

19 June 2020

### **Matrix to become exclusive local distributor of corrosion protection coatings in Australasia**

Matrix Composites & Engineering Ltd (ASX:MCE, “Matrix” or the “Company”) is pleased to announce it has entered into a binding agreement with Acotec, a Belgian-based coatings technology company, to exclusively distribute its Humidur Coatings products in Australia, New Zealand and Papua New Guinea.

In conjunction with this agreement, Matrix has entered into a conditional agreement with Acotec’s existing local distributor, Humidur Australia Pty Ltd, to acquire its specialised application and preparation equipment and related operations, valued at \$2.4 million.

Humidur Coatings are a unique range of corrosion protection coatings that substantially increase service life for installed site infrastructure plant and materially reduce on site application processes and time. Their application extends to energy, resources, and defence projects.

Under the distribution agreement, Matrix will assume responsibility for Acotec’s existing ongoing storage and distribution arrangements with a major Australian LNG facility operator.

Matrix Chief Executive Officer Aaron Begley said the strategic investment aligned with the Company’s initiatives to focus on maintenance work at producing oil and gas plants, and on local resource and defence projects whilst growing Matrix’s support capabilities.

“This diversification opportunity aligns with the Company’s strategic initiative to broaden its advanced materials product array and support capability relevant to oil and gas production facilities, mineral resource processing plants, and defence related projects,” Mr Begley said.

The \$2.4 million purchase consideration is structured as a \$1.2 million initial cash payment, with the balance to be paid over a period of up to 30 months with payments calibrated against 50 per cent of the revenue Matrix receives over that period from the deployment of the acquired application and preparation equipment.

In addition, Matrix intends to acquire the Humidur Australia brand and existing stock-in-trade (worth approximately \$0.4 million), as well as employing a number of key Humidur Australia Pty Ltd employees that are specialists in coating resins and their application.

The Humidur contract is expected to settle in early July 2020, conditional on Matrix’s due diligence satisfaction and final Matrix board approval.

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*This announcement was authorised for release by the Managing Director and CEO of Matrix*

For further information please contact:

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## About Matrix Composites & Engineering

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

More information can be found at [www.matrixengineered.com](http://www.matrixengineered.com)