

13 April 2023

Ms Sandra Wutete  
Principal Adviser, Listings Compliance  
Australian Securities Exchange  
Level 40, Central Park  
152 – 158 St Georges Terrace  
PERTH WA 6000

**By Email: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)**

Dear Sandra

**[Appendix 3Y – Change of Director's Interest Notice Query – ASX Code: MCE](#)**

We refer to the Change of Director's Interest Notice Query from ASX dated 6 April 2023 in relation to MCE's Appendix 3Y lodged on the ASX Market Announcements Platform on 4 April 2023 for Mr Aaron Begley.

We respond as follows to the specific questions asked:

**1. Please explain why the Appendix 3Y was lodged late.**

As announced on 1 March 2023, MCE recently completed a fully underwritten \$20.2 million equity raising via an institutional placement of new shares at an offer price of \$0.28 per share and a 1 for 2.95 pro rata accelerated non-renounceable entitlement offer (**ANREO**).

The intention of the MCE directors (including Mr Begley) was that they would all participate in the ANREO via the retail component of the entitlement offer. The issue date for shares issued under the retail component was 29 March 2023. However, Mr Begley's application for new shares under the ANREO was subsequently settled on his behalf by his broker. Accordingly, the application was included in the accelerated institutional component of the entitlement offer, which settled on 9 March 2023. The oversight was only discovered when the Appendix 3Ys were prepared for the other participating MCE directors.

**2. What arrangements does MCE have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?**

In accordance with Listing Rule 3.19B, MCE has the following process in place to ensure it is able to meet its disclosure obligations:

- (a) Upon their appointment, all directors are informed of ASX disclosure requirements in relation to their directors' interests.

- (b) All new directors are required to sign a letter of appointment which imposes an obligation on the director to notify MCE of their initial directors' interests on the date of their appointment and any subsequent changes.
- (c) MCE's *Trading of Company Securities Policy* requires directors to seek approval from the Chair prior to any dealing in MCE's securities and to advise the Company Secretary within 2 days of the relevant trade.

**3. If the current arrangements are inadequate or not being enforced, what additional steps does MCE intend to take to ensure compliance with Listing Rule 3.19B?**

Whilst MCE considers the current arrangements to be adequate for ensuring timely notifications, the failure to do so on this occasion is regrettable. MCE will remind directors of their disclosure obligations and review its procedures to ensure it does not occur in the future.

Yours sincerely



**PAUL HARDIE**

General Counsel & Joint Company Secretary



6 April 2023

Reference: 72137

Mr Paul Hardie  
Joint Company Secretary  
Matrix Composites & Engineering Limited

By email

Dear Mr Hardie

**Matrix Composites & Engineering Limited ('MCE'): Appendix 3Y – Change of Director's Interest Notice Query**

ASX refers to the following:

1. MCE's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 4 April 2023 for Mr Aaron Begley (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

*The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*

3. Listing rule 3.19B which states that:

*'An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.'*

The Notice indicates that a change in Mr Begley's notifiable interest occurred on 9 March 2023. It appears that the Notice should have been lodged with ASX by 16 March 2023. Consequently, MCE may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Begley may have breached section 205G of the *Corporations Act 2001* (Cth).

**Request for Information**

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Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does MCE have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does MCE intend to take to ensure compliance with Listing Rule 3.19B?

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Thursday, 13 April 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MCE's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MCE to request a trading halt immediately.

Your response should be sent to me by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in MCE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in *Guidance Note 16 Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MCE's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to MCE's obligations under Listing Rules 3.1 and 3.1A and also to *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that MCE's obligation

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to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

**Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

**Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Sandra Wutete**  
Principal Adviser, Listings Compliance

CC: Brendan Cocks, Joint Company Secretary, MCE.