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**MATRIX COMPOSITES & ENGINEERING LTD**

**ABN 54 009 435 250**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 10:30am (WST)

**DATE:** Thursday, 21 November 2024

**PLACE:** 150 Quill Way, Henderson, Western Australia

*A Proxy Form is enclosed or has otherwise been provided to you.*

*This Notice of 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.*

*If you are unable to attend the Annual General Meeting please complete and return the Proxy Form in accordance with the specified directions.*

*Should you wish to discuss the matters in this Notice of Meeting, please contact the Company Secretary on +61 8 9412 1200.*

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## IMPORTANT INFORMATION

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### TIME AND PLACE OF MEETING

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The Meeting will be held at 150 Quill Way, Henderson, Western Australia on Thursday, 21 November 2024 at 10:30am (WST).

### YOUR VOTE IS IMPORTANT

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The business of the Meeting affects your shareholding in the Company, and your vote is important. Please take action by voting in person or by proxy.

### VOTING ELIGIBILITY

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Pursuant to paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Directors have determined that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on Tuesday, 19 November 2024. Shareholders registered after that time will be disregarded in determining eligibility to attend and vote at the Meeting.

### HOW TO VOTE

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Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, online or by facsimile.

### VOTING IN PERSON (OR BY ATTORNEY)

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To vote in person, attend the Meeting on the date and at the time and place specified. Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. In accordance with the Corporations Act, to be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

### VOTING BY A CORPORATION

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Under section 250D of the Corporations Act, a corporate Shareholder may appoint an individual as a representative to attend the Meeting and vote in person. If a corporate representative attends the Meeting, a signed 'Appointment of Corporate Representative'

form must be produced prior to admission. Shareholders can download and fill out the 'Appointment of Corporate Representative' form from the website of the Company's share registry – [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) (under 'Resources' then 'Forms').

## **VOTING BY PROXY**

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- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Unless the instrument appointing a proxy provides otherwise, each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy may, but need not be, a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 6 and 7 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice of Meeting, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice of Meeting, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice of Meeting.
- To vote by proxy, please complete and sign the Proxy Form and return it:
  - (a) by post to the Company's share registry, Link Market Services Limited, at Locked Bag A14, Sydney South NSW 1235;
  - (b) by hand to the Company's share registry, Link Market Services Limited, at Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150;

- (c) by facsimile on +61 2 9287 0309; or
- (d) online by visiting <https://investorcentre.linkgroup.com> (you will be taken to have signed the Proxy Form if lodged in accordance with the instructions given on the website),

so that it is received by no later than 10:30am (WST) on Tuesday, 19 November 2024.

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

- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:30am (WST) on Tuesday, 19 November 2024. If facsimile transmission is used, the Power of Attorney must be certified.
- Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

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## **BUSINESS OF THE MEETING**

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Notice is given that the Annual General Meeting of Shareholders of Matrix Composites & Engineering Ltd ABN 54 009 435 250 will be held at 150 Quill Way, Henderson, Western Australia on Thursday, 21 November 2024 at 10:30am (WST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

The Explanatory Statement, which forms part of this Notice of Meeting, provides additional information on matters to be considered at the Meeting.

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

## **AGENDA**

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### **ORDINARY BUSINESS**

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

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2024, which includes the Directors' Report, the Financial Report, and the Auditor's Report.

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#### **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, pass the following resolution, with or without amendment, as a non-binding resolution:

*"That, for the purpose of section 250R(2) of the Corporations Act, Shareholders adopt the Remuneration Report for the financial year ended 30 June 2024."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- the appointment specifies the way the proxy is to vote on the Resolution; or

- the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

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### **3. RESOLUTION 2 – RE-ELECTION OF MS ALISON TERRY AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*“That Ms Alison Terry, who was appointed to the Board since the Company’s last AGM and who ceases to hold office in accordance with Rule 19.2 of the Constitution and Listing Rule 14.4, and being eligible for election, be re-elected as a Director.”*

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### **4. RESOLUTION 3 – RE-ELECTION OF MR BRENDAN COCKS AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*“That Mr Brendan Cocks, who was appointed to the Board since the Company’s last AGM and who ceases to hold office in accordance with Rule 19.2 of the Constitution and Listing Rule 14.4, and being eligible for election, be re-elected as a Director.”*

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### **5. RESOLUTION 4 – RE-ELECTION OF MR PETER HOOD AO AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*“That Mr Peter Hood, who retires by rotation in accordance with Rule 19.3 of the Constitution and Listing Rule 14.4, and being eligible for election, be re-elected as a Director.”*

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### **6. RESOLUTION 5 – RE-ELECTION OF MR CHRIS SUTHERLAND AS A DIRECTOR**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*“That Mr Chris Sutherland, who retires by rotation in accordance with Rule 19.3 of the Constitution and Listing Rule 14.4, and being eligible for election, be re-elected as a Director.”*

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### **7. RESOLUTION 6 – ISSUE OF OPTIONS AND PERFORMANCE RIGHTS TO MR AARON BEGLEY OR HIS NOMINEE(S)**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*“That the issue of 827,123 Options and 554,039 Performance Rights to Mr Aaron Begley, the Managing Director and Chief Executive Officer of the Company, or his*

*nominee(s) is approved under and for the purposes of Listing Rule 10.14, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Aaron Begley and his nominee(s) and other persons referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who are eligible to participate in the Employee Awards Plan or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- the appointment specifies the way the proxy is to vote on the Resolution; or
- the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

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**8. RESOLUTION 7 – ISSUE OF OPTIONS AND PERFORMANCE RIGHTS TO MR BRENDAN COCKS OR HIS NOMINEE(S)**

To consider and, if thought fit, pass the following resolution, with or without amendment, as an ordinary resolution:

*"That the issue of 563,948 Options and 377,754 Performance Rights to Mr Brendan Cocks, Executive Director, Chief Financial Officer and Company Secretary of the Company, or his nominee(s) is approved under and for the purposes of Listing Rule 10.14, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Brendan Cocks and his nominee(s) and other persons referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who are eligible to participate in the Employee Awards Plan or an Associate of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- the appointment specifies the way the proxy is to vote on the Resolution; or
- the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

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## 9. RESOLUTION 8 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

To consider and, if thought fit, pass the following resolution, with or without amendment, as a special resolution:

*“That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Note:** No voting exclusion statement is included for this Resolution because the Company is not proposing any issue of Equity Securities under Listing Rule 7.1A as at the date of this Notice of Meeting.

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## 10. RESOLUTION 9 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, pass the following resolution, with or without amendment, as a special resolution:

*“That, pursuant to and in accordance with section 648G of the Corporations Act, the existing proportional takeover provisions in the form set out in rule 15 of the Company’s Constitution are renewed for a period of three years commencing on the date of the Meeting.”*



**OTHER BUSINESS**

To deal with any other business which may be brought before the Meeting in accordance with the Constitution and the Corporations Act.

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BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'B Cocks', written in a cursive style.

**BRENDAN COCKS**  
Company Secretary  
18 October 2024

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting.

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

The Explanatory Statement should be read in conjunction with the Notice of Meeting.

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### **1. ANNUAL REPORT**

In accordance with section 317 of the Corporations Act, the Directors must lay before the Company's AGM the Financial Report, the Directors' Report and the Auditor's Report for the last financial year that ended before the AGM (**Annual Report**).

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, the Chair will allow a reasonable opportunity for Shareholders as a whole to:

- (a) discuss the Annual Report; and
- (b) ask questions about, or make comments on, the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Company's auditor or their representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about the above may be submitted to [companysec@matrixengineered.com](mailto:companysec@matrixengineered.com) no later than 10:30am (WST) on Thursday, 14 November 2024.

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### **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

#### **2.1 General**

In accordance with section 250R(2) of the Corporations Act, the Company must put to its Shareholders a resolution that the Remuneration Report as disclosed in the Annual Report be adopted. The Remuneration Report is set out in the Annual Report and is also available on the Company's website (<https://matrixengineered.com/>).

The Remuneration Report sets out the remuneration policy of the Company and the remuneration arrangements in place for the Directors and senior management of

the Company and any service agreements and sets out the details of any equity based compensation.

At the Meeting, the Chair will allow a reasonable opportunity for Shareholders as a whole to ask questions about, or make comments on, the Remuneration Report.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors.

However, under the Corporations Act, if a listed company receives a Strike at 2 consecutive AGMs, the company is required to put to shareholders at the second AGM a resolution on whether another meeting should be held (within 90 days) at which all directors of the company who were in office at the time the relevant Directors' Report was approved (excluding the managing director) must stand for re-election.

The Company did not receive a Strike at last year's AGM, therefore a resolution on whether another meeting should be held to consider the composition of the Board will not be put to Shareholders at this year's AGM.

## **2.2 Voting**

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice of Meeting.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

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## **3. RESOLUTION 2 - RE-ELECTION OF MS ALISON TERRY AS A DIRECTOR**

### **3.1 General**

Resolution 2 seeks approval for the re-election of Ms Alison Terry as a Director with effect from the end of the Meeting.

Rule 19.2 of the Constitution provides that a Director may be appointed at any time to fill a casual vacancy or as an addition to the Board. Any person appointed as a Director under Rule 19.2 holds office until the conclusion of the Company's next AGM following his or her appointment, and is then eligible for re-election.

Listing Rule 14.4 relevantly provides that a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the Company's next AGM.

Ms Terry, who was appointed as a Director on 12 February 2024, will cease to hold office at the conclusion of the Meeting and, being eligible for election, seeks re-election as a Director.

If Resolution 2 is passed, Ms Terry will be re-elected as a Director. If Resolution 2 is not passed, Ms Terry will cease to be a Director at the conclusion of the Meeting.

### **3.2 Qualifications and experience**

Ms Terry is an experienced executive and non-executive director with over 20 years of governance, corporate affairs, sustainability and legal experience in major companies nationally. Most recently she held an Executive role at Fortescue Metals

Group as Director of Sustainability and Corporate Affairs and Joint Company Secretary. Ms Terry is currently a Director at Johns Lyng Group Ltd and Bannerman Energy Ltd, as well as UN Women Australia and the Black Swan State Theatre Company of Western Australia.

Ms Terry is a member of the Nominations and Remuneration, Audit, and Risk and Sustainability Committees.

Ms Terry holds a Bachelor of Economics and Bachelor of Law (Honours) from The Australian National University and is a Graduate of the Australian Institute of Company Directors.

### **3.3 Other material directorships**

Currently, Ms Terry is also a director of Johns Lyng Group Ltd and Bannerman Energy Ltd.

### **3.4 Independence**

The Board (excluding Ms Terry) considers that Ms Terry, if elected, will continue to be classified as an independent director.

### **3.5 Board recommendation**

The Company confirms it has conducted appropriate checks into Ms Terry's background and experience and those checks have not revealed any information of concern.

The Board (excluding Ms Terry) recommends that Shareholders vote **in favour** of Resolution 2. The Chair intends to vote all undirected proxies in favour of Resolution 2.

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## **4. RESOLUTION 3 - RE-ELECTION OF MR BRENDAN COCKS AS A DIRECTOR**

### **4.1 General**

Resolution 3 seeks approval for the re-election of Mr Brendan Cocks as a Director with effect from the end of the Meeting.

Rule 19.2 of the Constitution provides that a Director may be appointed at any time to fill a casual vacancy or as an addition to the Board. Any person appointed as a Director under Rule 19.2 holds office until the conclusion of the Company's next AGM following his or her appointment, and is then eligible for re-election.

Listing Rule 14.4 relevantly provides that a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the Company's next AGM.

Mr Cocks, who was appointed as a Director on 12 February 2024, will cease to hold office at the conclusion of the Meeting and, being eligible for election, seeks re-election as a Director.

If Resolution 3 is passed, Mr Cocks will be re-elected as a Director. If Resolution 3 is not passed, Mr Cocks will cease to be a Director at the conclusion of the Meeting.

## 4.2 Qualifications and experience

Mr Cocks is an experienced executive and Chartered Accountant with over 25 years in finance, leadership and commercial roles. Mr Cocks has been Chief Financial Officer and Company Secretary since joining the Company in 2016.

In the 10 years prior to joining the Company, Mr Cocks held Chief Financial Officer roles with a number of ASX listed companies including Kresta Holdings and LogiCamms Ltd.

Mr Cocks holds a Bachelor of Commerce from the University of Western Australia and is a member of the Chartered Accountants Australia and New Zealand.

## 4.3 Other material directorships

Mr Cocks does not hold any other material directorship positions.

## 4.4 Independence

The Board (excluding Mr Cocks) considers that Mr Cocks, if elected, will not be classified as an independent director as he holds an executive position with the Company.

## 4.5 Board recommendation

The Company confirms it has conducted appropriate checks into Mr Cocks' background and experience and those checks have not revealed any information of concern.

The Board (excluding Mr Cocks) recommends that Shareholders vote **in favour** of Resolution 3. The Chair intends to vote all undirected proxies in favour of Resolution 3.

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## 5. RESOLUTION 4 – RE-ELECTION OF MR PETER HOOD AO AS A DIRECTOR

### 5.1 General

Rule 19.3 of the Constitution provides that no Director, other than the managing director, may hold office without re-election beyond the third AGM of the Company following the meeting at which the Director was last elected or re-elected. Any Director who retires by rotation in accordance with Rule 19.3 of the Constitution is eligible for re-election.

Listing Rule 14.4 relevantly provides that a Director must not hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever is longer.

Mr Hood was last re-elected as a Director at the 2021 AGM of the Company. Mr Hood therefore retires by rotation in accordance with the Constitution and the Listing Rules and, being eligible for election, seeks re-election as a Director.

If Resolution 4 is passed, Mr Hood will be re-elected as a Director. If Resolution 4 is not passed, Mr Hood will cease to be a Director at the conclusion of the Meeting.

## **5.2 Qualifications and experience**

Mr Hood is a qualified Chemical Engineer with nearly 50 years of experience in senior management and project development in the mining, oil and gas, and chemical industries. In 2020 Mr Hood was appointed as an Officer (AO) of the Order of Australia with the following citation, "For distinguished service to business and commerce at the state, national and international level, and to the resources sector".

Mr Hood was previously the CEO of Coogee Resources Ltd, a company involved in the exploration and production of oil and gas in the Timor Sea. Prior to this he was the CEO of Coogee Chemicals Pty Ltd where he oversaw a period of significant growth in the company's value.

Mr Hood is a Past President of the Australian Chamber of Commerce and Industry (ACCI). He was also previously Chairman of Apollo Gas Ltd and Vice-Chairman of APPEA.

Mr Hood chairs the Nominations and Remuneration Committee and is a member of the Audit, and Risk and Sustainability Committees.

## **5.3 Other material directorships**

Currently, Mr Hood is also a director of GR Engineering Services Ltd, De Grey Mining Ltd, Cue Energy Resources Ltd and MAK Industrial Water Services Pty Ltd.

## **5.4 Independence**

The Board (excluding Mr Hood) considers that Mr Hood, if elected, will continue to be classified as an independent director.

## **5.5 Board recommendation**

The Board (excluding Mr Hood) recommends that Shareholders vote in favour of Resolution 4. The Chair intends to vote all undirected proxies in favour of Resolution 4.

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## **6. RESOLUTION 5 – RE-ELECTION OF MR CHRIS SUTHERLAND AS A DIRECTOR**

### **6.1 General**

Rule 19.3 of the Constitution provides that no Director, other than the managing director, may hold office without re-election beyond the third AGM of the Company following the meeting at which the Director was last elected or re-elected. Any Director who retires by rotation in accordance with Rule 19.3 of the Constitution is eligible for re-election.

Listing Rule 14.4 relevantly provides that a Director must not hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever is longer.

Mr Sutherland was last re-elected as a Director at the 2021 AGM of the Company. Mr Sutherland therefore retires by rotation in accordance with the Constitution and the Listing Rules and, being eligible for election, seeks re-election as a Director.

If Resolution 5 is passed, Mr Sutherland will be re-elected as a Director. If Resolution 5 is not passed, Mr Sutherland will cease to be a Director at the conclusion of the Meeting.

## **6.2 Qualifications and experience**

Mr Sutherland has significant executive leadership expertise spanning more than 20 years, encompassing a wide array of sectors in Australia; including oil and gas, resources, infrastructure, and manufacturing. Mr Sutherland previously spent 11 years as Managing Director and Chief Executive Officer of Programmed Maintenance Services Ltd. He has also served in other leadership roles which followed executive and management roles at major multidisciplinary engineering firms.

Mr Sutherland chairs the Risk and Sustainability Committee and is also a member of the Nominations and Remuneration, and Audit Committees.

Mr Sutherland holds a Bachelor of Engineering (Honours) from the University of Western Australia and is a graduate of the Advanced Management Program (Harvard Business School).

## **6.3 Other material directorships**

Currently, Mr Sutherland is also a director of Copper Search Ltd and Chair of Fremantle Port Authority.

## **6.4 Independence**

The Board (excluding Mr Sutherland) considers that Mr Sutherland, if elected, will continue to be classified as an independent director.

## **6.5 Board recommendation**

The Board (excluding Mr Sutherland) recommends that Shareholders vote in favour of Resolution 5. The Chair intends to vote all undirected proxies in favour of Resolution 5.

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## **7. RESOLUTION 6 – ISSUE OF OPTIONS AND PERFORMANCE RIGHTS TO MR AARON BEGLEY OR HIS NOMINEE(S)**

### **7.1 General**

The Company is proposing to issue up to 827,123 Options and 554,039 Performance Rights to Mr Aaron Begley or his nominee(s) pursuant to Resolution 6 (**Begley Issue**).

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an Associate of a director of the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed Begley Issue to Mr Begley or his nominee(s) falls within Listing Rule 10.14.1 above and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 6 seeks the required shareholder approval to the Begley Issue under and for the purposes of Listing Rule 10.14.

The grant of Awards encourages Mr Begley to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. The Awards are proposed to be issued to Mr Begley or his nominee(s) to provide an incentive component in his remuneration package to retain his services, motivate performance, and reward the achievement of performance hurdles within a specified period. Under the Company's current circumstances, the Board (excluding Mr Begley) considers this to be a cost-effective remuneration practice which is reasonable given that the vesting conditions and performance hurdles will align the interests of Mr Begley with those of Shareholders.

The number of Awards to be granted to Mr Begley or his nominee(s) has been determined based upon a consideration of:

- the remuneration of the Directors;
- the extensive experience and reputation of Mr Begley within the composite metals and engineering industry;
- the current price of Shares;
- the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Awards to be granted and will ensure that Mr Begley's overall remuneration is in line with market practice;
- attracting and retaining suitably qualified non-executive directors; and
- incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Awards upon the terms proposed.

If Resolution 6 is passed, the Company will be able to proceed with the Begley Issue as noted above.

If Resolution 6 is not passed, the Company will not be able to proceed with the Begley Issue and the Company may need to consider alternative remuneration arrangements for Mr Begley, including the payment of cash.

## **7.2 Terms of Options and Performance Rights**

Pursuant to the Begley Issue, the Company is proposing to issue up to 827,123 Options and 554,039 Performance Rights to Mr Begley or his nominee(s) under the Employee Awards Plan having a combined value of approximately \$220,000.

The Options and Performance Rights are not transferable and do not:

- (a) confer any right to vote, except as required by law;



- (b) confer any entitlement to a dividend, whether fixed or at the discretion of the Directors;
- (c) confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
- (d) confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company; or
- (e) confer the right to participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the applicable performance milestone is achieved and the Options or Performance Rights are converted into Shares.

Based on the Monte Carlo valuation performed by Stantons and approved by the Board, the value of each Option to be issued to Mr Begley or his nominee(s) is \$0.1330 and the value of each Performance Right to be issued to Mr Begley or his nominee(s) is \$0.1985.

The assumptions underlying the valuation of the Awards to be issued to Mr Begley or his nominee(s) are set out in the table below.

	<b>Options</b>	<b>Performance Rights</b>
Methodology	Monte Carlo	Monte Carlo
Number of iterations	100,000	100,000
Assumed grant date	18 September 2024	18 September 2024
Assumed spot price (\$)	0.326	0.326
Assumed expiry date	21 November 2029	21 November 2027
VWAP hurdle (\$)	0.434	0.434
Share price ceiling (\$)	2.50	2.50
Assumed vesting date	12 September 2027	12 September 2027
Exercise price (\$)	0.434	nil
Risk-free rate (%)	3.444	3.389
Volatility (%)	69.20	65.16
Dividend yield (%)	Nil	Nil
<b>Fair value per security (\$)</b>	<b>0.1330</b>	<b>0.1985</b>

Any change in the variable applies in the Monte Carlo calculation between the date of the valuation and the date the Awards are granted would have an impact on their value.

Based on the applied valuation methodology, the type and number of Awards to be issued to Mr Begley or his nominee(s) is calculated as follows:

	Agreed value	Fair value per security	Number of securities
<b>Options</b>	\$110,000	\$0.1330	827,123
<b>Performance Rights</b>	\$110,000	\$0.1985	554,039

The Options and Performance Rights will be issued for nil cash consideration and will both be subject to:

- (f) a vesting condition that Mr Begley complete 3 years' continuous service with the Company from 1 July 2024; and
- (g) a performance hurdle that the Shares achieve a 14-day VWAP of at least \$0.434 following release of the Financial Report for the year ending 30 June 2027.

In addition, the Options will have an exercise price of \$0.434. For the avoidance of doubt, the exercise price of the Performance Rights is nil.

The expiry date of the Options to be issued will be 5 years from the date of issue. The expiry date of the Performance Rights to be issued will be 3 years from the date of issue.

If, at the vesting date, the 14-day VWAP exceeds \$2.50, then the number of Options and Performance Rights to vest will be scaled back pro rata and equally between them to such number as would deliver to Mr Begley or his nominee(s) an equivalent financial outcome as would be the result had that 14-day VWAP been \$2.50.

Assuming that the vesting conditions and performance hurdles are met, the value attributed to the Awards to be issued to Mr Begley or his nominee(s) is set out in the table below (assuming a price per Share of \$0.434, \$0.50, \$1.00, and \$2.50).

Target Share Price	\$0.434		\$0.50		\$1.00		\$2.50	
Total Grant Value	\$220,000							
	Options	PRs	Options	PRs	Options	PRs	Options	PRs
Valuation	\$0.1330	\$0.1985	\$0.1330	\$0.1985	\$0.1330	\$0.1985	\$0.1330	\$0.1985
Award	827,123	554,039	827,123	554,039	827,123	554,039	827,123	554,039
Ex. Price / VWAP Hurdle	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434
Share Price/%uplift from 1 October 2024 base date (\$0.355)	\$0.079 – 122%		\$0.145 – 141%		\$0.645 – 282%		\$2.145 – 704%	
Benefit	\$0.00	\$240,453	\$54,590	\$277,020	\$468,152	\$554,039	\$1,708,836	\$1,385,098
Share Conversion	N/A	554,039	827,123	554,039	827,123	554,039	827,123	554,039

If Mr Begley ceases employment with the Company before 30 June 2027 for any reason, then, subject to compliance with the Listing Rules and the Corporations Act, any unvested Awards, and any vested Awards that have not been exercised, will lapse on the date that Mr Begley ceases to be an employee of the Company subject to the Board making a determination to treat the Awards in a different way if the Board determines that the relevant circumstances warrant such treatment.

### 7.3 Specific information required by Listing Rule 10.15

In accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 6:

- (a) the person to whom the Awards will be issued is Mr Aaron Begley or his nominee(s);

- (b) Mr Begley is a Director and therefore falls within Listing Rule 10.14.1;
- (c) the number of Awards proposed to be issued to Mr Begley or his nominee(s) under the Employee Awards Plan for which approval is being sought is:
  - (i) up to 827,123 Options; and
  - (ii) up to 554,039 Performance Rights;
- (d) Mr Begley's current total remuneration package is \$954,932 (inclusive of salary, superannuation, and short and long-term incentives);
- (e) Mr Begley has previously been issued 1,010,621 Options and 601,609 Performance Rights for nil cash consideration under the Employee Awards Plan;
- (f) a summary of the material terms of the Awards to be issued to Mr Begley or his nominee(s) is set out in section 7.2 of this Explanatory Statement;
- (g) the Awards will be issued to Mr Begley or his nominee(s) no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (h) the Awards will be issued to Mr Begley or his nominee(s) for nil cash consideration;
- (i) a summary of the material terms of the Employee Awards Plan is set out in Schedule 1;
- (j) no loans will be made to Mr Begley or his nominee(s) in relation to the issue, vesting or exercise of the Awards;
- (k) details of any securities issued under the Employee Awards Plan will be published in the Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (l) any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Employee Awards Plan after Resolution 6 is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (m) a voting exclusion statement is included in the Notice of Meeting.

#### **7.4 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

For the purposes of Chapter 2E of the Corporations Act, the issue of Awards to Mr Begley or his nominee(s) pursuant to Resolution 6 constitutes giving a financial benefit, and Mr Begley is a related party of the Company by virtue of being a Director.

The Board (excluding Mr Begley) has considered the application of Chapter 2E of the Corporations Act to the Begley Issue and is of the view that, given the circumstances of the Company and Mr Begley's role and responsibilities with the Company, the financial benefit given by the Begley Issue constitutes reasonable remuneration to Mr Begley for the purposes of the exception set out in section 211(1) of the Corporations Act.

Therefore, the Company is not seeking shareholder approval to the Issue under Chapter 2E of the Corporations Act in addition to the approval sought under Listing Rule 10.14.

## **7.5 Board recommendation**

The Board (excluding Mr Begley) recommends that Shareholders vote in favour of Resolution 6.

The Board (excluding Mr Begley) is not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6.

The Chair intends to vote all undirected proxies in favour of Resolution 6.

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## **8. RESOLUTION 7 – ISSUE OF OPTIONS AND PERFORMANCE RIGHTS TO MR BRENDAN COCKS OR HIS NOMINEE(S)**

### **8.1 General**

The Company is proposing to issue up to 563,948 Options and 377,754 Performance Rights to Mr Brendan Cocks or his nominee(s) pursuant to Resolution 7 (**Cocks Issue**).

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an Associate of a director of the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed Cocks Issue to Mr Cocks or his nominee(s) falls within Listing Rule 10.14.1 above and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 7 seeks the required shareholder approval to the Cocks Issue under and for the purposes of Listing Rule 10.14.

The grant of Awards encourages Mr Cocks to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. The Awards are proposed to be issued to Mr Cocks or his nominee(s) to provide an incentive component in his remuneration package to retain his services, motivate performance, and reward the achievement of performance hurdles within a specified period. Under the Company's current circumstances, the Board (excluding Mr Cocks) considers this to be a cost-effective remuneration practice which is reasonable given that the vesting conditions and performance hurdles will align the interests of Mr Cocks with those of Shareholders.

The number of Awards to be granted to Mr Cocks or his nominee(s) has been determined based upon a consideration of:

- the remuneration of the Directors;
- the extensive experience and reputation of Mr Cocks within the composite metals and engineering industry;
- the current price of Shares;
- the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Awards to be granted and will ensure that Mr Cocks' overall remuneration is in line with market practice;
- attracting and retaining suitably qualified non-executive directors; and
- incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Awards upon the terms proposed.

If Resolution 7 is passed, the Company will be able to proceed with the Cocks Issue as noted above.

If Resolution 7 is not passed, the Company will not be able to proceed with the Cocks Issue and the Company may need to consider alternative remuneration arrangements for Mr Cocks, including the payment of cash.

## **8.2 Terms of Options and Performance Rights**

Pursuant to the Cocks Issue, the Company is proposing to issue up to 563,948 Options and 377,754 Performance Rights to Mr Cocks or his nominee(s) under the Employee Awards Plan having a combined value of approximately \$150,000.

The Options and Performance Rights are not transferable and do not:

- (a) confer any right to vote, except as required by law;
- (b) confer any entitlement to a dividend, whether fixed or at the discretion of the Directors;
- (c) confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

- (d) confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company; or
- (e) confer the right to participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the applicable performance milestone is achieved and the Options or Performance Rights are converted into Shares.

Based on the Monte Carlo valuation performed by Stantons and approved by the Board, the value of each Option to be issued to Mr Cocks or his nominee(s) is \$0.1330 and the value of each Performance Right to be issued to Mr Cocks or his nominee(s) is \$0.1985.

The assumptions underlying the valuation of the Awards to be issued to Mr Cocks or his nominee(s) are set out in the table below.

	<b>Options</b>	<b>Performance Rights</b>
Methodology	Monte Carlo	Monte Carlo
Number of iterations	100,000	100,000
Assumed grant date	18 September 2024	18 September 2024
Assumed spot price (\$)	0.326	0.326
Assumed expiry date	21 November 2029	21 November 2027
VWAP hurdle (\$)	0.434	0.434
Share price ceiling (\$)	2.50	2.50
Assumed vesting date	12 September 2027	12 September 2027
Exercise price (\$)	0.434	nil
Risk-free rate (%)	3.444	3.389
Volatility (%)	69.20	65.16
Dividend yield (%)	Nil	Nil
<b>Fair value per security (\$)</b>	<b>0.1330</b>	<b>0.1985</b>

Any change in the variable applies in the Monte Carlo calculation between the date of the valuation and the date the Awards are granted would have an impact on their value.

Based on the applied valuation methodology, the type and number of Awards to be issued to Mr Cocks or his nominee(s) is calculated as follows:

	Agreed value	Fair value per security	Number of securities
<b>Options</b>	\$75,000	\$0.1330	563,948
<b>Performance Rights</b>	\$75,000	\$0.1985	377,754

The Options and Performance Rights will be issued for nil cash consideration and will both be subject to:

- (f) a vesting condition that Mr Cocks complete 3 years' continuous service with the Company from 1 July 2024; and

- (g) a performance hurdle that the Shares achieve a 14-day VWAP of at least \$0.434 following release of the Financial Report for the year ending 30 June 2027.

In addition, the Options will have an exercise price of \$0.434. For the avoidance of doubt, the exercise price of the Performance Rights is nil.

The expiry date of the Options to be issued will be 5 years from the date of issue. The expiry date of the Performance Rights to be issued will be 3 years from the date of issue.

If, at the vesting date, the 14-day VWAP exceeds \$2.50, then the number of Options and Performance Rights to vest will be scaled back pro rata and equally between them to such number as would deliver to Mr Cocks or his nominee(s) an equivalent financial outcome as would be the result had that 14-day VWAP been \$2.50.

Assuming that the vesting conditions and performance hurdles are met, the value attributed to the Awards to be issued to Mr Cocks or his nominee(s) is set out in the table below (assuming a price per Share of \$0.434, \$0.50, \$1.00, and \$2.50).

Target Share Price	\$0.434		\$0.50		\$1.00		\$2.50	
Total Grant Value	\$150,000							
	Options	PRs	Options	PRs	Options	PRs	Options	PRs
Valuation	\$0.1330	\$0.1985	\$0.1330	\$0.1985	\$0.1330	\$0.1985	\$0.1330	\$0.1985
Award	563,948	377,754	563,948	377,754	563,948	377,754	563,948	377,754
Ex. Price / VWAP Hurdle	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434	\$0.434
Share Price/%uplift from 1 October 2024 base date (\$0.355)	\$0.079 – 122%		\$0.145 – 141%		\$0.645 – 282%		\$2.145 – 704%	
Benefit	\$0.00	\$163,945	\$37,221	\$188,877	\$319,195	\$377,754	\$1,165,117	\$944,385
Share Conversion	N/A	377,754	563,948	377,754	563,948	377,754	563,948	377,754

If Mr Cocks ceases employment with the Company before 30 June 2027 for any reason, then, subject to compliance with the Listing Rules and the Corporations Act, any unvested Awards, and any vested Awards that have not been exercised, will lapse on the date that Mr Cocks ceases to be an employee of the Company subject to the Board making a determination to treat the Awards in a different way if the Board determines that the relevant circumstances warrant such treatment.

### 8.3 Specific information required by Listing Rule 10.15

In accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 7:

- (a) the person to whom the Awards will be issued is Mr Brendan Cocks or his nominee(s);
- (b) Mr Cocks is a Director and therefore falls within Listing Rule 10.14.1;
- (c) the number of Awards proposed to be issued to Mr Cocks or his nominee(s) under the Employee Awards Plan for which approval is being sought is:
- (i) up to 563,948 Options; and

- (ii) up to 377,754 Performance Rights;
- (d) Mr Cocks' current total remuneration package is \$667,707 (inclusive of salary, superannuation, and short and long-term incentives);
- (e) Mr Cocks has previously been issued 757,966 Options and 451,207 Performance Rights for nil cash consideration under the Employee Awards Plan;
- (f) a summary of the material terms of the Awards to be issued to Mr Cocks or his nominee(s) is set out in section 7.2 of this Explanatory Statement;
- (g) the Awards will be issued to Mr Cocks or his nominee(s) no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (h) the Awards will be issued to Mr Cocks or his nominee(s) for nil cash consideration;
- (i) a summary of the material terms of the Employee Awards Plan is set out in Schedule 1;
- (j) no loans will be made to Mr Cocks or his nominee(s) in relation to the issue, vesting or exercise of the Awards;
- (k) details of any securities issued under the Employee Awards Plan will be published in the Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (l) any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Employee Awards Plan after Resolution 7 is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (m) a voting exclusion statement is included in the Notice of Meeting.

#### **8.4 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

For the purposes of Chapter 2E of the Corporations Act, the issue of Awards to Mr Cocks or his nominee(s) pursuant to Resolution 7 constitutes giving a financial benefit, and Mr Cocks is a related party of the Company by virtue of being a Director.



The Board (excluding Mr Cocks) has considered the application of Chapter 2E of the Corporations Act to the Cocks Issue and is of the view that, given the circumstances of the Company and Mr Cocks' role and responsibilities with the Company, the financial benefit given by the Cocks Issue constitutes reasonable remuneration to Mr Cocks for the purposes of the exception set out in section 211(1) of the Corporations Act.

Therefore, the Company is not seeking shareholder approval to the Issue under Chapter 2E of the Corporations Act in addition to the approval sought under Listing Rule 10.14.

## **8.5 Board recommendation**

The Board (excluding Mr Cocks) recommends that Shareholders vote in favour of Resolution 7.

The Board (excluding Mr Cocks) is not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 7.

The Chair intends to vote all undirected proxies in favour of Resolution 7.

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## **9. RESOLUTION 8 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY**

### **9.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its shareholders, by way of a special resolution passed at its AGM, to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes given it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$79.45 million as at 1 October 2024.

Resolution 8 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without shareholder approval.

If Resolution 8 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders entitled to vote on the Resolution.

## 9.2 Specific information required by Listing Rule 7.3A

In accordance with the requirements of Listing Rule 7.3A, the following information is provided in relation to Resolution 8:

### (a) Period for which approval is valid

If Resolution 8 is passed, the 7.1A Mandate will be valid from the date of this year's AGM and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next AGM; and
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

### (b) Minimum price at which Equity Securities may be issued

The issue of Equity Securities under the 7.1A Mandate will be in an existing class of quoted securities and will be issued for a cash consideration at an issue price per Equity Security of not less than 75% of the 15-day VWAP for Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:

- (i) the date on which the price at which the relevant Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the relevant Equity Securities are not issued within 10 Trading Days of the date in paragraph 9.2(b)(i) above, the date on which the Equity Securities are issued.

### (c) Purposes for which funds may be used

Any funds raised by an issue of Equity Securities under the 7.1A Mandate will be used for either working capital purposes to assist the Company to secure and execute new contract awards and purchase orders, opportunistic acquisition opportunities, or diversification growth initiatives.

### (d) Risk of economic and voting dilution

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 7.1A Mandate, existing Shareholders' voting power will be diluted. There is also a risk that:

- (i) the market price for Equity Securities in that class may be significantly lower on the date of issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shareholders will be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula in Listing Rule 7.1A.2 on the basis of the closing market price of Shares and the number of Shares on issue as at 1 October, and using different assumed issue prices and values for variable 'A' in the formula.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Number of Shares issued, funds raised, and dilution	Assumed Issue Price		
		\$0.1775 (50% decrease in current price)	\$0.355 (current price)	\$0.710 (100% increase in current price)
223,811,179 (current)	Shares issued	22,381,118	22,381,118	22,381,118
	Funds raised	\$3,972,648	\$7,945,297	\$15,890,594
	Dilution	10%	10%	10%
335,716,769 (50% increase)	Shares issued	33,571,677	33,571,677	33,571,677
	Funds raised	\$5,958,973	\$11,917,945	\$23,835,891
	Dilution	10%	10%	10%
447,622,358 (100% increase)	Shares issued	44,762,236	44,762,236	44,762,236
	Funds raised	\$7,945,297	\$15,890,594	\$31,781,188
	Dilution	10%	10%	10%

The number of Shares on issue (variable 'A' in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro rata issue or scrip issue under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table has been prepared on the following assumptions:

- (i) The current Shares on issue as at 1 October 2024, being 223,811,179 Shares.
- (ii) The 'current price' is \$0.355, being the closing price of the Shares on ASX on 1 October 2024.
- (iii) The Company issues the maximum number of Equity Securities under the 7.1A Mandate.
- (iv) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4.
- (v) The issue of Equity Securities under the 7.1A Mandate consists only of Shares and no Options are exercised, and no Performance Rights are converted, into Shares before the issue of Equity Securities under the 7.1A Mandate.
- (vi) The table does not show the dilution that may be caused to any one particular Shareholder, including pursuant to ratification under Listing Rule 7.4. Shareholders should consider the dilution to their own shareholding depending on their circumstances.
- (vii) The table does not show the dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.

- (viii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution in each example is 10%.

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 7.1A Mandate, the existing Shareholders' voting power in the Company will be diluted.

(e) **Allocation policy**

The Company's allocation policy for the issue of Equity Securities under the 7.1A Mandate will depend on the prevailing market conditions at the time of the proposed issue. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to several factors including, but not limited to, the following:

- (i) the ability of the Company to raise funds at the time of the proposed issue of the Equity Securities;
- (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issue;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from its professional advisers, including corporate, financial, and broking advisers (if applicable).

At the date of this Notice of Meeting, the Company has not formed an intention as to whether Equity Securities issued under the 7.1A Mandate will be offered to existing Shareholders, or to any class or group of existing security holders, or whether the Equity Securities will be offered exclusively to new investors that have not previously been security holders of the Company. The Company will give consideration, before making any placement of Equity Securities under the 7.1A Mandate, to whether the raising of any funds under such placement could be carried out, in whole or in part, by means of a pro rata offer to existing Shareholders, a placement and a pro rata offer, or a placement and an offer under a share purchase plan.

Allottees under the 7.1A Mandate will not include related parties of the Company or their Associates but otherwise the Company does not have any specific intentions in relation to parties it may approach to participate in an issue of Equity Securities under the 7.1A Mandate.

(f) **Previous issues of Equity Securities under Listing Rule 7.1A.2**

The Company has not previously issued, or agreed to issue, any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting.

### **9.3 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 8. The Chair intends to vote all undirected proxies in favour of Resolution 8.

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## **10. RESOLUTION 9 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS**

### **10.1 Background**

The Corporations Act permits a company to include in its constitution provisions (called **takeover approval provisions**) requiring that a proportional or partial takeover offer (ie an offer for less than 100% of the shares but for the same proportion of each shareholder's shares) be approved by a majority of shareholders, before it may proceed. In effect, the approval of Resolution 9 will enable the Company to refuse to register shares acquired under a proportional takeover bid unless than bid is approved by a majority of shareholders.

The Company's Constitution currently contains provisions dealing with proportional takeover bids.

### **10.2 Section 648G of the Corporations Act**

The following information is provided pursuant to section 648G of the Corporations Act.

#### **(a) Operation of the proportional takeover provisions**

If the proportional takeover provisions set out in rule 15 of the Company's Constitution are renewed the registration of a transfer of Shares acquired under a proportional takeover offer will be prohibited unless an approving resolution is passed by Shareholders in the Company in the manner provided in rule 15 of the Company's Constitution.

The proportional takeover provisions do not apply to a full takeover bid for all of the Shares of the Company.

If the Company's existing proportional takeover provisions are renewed and a proportional takeover offer is subsequently made for Shares in the Company, the Directors must seek Shareholder approval by a majority vote to register transfers under the proportional takeover bid. The Shareholder approval can be obtained at a general meeting of Shareholders.

Those Shareholders who are entitled to vote at the general meeting are the Shareholders (other than the bidder and its associates) who are recorded on the register of members at the end of the day on which the first of the takeover offers under the proportional takeover bid is made.

The resolution must be voted on at least 14 days before the last day of the offer period under the proportional takeover bid. The resolution will be passed if more than 50 percent of eligible votes are cast in favour of the approval. If no such resolution has been voted on at least 14 days before the last day of the bid period then a resolution to approve the registration of transfers under the bid is taken to have been passed.

If the resolution is not passed by a majority of the shares voted, then the offer will be deemed to be withdrawn and registration of any transfer of shares resulting from the offer will be prohibited. Acceptances will be returned and any contracts formed by acceptance will be rescinded. If the resolution is approved, transfers of shares to the bidder will be registered provided they comply with the other provisions of the Constitution.

If renewed, rule 15 of the Company's Constitution will have effect for a three year commencing on 21 November 2024.

(b) **Current acquisition proposals**

As at the day on which this Notice of Meeting and Explanatory Statement is prepared, none of the Directors of the Company is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

(c) **Advantages of proportional takeover provisions to Shareholders**

Potential advantages to Shareholders of the renewal of proportional takeover provisions in the Company's Constitution are set out below:

- (i) The takeover approval provisions may enable Shareholders to act together and so avoid the coercion of Shareholders that might otherwise arise where they believe a partial offer is inadequate, but nevertheless accept through concern that a significant number of other Shareholders will accept.
- (ii) The takeover approval provisions may provide Shareholders with protection against being coerced into accepting a partial bid at a high premium where the bidder indicates its intention to mount a subsequent bid for the remaining shares at a much reduced price. This puts pressure on Shareholders to accept the initial bid in order to maximise their returns.
- (iii) If a partial bid is made, the takeover approval provisions may make it more probable that a bidder will set its offer price at a level that will be attractive to at least a majority of Shareholders.
- (iv) The body of Shareholders may more effectively advise and guide the Directors' response to a partial bid, and knowing the view of the majority of Shareholders may assist individual Shareholders to assess the likely outcome of the proportional bid and decide whether or not to accept an offer under the bid.
- (v) The takeover approval provisions may make it more probable that any takeover offer will be a full bid for the whole shareholding of each Shareholder, so that Shareholders may have the opportunity of disposing of all their Shares rather than only a proportion.

(d) **Disadvantages of the proportional takeover provisions to Shareholders**

Potential disadvantages to Shareholders of the renewal of proportional takeover provisions in the Company's Constitution are set out below:

- (i) By placing obstacles in the way of partial offers, the proposal may tend to discourage partial offers, thus reducing the opportunity for Shareholders to sell a portion of their holding.
- (ii) It is possible that the existence of the takeover approval provisions might have an adverse effect on the market value of

the Company's Shares by making a partial offer less likely thus reducing any takeover speculation element in the Share price.

- (iii) An individual Shareholder who wishes to accept a proportional offer will be unable to sell to the bidder unless a majority of Shareholders favour the proportional takeover scheme (which may be viewed as an additional restriction on the ability of individual Shareholders to deal freely in their Shares).
- (iv) If a proportional takeover offer is made, the Company will incur the cost of calling a meeting of Shareholders.

(e) **Advantages and disadvantages of the proportional takeover provisions for the Directors**

Potential advantages and disadvantages to the Directors of the renewal of proportional takeover provisions in the Company's Constitution are set out below:

If the Directors consider that a proportional bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company as the bidder will need a majority of votes to be cast in its favour by the independent Shareholders, before the bidder can succeed.

On the other hand, under the takeover approval provisions, if a proportional takeover offer is received, the Directors must call a meeting to seek the Shareholders' views. They must do so even if the Directors believe that the offer should be accepted.

At present, it is only the Directors who express any formal view on the adequacy or otherwise of a takeover bid, on behalf of the Company. Under the takeover approval provisions the most effective view on a proportional bid will become the view expressed by the vote of the Shareholders themselves, at the meeting.

The takeover approval provisions may make it easier for the Directors to discharge their fiduciary and statutory duties as directors in the event of a proportional takeover bid.

(f) **Reasons for proposing the Resolution**

Having considered the advantages and disadvantages to Shareholders and the Directors, the Directors have decided to put this Resolution to Shareholders, to give Shareholders an opportunity to take advantage of the protections which the takeover approval provisions offer, if a proportional takeover offer is made.

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## GLOSSARY

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**AGM** means annual general meeting.

**Annual Report** has the meaning given in section 1 of the Explanatory Statement.

**Associate** has the meaning given in Chapter 19 of the Listing Rules.

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

**Auditor's Report** means the auditor's report on the Financial Report.

**Award** means an Option and/or a Performance Right (as the case may be).

**Begley Issue** has the meaning given in section 7.1 of the Explanatory Statement.

**Board** means the board of Directors as constituted from time to time.

**Chair** means the chair of the Meeting.

**Closely Related Party**, in relation to a member of the Key Management Personnel, means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (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;
- (e) a company the member controls; or
- (f) a person so prescribed by the Corporations Regulations.

**Cocks Issue** has the meaning given in section 8.1 of the Explanatory Statement.

**Company** means Matrix Composites & Engineering Ltd (ABN 54 009 435 250).

**Constitution** means the constitution of the Company as amended from time to time.

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

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

**Directors** means the directors of the Company from time to time and **Director** means any one of them.

**Directors' Report** means the annual directors' report of the Company and its controlled entities prepared under Chapter 2M of the Corporations Act.

**Employee Awards Plan** means the employee incentive scheme titled "Employee Awards Plan" adopted by the Company.

**Equity Securities** has the meaning given in Chapter 19 of the Listing Rules.



**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Financial Report** means the annual financial report of the Company and its controlled entities prepared under Chapter 2M of the Corporations Act.

**Key Management Personnel** means those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company or, if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**Meeting** means the Annual General Meeting of Shareholders to be held at 150 Quill Way, Henderson, Western Australia on Thursday, 21 November 2024 at 10:30am (WST).

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

**Official List** means the official list of entities that ASX has admitted and not removed.

**Option** means an option to subscribe for a Share under the Employee Awards Plan.

**Performance Right** means a conditional right to be issued a Share under the Employee Awards Plan.

**Proxy Form** means the proxy form accompanying this Notice of Meeting.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolutions** means the resolutions to be proposed at the Meeting and **Resolution** means any one of them.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

**7.1A Mandate** has the meaning given in section 9.1 of the Explanatory Statement.

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

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

**Stantons** means Stantons Corporate Finance Pty Ltd.

**Strike** means a 'no' vote of 25% or more on a resolution to adopt the Remuneration Report.

**Trading Day** has the meaning given in Chapter 19 of the Listing Rules.

**VWAP**, in relation to the Shares for a particular period, means the volume-weighted average price of trading in the Shares on ASX over that period.

**WST** means Australian Western Standard Time.

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## SCHEDULE 1 - TERMS OF EMPLOYEE AWARDS PLAN

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The following is a summary of the material terms of the Employee Awards Plan (**Plan**).

- (a) **Eligibility:** The Board may (in its absolute discretion) provide an offer to an Eligible Employee of the Company or any of its associated entities (**Group Company**) to participate in the Plan (**Offer**). Where such person (or a permitted nominee of such person) accepts the Offer, he or she will become a participant under the Plan (**Participant**).
- (b) **Issue cap:** Offers made under the Plan which require the payment of monetary consideration by the Participant in respect of the issue, transfer or exercise of an Award are subject to an issue cap of 5% of the number of Shares on issue (as adjusted or increased as permitted by law and under the Constitution from time to time).
- (c) **Offer:** The Board may make an Offer at any time. Where an Offer is made under the Plan which requires the payment of monetary consideration by the Eligible Employee or the Participant then, subject to limited exceptions, the Offer must include the following information:
  - (i) the name and address of the person to whom the Offer is being made to;
  - (ii) the date of the Offer;
  - (iii) the first acceptance date (which must be at least 14 days after receiving the Offer) and the final acceptance date that the person can accept the Offer;
  - (iv) the number of Options, Performance Rights or Shares being offered and the maximum number which can be applied for;
  - (v) the amount payable per Award by the person on application for the Awards offered (if any), or the manner of determining such amount payable;
  - (vi) the conditions (if any) determined by the Board which are required to be satisfied, reached and met before an Award will be issued, and whether not it is issued subject to further vesting conditions;
  - (vii) the vesting conditions attaching to the Award (if applicable);
  - (viii) the first exercise date and last exercise date of the Awards;
  - (ix) the exercise price (if any) or the manner of determining the exercise price of the Awards;
  - (x) the vesting period (if any) of the Awards;
  - (xi) general information about the risks of acquiring and holding the Awards (and underlying Shares) the subject of the Offer;
  - (xii) a copy of the Plan;

- (xiii) any other specific terms and conditions applicable to the Offer;
- (xiv) to the extent required by applicable law:
  - (A) an explanation of how an Eligible Employee could, from time to time, ascertain the market price of the Shares underlying the Options or Performance Rights;
  - (B) the terms of any loan or contribution plan under which an Eligible Employee may obtain Awards, or a summary of the terms of the loan together with a statement that the Participant can request a copy of the terms;
  - (C) the trust deed of any trust that will hold Awards on trust for an Eligible Employee, or a summary of the terms of the trust deed together with a statement that the Participant can request a copy of the trust deed;
  - (D) a copy of any disclosure document prepared by the Company under Part 6D.2 of the Corporations Act in the 12 months before the date of the Offer, or a statement of how the Participant can access a copy of those disclosure documents; and
  - (E) any other information required by applicable laws; and
- (xv) if the Company wishes to reduce liability in connection with the Offer Document in accordance with section 1100Z(3) of the Corporations Act, a statement to the effect that a person mentioned in section 1100Z(2) of the Corporations Act is not liable for any loss or damage suffered by the Eligible Employee (or Nominated Party) because of a contravention of a term of the Offer covered by subsections 1100Z(1)(a), (b) or (c) of the Corporations Act in circumstances where:
  - (A) the person made all inquiries (if any) that were reasonable in the circumstances and, after doing so, believed on reasonable grounds that the statement was not misleading or deceptive; or
  - (B) the person did not know that the statement was misleading or deceptive; or
  - (C) the person placed reasonable reliance on information given to them by:
    - if the person is a body corporate, someone other than a director, employee or agent of the body corporate; or
    - if the person is an individual, someone other than an employee or agent of the individual;
  - (D) the person is a person mentioned in item 3 or 4 in section 1100Z(2) of the Corporations Act and they provide that the publicly withdrew their consent to being named in the Offer Document; or

- (E) the contravention arose because of a new circumstance that has arisen since the Offer Document was prepared and the person proves that they were not aware of the matter;
- (xvi) a prominent statement to the effect that:
  - (A) any advice given by the Company in relation to Awards issued under the Plan, and Shares issued upon exercise of the Options or Performance Rights, does not take into account an Eligible Employee's objectives, financial situation and needs; and
  - (B) the Eligible Employee should obtain their own financial product advice in relation to the Offer from a person who is licensed by ASIC to give such advice.
- (d) **Terms of Offer:** The terms and conditions applicable to an Offer, and any accompanying document, must not include any misleading or deceptive statements, or omit any information that would result in those materials becoming misleading or deceptive. If the Company becomes aware, during the application period for an Awards, that any statement in the Offer has become out of date, or is otherwise not correct, in a material respect, then it must provide an updated Offer.
- (e) **Nominees:** An Eligible Employee may, by notice in writing to the Board and subject to applicable laws, nominate a nominee in whose favour the Eligible Employee wishes the Awards to be issued. The nominee may be an immediate family member of the Eligible Employee, a corporate trustee of a self-managed superannuation fund where the Eligible Employee is a director of the trustee or a company whose members comprise no persons other than the Eligible Employee or immediate family members of the Eligible Employee. The Board may, in its sole and absolute discretion, decide not to permit the Awards to be issued to a nominee.
- (f) **Dealing:** Awards may not be sold, assigned, transferred or otherwise dealt with except on the death of the Participant in limited circumstances or with the prior consent of the Board.
- (g) **Vesting:** Subject to paragraphs (j) and (k) below, an Award will vest when the Participant receives a vesting notice from the Company confirming that the vesting conditions attaching to the Awards are met or waived.
- (h) **Exercise of Award:** Upon receiving a vesting notice with respect to their Awards, a Participant may exercise those Awards by delivery to the Company Secretary of the certificate for the Awards (if any), a signed notice of exercise and payment equal to the exercise price (if any) for the number of Awards sought to be exercised.
- (i) **Lapse of Award:** Unless otherwise determined by the Board, an Award will not vest and will lapse on the earlier of:
  - (i) the Board determining that the vesting conditions attaching to the Award have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
  - (ii) the day immediately following the last exercise date; or

- (iii) with respect of unvested Awards, the date the Participant ceases employment in the relevant circumstances summarised at paragraph (j) below.
- (j) **Ceasing employment:** If the Eligible Employee ceases to be employed by the Company for any reason, then (subject to compliance with the Corporations Act and Listing Rules):
- (i) any unvested Shares held by the relevant Participant will be forfeited;
  - (ii) any unvested Options or Performance Rights held by the relevant Participant will immediately lapse; and
  - (iii) any vested Options or Performance Rights that have not been exercised will lapse on the date the Eligible Employee ceases to be employed by the Company,

although the Board may (subject to compliance with the Corporations Act and Listing Rules) determine to treat any unvested Awards in any other way other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment. If the Board makes such a determination for alternative treatment, then it must give the relevant Participant notice within 14 days of that determination.

- (k) **Change of control:** If a Change of Control Event (see below) occurs, the Board may in its sole and absolute discretion (and subject to the Listing Rules) by notice to the Participant determine how any unvested Awards will be treated, including but not limited to:
- (i) determining that unvested Awards (or a portion of unvested Awards) will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the Change of Control Event; and/or
  - (ii) reducing or waiving the applicable vesting conditions attaching to the unvested Awards,

where a “**Change of Control Event**” means:


- (iii) a takeover bid (as defined in the Corporations Act) is made for all Shares and which is, or is declared, unconditional and the bidder under the bid acquires a voting power in the Company of at least 50.1%;
- (iv) the Court sanctioning a compromise or arrangement relating to the Company under Part 5.1 of the Corporations Act;
- (v) any other merger, consolidation or amalgamation involving the Company occurring which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (vi) any Group Company entering into agreements to sell in aggregate a majority in value of the businesses or assets of the Group to a person, or a number of persons, none of which are Group Companies; or

- (vii) the Board determining in its reasonable opinion that control of the Company has or is likely to change or pass to one or more persons.
- (l) **Issue of Shares on vesting of Options or Performance Rights:** Following exercise of the Options or Performance Rights, the Company will, subject to the terms of the Company's relevant policies, issue or transfer Shares to that Participant and apply for official quotation or listing of those Shares on ASX if applicable. Unless and until the Options or Performance Rights have been exercised and the relevant Shares issued to that Participant as a result of that exercise, a Participant has no right or interest in those Shares.
- (m) **Ranking of Shares:** Shares issued upon exercise of the Options or Performance Right will rank equally in all respects with existing Shares, except for entitlements which had a record date before the date of the issue of that Share.
- (n) **Adjustment of Options or Performance Rights:** If, prior to the vesting of an Option or Performance Right, there is a reorganisation of the issued share capital of the Company (including a consolidation, sub-division or reduction of capital or return of capital to Shareholders), the number of Options or Performance Rights to which a Participant is entitled will be adjusted in a manner required by the Listing Rules.
- (o) **Clawback:** If the Board determines that:
  - (i) a Participant (or Eligible Employee who has nominated a nominee to receive the Awards) at any time:
    - (A) has been dismissed or removed from office for a reason which entitles a Group Company to dismiss the Participant (or Eligible Employee) without notice;
    - (B) has been convicted on indictment of an offence against the Corporations Act in connection with the affairs of a Group Company;
    - (C) has had a judgement entered against him or her in civil proceedings in respect of the contravention by the Participant (or Eligible Employee) of his or her duties at law, in equity or under statute in his or her capacity as an executive or Director of a Group Company;
    - (D) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of that body corporate (whether or not charged with an offence);
    - (E) is in material breach of any of his or her duties or obligations to a Group Company; or
    - (F) has done an act which brings a Group Company into disrepute,then the Board may determine that all unvested Shares held by the Participant will be forfeited and any Options or Performance Rights held by the Participant will lapse; and
  - (ii) there has been a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means that the relevant vesting conditions (if any) to an Award which has

vested were not, or should not have been determined to have been satisfied, then the Participant shall cease to be entitled to those vested Awards and the Board may:

- (A) by written notice to the Participant cancel the relevant Options or Performance Rights for no consideration or determine that the relevant Shares are forfeited;
  - (B) by written notice to the Participant require that the Participant pay to the Company the after tax value of the relevant Awards, with such payment to be made within 30 Business Days of receipt of such notice; or
  - (C) adjust fixed remuneration, incentives or participation in the Plan of a relevant Participant in the current year or any future year to take account of the after tax value of the relevant Awards.
- (p) **Amendments to the Plan:** Subject to and in accordance with the Listing Rules, the Board may amend, revoke, add to or vary the Plan (without the necessity of obtaining the prior or subsequent consent or approval of Shareholders of the Company), provided that rights or entitlements in respect of any Option, Performance Right or Share granted before the date of the amendment shall not be reduced or adversely affected without the prior written consent of the Participant affected by the amendment.

**LODGE YOUR VOTE**


 **ONLINE**  
<https://investorcentre.linkgroup.com>

 **BY MAIL**  
 Matrix Composites & Engineering Ltd  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia

 **BY FAX**  
 +61 2 9287 0309

 **BY HAND\***  
 Link Market Services Limited  
 Parramatta Square, Level 22, Tower 6,  
 10 Darcy Street, Parramatta NSW 2150; or  
 Level 12, 680 George Street, Sydney NSW 2000

\*During business hours Monday to Friday

 **ALL ENQUIRIES TO**  
 Telephone: 1300 554 474      Overseas: +61 1300 554 474


**LODGE MENT OF A PROXY FORM**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:30am (WST) on Tuesday, 19 November 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**  
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

 **BY MOBILE DEVICE**  
 Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code


**HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM**
**YOUR NAME AND ADDRESS**

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

**APPOINTMENT OF PROXY**

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

**DEFAULT TO CHAIRMAN OF THE MEETING**

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

**VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT**

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

**APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the

appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

- (b) return both forms together.

**SIGNING INSTRUCTIONS**

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

**CORPORATE REPRESENTATIVES**

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

**IMPORTANT INFORMATION**

Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
 THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**



NAME SURNAME  
ADDRESS LINE 1  
ADDRESS LINE 2  
ADDRESS LINE 3  
ADDRESS LINE 4  
ADDRESS LINE 5  
ADDRESS LINE 6



X99999999999

## PROXY FORM

I/We being a member(s) of Matrix Composites & Engineering Ltd and entitled to participate in and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (WST) on Thursday, 21 November 2024 at 150 Quill Way, Henderson, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting. **Important for Resolutions 1, 6 & 7:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 6 & 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Renewal of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Ms Alison Terry as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-Election of Mr Brendan Cocks as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Re-Election of Mr Peter Hood AO as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Re-Election of Mr Chris Sutherland as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of Options and Performance Rights to Mr Aaron Begley or his nominee(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Issue of Options and Performance Rights to Mr Brendan Cocks or his nominee(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MCE PRX2401D

