



Announcement Summary

Entity name

SECURITY MATTERS LIMITED

Date of this announcement

Wednesday October 20, 2021

The +securities the subject of this notification are: +Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX**Total number of +securities to be issued/transferred**

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
New class - code to be confirmed	OPTIONS EXPIRING 14 AUGUST 2026 EX \$0.70	667,000	27/09/2021
New class - code to be confirmed	OPTIONS EXPIRING 27 SEPT 2026 EX \$0.351	100,000	27/09/2021
New class - code to be confirmed	OPTIONS EXPIRING 27 SEPT 2026 EX \$0.70	50,000	27/09/2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of entity

SECURITY MATTERS LIMITED

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

1.2 Registered number type

ACN

Registration number

626192998

1.3 ASX issuer code

SMX

1.4 The announcement is

New announcement

1.5 Date of this announcement

20/10/2021



Part 2 - Issue details

2.1 The +securities the subject of this notification are:

+Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:

does not have an existing ASX security code ("new class")



Part 3C - number and type of +securities the subject of this notification (new class) where issue has not previously been notified to ASX in an Appendix 3B

ASX +security code

New class - code to be confirmed

+Security description

OPTIONS EXPIRING 14 AUGUST 2026 EX \$0.70

+Security type

Options

ISIN code**Date the +securities the subject of this notification were issued**

27/9/2021

Will all the +securities issued in this class rank equally in all respects from their issue date? Yes**Were any of the +securities issued to +key management personnel (KMP) or an +associate?** Yes**Provide details of the KMP or +associates being issued +securities.**

Name of KMP	Name of registered holder	Number of +securities
Everardus Hofland	Everardus Hofland	167,000
Haggai Alon	Haggai Alon	500,000

Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1? No**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued.**<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>

Options Details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.70000000	14/8/2026

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

Other

Description

ASX;SMX One Fully Paid Ordinary Share per option exercised



Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>

Any other information the entity wishes to provide about the +securities the subject of this notification

Vesting commencement date is 15 August 2021. If Employee is engaged by the Company and the Company raises an aggregated amount of at least USD10 million in one raise (including by way of merger), 80% of the options will vest. If an amount of USD20 million or more is raised all options will become vested.

Issue details

Number of +securities

667,000

ASX +security code

New class - code to be confirmed

+Security description

OPTIONS EXPIRING 27 SEPT 2026 EX \$0.351

+Security type

Options

ISIN code

Date the +securities the subject of this notification were issued

27/9/2021

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Were any of the +securities issued to +key management personnel (KMP) or an +associate?

No

Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?

No

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued.

<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>



Options Details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.35100000	27/9/2026

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

Other

Description

ASX;SMX One Fully Paid Ordinary Share per option exercised

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>**Any other information the entity wishes to provide about the +securities the subject of this notification**

Vesting commencement date is 27 September 2021. Vesting conditions are:

(a) The employee is engaged by the Company and the Company raises an aggregate of at least USD20 million (including by way of merger), and;

(b) 25% of the options shall vest one year from the 1st of the month following the closing date of the said fundraising and thereafter 6.25% at the end of every three months.

Issue details

Number of +securities

100,000

ASX +security code

New class - code to be confirmed

+Security description

OPTIONS EXPIRING 27 SEPT 2026 EX \$0.70

+Security type

Options

ISIN code**Date the +securities the subject of this notification were issued**

27/9/2021

Will all the +securities issued in this class rank equally in all respects from their issue date? Yes



Were any of the +securities issued to +key management personnel (KMP) or an +associate?

No

Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?

No

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued.

<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>

Options Details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.70000000	27/9/2026

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

Other

Description

ASX;SMX One Fully Paid Ordinary Share per option exercised

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

<https://www.asx.com.au/asxpdf/20181011/pdf/43z57c4zrkls12.pdf>

Any other information the entity wishes to provide about the +securities the subject of this notification

Vesting commencement date is 27 September 2021. 50% of the Options vest after one year from vesting commencement date closing date and thereafter 25% at the end of every six months.

Issue details

Number of +securities

50,000





Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this application, the +securities of the entity will comprise:

(A discrepancy in these figures compared to your own may be due to a matter of timing if there is more than one application for quotation/issuance currently with ASX for processing.)

4.1 Quoted +Securities (Total number of each +class of +securities quoted)

ASX +security code and description	Total number of +securities on issue
SMX : ORDINARY FULLY PAID	156,459,014

4.2 Unquoted +Securities (Total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
SMXAY : OPTION EXPIRING 02-OCT-2022 EX \$0.50	300,000
SMXAZ : OPTION EXPIRING 28-JAN-2025 EX \$0.39	150,000
SMXAAA : OPTION EXPIRING 31-DEC-2024 EX \$0.357	50,000
SMXAAB : OPTION EXPIRING 28-JAN-2024 EX \$0.31	600,000
SMXAAC : OPTION EXPIRING 07-DEC-2023 EX \$0.60	1,000,000
SMXAAD : OPTION EXPIRING 30-NOV-2023 EX \$0.60	500,000
SMXAAK : OPTION EXPIRING 01-JUN-2025 EX \$0.20	2,500,000
SMXAAN : OPTION EXPIRING 21-MAR-2026 EX \$0.355	500,000
SMXAK : OPTION EXPIRING 24-OCT-2025 EX \$0.36	100,000
SMXAAO : OPTION EXPIRING 06-AUG-2026 EX \$0.351	1,000,000
SMXAAL : OPTION EXPIRING 31-DEC-2025 EX \$0.36	105,000
SMXAA : OPTION EXPIRING 09-JUL-2024 EX \$0.60	1,000,000
SMXAAJ : OPTION EXPIRING 11-JAN-2024 EX \$0.60	500,000



SMXAAI : OPTION EXPIRING 04-JAN-2024 EX \$0.70	1,000,000
SMXAAF : OPTION EXPIRING 24-NOV-2025 EX \$0.345	100,000
SMXAAG : OPTION EXPIRING 04-JAN-2024 EX \$0.60	500,000
SMXAAH : OPTION EXPIRING 04-JAN-2025 EX \$0.50	100,000
SMXAAE : OPTION EXPIRING 24-DEC-2023 EX \$0.70	1,341,815
SMXAL : OPTION EXPIRING 15-OCT-2021 EX \$0.30	3,915,293
SMXAM : OPTION EXPIRING 28-JAN-2022 EX \$0.31	250,000
SMXAN : OPTION EXPIRING 27-JUN-2022 EX \$0.40	500,000
SMXAO : OPTION EXPIRING 02-OCT-2022 EX \$0.31	675,000
SMXAP : OPTION EXPIRING 12-MAR-2023 EX \$0.60	4,926,466
SMXAQ : OPTION EXPIRING 25-MAR-2023 EX \$0.60	1,391,255
SMXAR : OPTION EXPIRING 01-JUN-2023 EX \$0.60	3,250,000
SMXAS : OPTION EXPIRING 01-SEP-2023 EX \$0.20	4,832,479
SMXAT : OPTION EXPIRING 15-OCT-2023 EX \$0.20	15,712,844
SMXAU : OPTION EXPIRING 23-NOV-2023 EX \$0.60	3,089,591
SMXAE : OPTION EXPIRING 26-Mar-2025 EX 34C	700,000
SMXAF : OPTION EXPIRING 26-MAR-2025 EX 60C	200,000
New class - code to be confirmed : OPTIONS EXPIRING 14 AUGUST 2026 EX \$0.70	667,000
New class - code to be confirmed : OPTIONS EXPIRING 27 SEPT 2026 EX \$0.351	100,000
New class - code to be confirmed : OPTIONS EXPIRING 27 SEPT 2026 EX \$0.70	50,000



Part 5 - Other Listing Rule requirements

5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1?

Yes

5.1a Select the number of the applicable exception in Listing Rule 7.2

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