General Meeting to be held at 10.00am (WST) on Wednesday 6 November 2013 at the AMC Jakovich Centre, Lake Coogee Room, 4 McGrath Road, Henderson, Western Australia.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be important to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

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### **1. ANNUAL FINANCIAL REPORT**

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the financial report of the Company for the financial year ended 30 June 2013 together with the Directors' Declaration, the Directors' Report, and the Auditor's Report.

The financial report of the Company for the financial year ended 30 June 2013 is available on the Company's website at [www.matrixengineered.com](http://www.matrixengineered.com).

No formal resolution is required regarding the Annual Financial Report, however provision will be made for members as a whole to ask questions or make comments on the reports or the management of the Company. Members may question the Independent External Auditor regarding the conduct of the audit, the independence of the auditor, preparation and content of the reports and accounting policies adopted by the Company.

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### **2. RESOLUTIONS 1 AND 2 – RE-ELECTION OF DIRECTORS**

Clause 11.3 of the Constitution provides that at every annual general meeting of the Company one-third of the Directors (or the number nearest one-third), and any Director not in such one-third who has held office for three years or more (except a managing director), must retire from office.

The Company currently has five Directors and accordingly two must retire.

Under clause 11.4 of the Constitution, a Director who retires by rotation under clause 11.3 is eligible for re-election.

Accordingly, pursuant to clauses 11.3 and 11.4 of the Constitution, Peter John Hood and Paul Richard Wright, each being a director of the Company, retire by way of rotation and, being eligible, offer themselves for re-election as a Director.

Details of Messrs Hood and Wright are set out on page 11 of the Company's 2013 Annual Report.

The Board (excluding Mr Hood) recommends the re-election of Mr Hood as a Director.

The Board (excluding Mr Wright) recommends the re-election of Mr Wright as a Director.

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**3. RESOLUTION 3**

The Corporations Act requires that at a listed company's annual general meeting, a resolution for adoption of the remuneration report is required to be considered and voted on by shareholders. The remuneration report details the Company's policy on the remuneration of non-executive Directors, the Chief Executive Officer and senior executives and is set out on pages 18 - 20 of the 2013 Annual Report which is available on the Company's website at [www.matrixengineered.com](http://www.matrixengineered.com)

Shareholders will be given the opportunity to ask questions and to make comments on the remuneration report.

The vote on the adoption of the remuneration report is advisory only and does not bind the Directors or the Company. However, if a company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be put to shareholders at the second annual general meeting as to whether another meeting should be held (within 90 days) at which all directors (other than the managing director) who were in office at the date of approval of the applicable directors' report must stand for re-election ("spill resolution"). In summary, Shareholders will be entitled to vote in favour of holding a general meeting to re-elect the Board if the remuneration report receives 'two strikes' from Shareholders.

The Company did not receive a 'no' vote of 25 per cent or more in regard to the remuneration report of the 2012 AGM and as such the 2013 Notice of Meeting does not contain a Spill Resolution.

For the voting exclusions applicable to this resolution, please refer to page 4 of this Notice of Meeting.

In the interests of corporate governance, the Board abstains from making a recommendation in relation to this resolution.

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## GLOSSARY

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**Annual General Meeting** means the meeting convened by the Notice of Annual General Meeting.

**ASX** means ASX Limited.

**Board** means the current Board of Directors.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Closely related party** of a member of the key management personnel means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or of the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or
- (e) a company that the member controls; or
- (f) a person prescribed by the relevant regulations applicable for the purposes of this definition under the Corporations Act.

**Company** means Matrix Composites & Engineering Ltd (ACN 009 435 250).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the Explanatory Statement accompanying this Notice of Annual General Meeting.

**Key management personnel** has the same meaning as in the Accounting Standards. The term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director.

**Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

