

28 April 2021

SMX completes strongly subscribed placement cementing ESG Impact positioning

- The Placement follows strong Q1 activities and the recent investment from ESG investor and Israeli's largest institutional asset management house, PSAGOT in late 2020
- Security Matters successfully raises \$5.147 million in a private placement at \$0.35 per share
- The Placement was strongly supported by a range of sophisticated and strategic investors
- The Placement will be followed by the launch of entitlement offer on a 1 for 49 basis at \$0.35 per share to raise an additional \$1 million
- Proceeds from the Placement will be used to for further deployment of an industrial scale plastic circular economy solution in preparation for rapidly increasing demand, to accelerate work with SMX's trueGold consortium and to enter the wood, forestry and cement sectors

Security Matters Limited (ASX: SMX) (Security Matters or the Company), a company focused on digitising physical objects on the blockchain to enable a circular and closed loop economy, is delighted to announce it has successfully completed a A\$5.147 million private capital raise ("**Placement**") with strong demand received from sophisticated and strategic investors.

The Company raised \$5.147 million before costs, issuing 14,706,000 new fully paid ordinary shares at \$0.35 per share pursuant to the Company's Listing Rule 7.1 placement capacity and 7.1A additional placement capacity. The issue price represents a 2% discount to the volume weighted average price of Security Matters ordinary shares for the last 30 days prior to its trading halt on 26 April 2021.

The new shares will rank equally with existing ordinary share of the Company on issue.

Haggai Alon, Founder and CEO comments:

"With this (latest) raise, what we've done is position SMX as the leading ESG impact platform in the market. SMX values highly, the support from its current shareholders who have chosen to invest heavily at this stage of our growth cycle which is an important vote of confidence. SMX continues to make strong progress along its strategic roadmap for the SMX technology to be adopted and scaled up across different and new market segments globally."

Entitlement Offer

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 New Share for every 49 existing SMX shares held at 5:00pm (AEDT) on Tuesday, 4 May 2021 (**Record Date**).

The Entitlement Offer will be conducted at an offer price of \$0.35 per New Share which represents a 2% discount to SMX's volume weighted average price of ordinary shares for the last 30 days prior to its trading halt on 26 April 2021.

Further details regarding the Entitlement Offer will be available in the Offer Document.

The Entitlement Offer is non-renounceable and rights are not transferrable and will not be traded on the ASX or other exchange.

The Entitlement Offer is not underwritten.

SMX reserves the right to issue any shortfall and will allocate on a first come first serve basis to sophisticated and professional investors.

An indicative timetable is below.

Event	Date	Business Day
Announcement of Placement and Entitlement Offer (Offer). Lodgement of Appendix 3B.	Pre-market open, Wednesday, 28 April 2021	T-1
Lodgement of Offer Document and Cleansing Notice with ASX.	Post market open, Wednesday, 28 April 2021 (Thursday, 29 April 2021 treated as Day 0)	0
Notice to Optionholders to advise that they must exercise their options to participate in the Offer. This should also be lodged with ASX. Notice to Ineligible Foreign Shareholders. This should also be lodged with ASX.	Friday, 30 April 2021	1
"Ex" date for the Offer (being the date that Shares start trading without the Entitlements to participate in the Offer).	Monday, 3 May 2021	2
Record Date to determine Entitlements under the Offer.	5:00 pm (Melbourne time) on Tuesday, 4 May 2021	3
Issue of Shares under Placement. Lodge Appendix 2A and Cleansing Notice for the Placement.	Wednesday, 5 May 2021	4

Event	Date	Business Day
Dispatch of Offer Document and Entitlement and Acceptance Form to Eligible Shareholders. ASX announcement that this has occurred. Opening Date of Offer.	Wednesday, 5 May 2021	4
Last date to extend Closing Date	Tuesday, 11 May 2021	8
Closing Date for acceptances under the Offer	5:00 pm (Melbourne time) on Friday, 14 May 2021	11
If agreed by ASX, New Shares quoted on a deferred settlement basis	Market open, Monday, 17 May 2021	12
Announcement of results of the issue	Monday, 17 May 2021	12
Issue of the New Shares (ASX to be advised by 12.00pm that the issue has occurred) Deferred settlement trading ends Appendix 2A (applying for quotation of New Shares) to be lodged with ASX.	Before 12:00 pm (Melbourne time) Thursday, 21 May 2021	16
Issue of holding statements Trading of New Shares expected to commence	Thursday, 21 May 2021	16

--Ends--

By order of the Chief Executive Officer.

For further information, please contact:

Corporate Enquiries

Tim Chapman
PAC Partners
P: 04 1989 7062
E: tchapman@pacpartners.com.au

Media Enquiries


Melissa Hamilton
Media and Capital Partners
P: 04 1775 0274
E: Melissa.hamilton@mcpartners.com.au

About Security Matters Limited

Security Matters has commenced the commercialisation of its unique, patented technology that uses a hidden chemical-based 'barcode' to permanently and irrevocably 'mark' any object, be it solid, liquid or gas. The



barcode is read using the company's unique 'reader' to access the corresponding stored data, recorded and protected using blockchain technology.

Follow us through our social channel  @secmattersltd