

8 December 2021

Matrix Receives Letter of Intent for ~A\$14m Riser Buoyancy Contract

Summary

- Matrix secures Letter of Intent from HMH USA for the supply of a Deepwater Drilling Riser Buoyancy System in Asia
- The award is expected to be formalised with a purchase order within 90 days at an agreed value of at least A\$14 million
- Matrix positioned to target further opportunities amid strong deepwater drilling rig market conditions.

Matrix Composites & Engineering Ltd (ASX:MCE, "Matrix" or the "Company") is pleased to announce it has been awarded a Letter of Intent (LOI) from HMH USA for the supply of a Deepwater Drilling Riser Buoyancy System to support a newbuild deepwater floating rig project.

The LOI encompasses the intention to formally award a purchase order to the Company within the next 90 days at the agreed price of at least A\$14 million.

As part of the LOI, Matrix will commence early-stage project activities to ensure the agreed project timing can be met. Matrix expects that revenue from the contract will predominantly be earned during the FY23 financial year.

All equipment will be built in Matrix's state of the art composites production facility in Henderson, Western Australia, and will include the Company's high-performance syntactic foam drilling riser buoyancy modules and riser protection system.

Matrix Chief Executive Officer Aaron Begley said the LOI highlighted the revival in the deepwater drilling market and the Company's optimal position to capitalise on growing demand.

"I am delighted that we have received an LOI for this significant contract, which emphasises the encouraging levels of activity in the subsea segment of the market," Mr Begley said.

"The well-supported capital raise we recently announced gives us the balance sheet strength required to successfully deliver this contract upon award and target further opportunities that are emerging in the market."

HMH USA is a subsidiary of HMH, an international provider of full-service offshore and onshore drilling equipment, with operations spanning five continents.

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

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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 20 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