

30 November 2018

Matrix awarded new riser buoyancy order

Matrix Composites & Engineering Ltd (ASX:MCE, “Matrix” or the “Company”) is pleased to announce it has been awarded a new contract for approximately A\$15.3 million to supply drilling riser buoyancy to Diamond Offshore Drilling Inc. (“Diamond”), a global offshore drilling contractor headquartered in the United States.

The order is to replace ultra deep water modules on two of Diamond’s existing drillships and is scheduled for completion and delivery to the US in the coming June half of FY19.

Commenting on the award of the order, Matrix Chief Executive Officer Aaron Begley said the Company is seeing a pick-up in the oil and gas sector.

“This is Matrix’s biggest riser buoyancy order in over three years and a positive indication that the oil and gas sector is recovering. We are starting to see more activity, with increasing levels of inbound enquires for both our traditional drilling riser buoyancy product as well as quotations for oil and gas production, maintenance and rectification jobs,” Mr Begley said.

“Riser buoyancy has been impacted in recent years by a sustained period of low capex, with low rig utilisation given subdued oil and gas prices. Against this backdrop, a new order in excess of \$15 million, which is equivalent to over half of Matrix’s total revenue earnings last financial year, is very positive progress for the Company.”

This new order follows on from six other riser buoyancy related orders Matrix has received since June 2018 totalling approximately A\$5 million.

Matrix now has A\$43 million of manufacturing work across the Company’s oil and gas, transportation, and infrastructure clients, with today’s order adding to the composite bulk transport systems order awarded in August 2018 to underwrite plant production through to the end of CY2019.

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About Matrix Composites & Engineering

Matrix Composites & Engineering specialises in the design, engineering and manufacture of composite and advanced material technology solutions for the oil and gas, civil and infrastructure, resources, defence, and transportation industries. With more than 40 years-experience, Matrix has gained a reputation as an industry leader and has become a major exporter of Australian goods and services with customers located all over the world. From its award-winning head office in Australia and offices in the United states, and a global network, Matrix is uniquely positioned to deliver complete turnkey solutions offerings with localised customer support.

More information can be found at www.matrixengineered.com