

Notice of Extraordinary General Meeting



Security Matters Limited ACN 626 192 988

Notice is given that an Extraordinary General Meeting of Security Matters Limited ACN 626 192 988 (**SMX** or the **Company**) will be held at:

Venue	Online at https://web.lumiagm.com/352659667
Date	Monday, 6 December 2021
Time	4.00pm (AEDT)

SMX has been monitoring the impact of the COVID-19 pandemic. Having regard to social distancing requirements and in the interests of the health and safety of our shareholders, directors and staff, SMX has decided that the EGM will be held as a virtual event. This approach is in line with temporary modifications to the law and current regulatory guidance.

The Meeting will be held virtually via a live videoconference with strictly no Shareholders in physical attendance.

The Board encourages shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided. In the meantime, the Board encourages shareholders to submit their proxies as early as possible, even if they intend to attend the Virtual Meeting, as the situation may change (e.g. there may be restrictions on how the meeting itself may be held or conducted).

Online Voting Procedures during the EGM:

Shareholders who wish to participate in the EGM online may do so by entering the following URL into an internet browser on your computer, laptop, smartphone, tablet or other smart device:

<https://web.lumiagm.com/352659667>

You can log in to the meeting by entering:

1. Your username, which is your Voting Access Code (VAC) which can be located on the first page of your proxy form or Notice of Meeting email.
2. Your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the online voting user guide for their password details.
3. If you have been nominated as a third party proxy, please contact Boardroom on 1300 737 760.

Attending the meeting online enables shareholders to view the EGM live, ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

In order to provide for an efficient virtual meeting, we request that any questions from Shareholders are provided to the Company Secretary at least 24 hours in advance of the Meeting. We also strongly recommend that all Shareholders lodge their votes via the Company's share register platform or by appointing a proxy prior to 4.00pm (AEDT) on Saturday 4 December 2021.

Please submit any questions in advance of the Meeting by:

The Company Secretary, lodged at the Company's share registry, Boardroom Pty Limited (by hand or by post), or faxed to the fax number specified below:

Company Secretary: Mark Licciardo
markl@mertons.com.au

Address (hand deliveries): Boardroom Pty Limited
Level 12, 225 George Street, Sydney NSW 2000

Address (postal deliveries): Boardroom Pty Limited
GPO Box 3993, Sydney NSW 2001

Fax number for lodgement: +61 2 9290 9655

Business

Resolution 1 – Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4

To consider and, if in favour, pass the following resolution as an ordinary resolution:

"That in accordance with ASX Listing Rule 7.4, Shareholders ratify and approve for the purposes of ASX Listing Rule 7.1, the issue of 14,890,086 Fully Paid Ordinary Shares in the capital of the Company details of which are set out in the Explanatory Memorandum attached."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 1, by a person(s) who participated in the issue or an associate of that person(s) or is a counterparty to the agreement being approved, unless the vote is cast:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 1.

Resolution 2 – Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4

To consider and, if in favour, pass the following resolution as an ordinary resolution:

"That in accordance with ASX Listing Rule 7.4, Shareholders ratify and approve for the purposes of ASX Listing Rule 7.1, the issue of 6,345,252 Fully Paid Ordinary Shares in the capital of the Company details of which are set out in the Explanatory Memorandum attached."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 2, by a person(s) who participated in the issue or an associate of that person(s) or is a counterparty to the agreement being approved, unless the vote is cast:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and

- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 2.

Resolution 3 – Issue of 4,702,664 Unlisted Options pursuant to ASX Listing Rule 7.1 to placement participants

To consider and, if in favour, pass the following resolution as an ordinary resolution:

“That, in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 4,702,664 Options, details of which are set out in the Explanatory Memorandum attached.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by being a holder of ordinary shares in the Company) and their associates unless the vote is cast.

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 3.

Resolution 4 – Issue of 2,642,000 Unlisted Options pursuant to ASX Listing Rule 7.1 to brokers

To consider and, if in favour, pass the following resolution as an ordinary resolution:

“That, in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,642,000 Options, details of which are set out in the Explanatory Memorandum attached.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by being a holder of ordinary shares in the Company) and their associates, unless the vote is cast.

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 4.

Resolution 5 – Approval of issue of Shares to Amir Bader or his nominee in accordance with Listing Rule 10.11

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval be given, pursuant to ASX Listing Rule 10.11, for the issue of 89,723 Fully Paid Ordinary Shares to Amir Bader or his nominee, details of which are set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by:

- Amir Bader (Director); and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the entity need not disregard a vote if:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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The Chairman intends to vote all available undirected proxies in favour of Resolution 5.

Resolution 6 – Approval of issue of Shares to Kathryn Davies or her nominee in accordance with Listing Rule 10.11

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval be given, pursuant to ASX Listing Rule 10.11, for the issue of 13,750 Fully Paid Ordinary Shares to Kathryn Davies or her nominee, details of which are set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by:

- Kathryn Davies (Director); and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the entity need not disregard a vote if:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 6.

Resolution 7 – Approval of issue of Options to Mr Haggai Alon or his nominee in accordance with Listing Rule 10.14

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval be given, pursuant to ASX Listing Rule 10.14 and section 200B of the Corporations Act for the making of various retirement benefits under a contract of employment and the issue of 500,000 Options to Haggai Alon or his nominee, under the 2018 Share Option Plan, details of which are set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by:

- Haggai Alon (Director); and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the entity need not disregard a vote if:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 7.

Resolution 8 – Approval of issue of Options to Mr Ed Hofland or his nominee in accordance with Listing Rule 10.14

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval be given, pursuant to ASX Listing Rule 10.14 and section 200B of the Corporations Act for the making of various retirement benefits under a contract of employment and the issue of 167,000 Options to Ed Hofland or his nominee, under the 2018 Share Option Plan, details of which are set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by:

- Ed Hofland (Director); and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the entity need not disregard a vote if:

- a) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution; or
- b) by the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given on the proxy; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chairman intends to vote all available undirected proxies in favour of Resolution 8.

Other information

An Explanatory Memorandum accompanies and forms part of this notice of Extraordinary General Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Voting by proxy

Any Shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder. The proxy does not need to be a Shareholder of the Company and can be either an individual or a body corporate. A Shareholder can appoint a proxy by completing and returning a signed proxy form.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- (a) appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act 2001* (Cth) (the **Corporations Act**); and
- (b) provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you do not direct your proxy how to vote on a particular item of business, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.

If your proxy does not attend the Meeting, the Chairman will become your proxy by default. The Chairman intends to vote in favour of all resolutions on the agenda.

If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, and you do not provide any voting directions on your proxy form, by completing and returning the proxy form you will be expressly authorising the Chairman of the Meeting to cast your vote as he sees fit. If you intend to appoint a member of the KMP (other than the Chairman) or any of their closely related parties as your proxy on Resolution 1, please ensure that you direct them how to vote on Resolution 1.

Proxies must be:

- (c) lodged at the Company's share registry, Boardroom Pty Limited (by hand or by post); or
- (d) faxed to the fax number specified below,

no later than 4:00pm (AEST) on 4 December 2021.

Address (hand deliveries): Boardroom Pty Limited
Level 12, 225 George Street, Sydney NSW 2000

Address (postal deliveries): Boardroom Pty Limited
GPO Box 3993, Sydney NSW 2001

Fax number for lodgement: +61 2 9290 9655

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

Online Voting

Please visit <https://www.votingonline.com.au/smxegm2021> to submit your voting intentions prior to 4:00pm 4 December 2021.

Entitlement to vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purposes of the meeting shares will be taken to be held by the persons who held them as registered Shareholders at 4.00 pm (AEST) on 4 December 2021. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In respect of all available undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

Questions and Comments by Shareholders at the Meeting

In order to allow for an efficient virtual meeting, we ask that any questions are provided to the Company Secretary by no later than 24 hours prior to the Meeting (details below).

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting.

Please submit any questions in advance of the Meeting by:

The Company Secretary, lodged at the Company's share registry, Boardroom Pty Limited (by hand or by post), or faxed to the fax number specified below:

Company Secretary:	Mark Licciardo markl@mertons.com.au
Address (hand deliveries):	Boardroom Pty Limited Level 12, 225 George Street, Sydney NSW 2000
Address (postal deliveries):	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001
Fax number for lodgement:	+61 2 9290 9655

BY ORDER OF THE BOARD



Mark Licciardo
Company Secretary

29 October 2021

Explanatory Memorandum



Security Matters Limited ACN 626 192 998

Introduction

This Explanatory Memorandum is provided to the Shareholders of Security Matters Limited ACN 626 192 998 (**Company**) to explain the resolutions to be put to the Shareholders at the Extraordinary General Meeting of the Company to be held at virtually on Monday 6 December 2021 at 4pm.

The Directors recommend Shareholders read the accompanying notice and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Resolution 1: Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution **1**. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution **1**.

On 28 April 2021, the Company announced the Placement under which Shares (**Placement Shares**) were issued at a price of \$0.35 per Share, raising \$5.147m before costs. The following Placement Shares were issued to certain investors:

- 11,940,286 shares issued as part of the Placement and announced to the ASX on 17 May 2021
- 1,842,857 shares issued as part of the Placement and announced to the ASX on 4 June 2021
- 1,106,943 shares issued as part of the Placement and announced to the ASX on 11 June 2021

The Placement Shares rank equally with existing ordinary shares on issue.

ASX Listing Rule 7.1 imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach Listing Rule 7.1. The issues of the shares described below did not breach any Listing Rules and Shareholder ratification to those issues is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Shareholders ratify the issue of ordinary shares as detailed below. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

As advised in the Company's ASX announcement on 28 April 2021, the proceeds raised will be used for further development 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.

Information required by Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following information:

The number of securities issued	14,890,086 Ordinary Shares comprised of the following three tranches <ul style="list-style-type: none">• 11,940,286 shares issued on 17 May 2021;• 1,842,857 shares issued on 4 June 2021;and• 1,106,943 shares issued on 11 June 2021.
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The price at which the securities were issued	• \$0.35
The terms of the securities	Shares - fully paid ordinary shares on the same basis as all listed shares on issue
The names of the persons to whom the entity issued the securities or the basis on which those persons were determined	Various sophisticated and professional investors.
The use (or intended use) of the funds raised	Development 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.
A voting exclusion statement	A voting exclusion statement is included under Resolution 1 in this Notice of Meeting

Resolution 2 – Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 2.

On 12 October 2021, the Company announced the Placement under which Shares (**Placement Shares**) were issued at a price of \$0.30 per Share and Options exercisable at \$0.40 raising \$3.1million before costs, 6,345,252 shares were issued on 12 October 2021.

The Placement Shares rank equally with existing ordinary shares on issue.

Information regarding the Placement was lodged with the ASX on 12 October 2021.

ASX Listing Rule 7.1 imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach Listing Rule 7.1. The issues of the shares described below did not breach any Listing Rules and Shareholder ratification to those issues is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Shareholders ratify the issue of ordinary shares as detailed below. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

As advised in the Company's ASX announcement on 16 November 2020, the proceeds raised will be used to accelerate the speed of adoption and commercialization of its technology across SMX's strategic market segments.

Information required by Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following information:

The number of securities issued	6,345,252 Ordinary Shares
The price at which the securities were issued	\$0.30 per Share
The terms of the securities	Shares - fully paid ordinary shares on the same basis as all listed shares on issue

The names of the persons to whom the entity issued the securities or the basis on which those persons were determined	Various sophisticated and professional investors who were introduced by a Euroz Hartleys Limited adviser.
The use (or intended use) of the funds raised	Proceeds from the Placement will be used for a range of ESG business development initiatives and projects and for general working capital requirements as the company continues to commercialize its technology offering
A voting exclusion statement	A voting exclusion statement is included under Resolution 2 in this Notice of Meeting

Resolution 3: Issue of 4,702,664 Unlisted Options pursuant to ASX Listing Rule 7.1 to placement participants

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in FAVOUR of Resolution 3. The Chairman of the meeting intends to vote all available undirected proxies in FAVOUR of Resolution 3.

On 12 October 2021, the Company announced a placement raising \$3.1 million before costs through the issue of Placement Shares at \$0.30 per Placement Share. Each two Placement Shares were proposed to be accompanied by one unlisted option (**Attaching Options**) which were to be issued to certain strategic investors who subscribed for Placement Shares and are identified in the table below subject to shareholder approval. The Attaching Options are exercisable at \$0.40 and have an expiry date of 31 March 2022.

Information regarding the Placement was lodged with the ASX on 12 October 2021.

Listing Rule 7.1 provides, subject to certain exceptions, that shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

If Shareholders approve Resolution 3, the Company will be able to issue the Attaching Options the subject of this Resolution 2 to the investors.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

The number of securities to be issued	4,702,664 Unlisted Options (Attaching Options)
The price at which the securities will be issued	\$Nil, issued as the Attaching Options are attaching securities to fully paid ordinary shares subscribed for in a Placement
The terms of the securities	As set out in Schedule 1 and Schedule 2
The names of the persons to whom the entity will issue the securities or the basis on which those persons were determined	Clients of Euroz Hartleys
Date of issue	The Company intends to issue the Placement Options as soon as practicable following Shareholder approval, and the Placement

	Options will be issued no later than 3 months after the date of the Meeting
The use (or intended use) of the funds raised	Proceeds from the Placement will be used for a range of ESG business development initiatives and projects and for general working capital requirements as the company continues to commercialize its technology offering
Summary of agreement	<p>The Attaching Options are proposed to be issued pursuant to the terms of the Security Matters Limited – Offer Agreement (New Shares) (Offer Agreement) between the Company and the recipients.</p> <p>A summary of the key terms of the Offer Agreement is set out below:</p> <ul style="list-style-type: none"> • The investors agree to subscribe for, and complete, its subscription within three business days of signing the Offer Agreement. • The Company agrees to issue the New Shares within seven business days of receipt of the relevant subscription sum. • Subject to completion of the issue of the New Shares, the Company agrees to issue the Attaching Options (issued on a 2:1 basis) upon, and subject to, obtaining shareholder approval for the issue of the Attaching Options. The Company accepts no liability for loss suffered by any person should the Company fail to obtain approval from its shareholders and as a result is unable to issue the Attaching Options. The Company will seek to have the Attaching Options quoted on ASX. • Upon exercise of each Attaching Option, investors will receive one new ordinary share in SMX and one option exercisable at \$0.70, expiring on 20 January 2023. The Company will seek to have this attaching option quoted on ASX. • The Company has agreed to use best endeavours to seek approval for the issue of the Attaching Options including by calling and holding a meeting seeking approval for the issue of the Attaching Options. • Otherwise, the Offer Agreements contain terms which are typical for similar agreements including representations and warranties from the investor, indemnities and obligations in respect of confidentiality.
A voting exclusion statement	A voting exclusion statement is included under Resolution 3 in the Notice of Meeting

Resolution 4 – Issue of 2,642,000 Unlisted Options pursuant to ASX Listing Rule 7.1 to brokers

Board recommendation and undirected proxies. The Board recommends that Shareholders vote in FAVOUR of Resolution 4. The Chairman of the meeting intends to vote all available undirected proxies in FAVOUR of Resolution 4.

On 12 October 2021, the Company announced a placement raising \$3.1million before costs through the issue of Placement Shares at \$0.30 per Placement Share. The Company also issued 2,642,000 options to brokers to Euroz Hartleys Limited (**Euroz Hartleys**) in relation to the placement. Of which:

- 1,321,000 have an exercise price of \$0.35 and will expire 24 months from issue date and (**Broker Options**);
- 1,321,000 have an exercise price of \$0.40 and will expire on 21 March 2022 on the same terms as the Attaching Options (**Broker Attaching Options**).

Information regarding the Placement was lodged with the ASX on 12 October 2021.

Listing Rule 7.1 provides, subject to certain exceptions, that shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

If Shareholders approve Resolution 3, the Company will be able to issue the Attaching Options the subject of this Resolution 2 to the investors.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

The number of securities to be issued	2,642,000 Unlisted Options <i>1,321,000 have an exercise price of \$0.35 and will expire 24 months from issue date</i> <i>1,321,000 have an exercise price of \$0.40 and will expire on 21 March 2022</i>
The price at which the securities will be issued	\$Nil.
The terms of the securities	Broker Options as per Schedule 3. Broker Attaching Options as per Schedule 1 and 2.
The names of the persons to whom the entity will issue the securities or the basis on which those persons were determined	Euroz Hartleys
Date of issue	The Company intends to issue the Placement Options as soon as practicable following Shareholder approval, and the Broker Options and the Broker Attaching Options will be issued no later than 3 months after the date of the Meeting

The use (or intended use) of the funds raised	Proceeds from the Placement will be used for a range of ESG business development initiatives and projects and for general working capital requirements as the company continues to commercialize its technology offering
Summary of agreement	<p>The Broker Options and Broker Attaching Options are proposed to be issued pursuant to the terms of the Security Matters Limited – Capital Raising Engagement (Engagement Agreement) between the Company and Euroz Hartleys.</p> <p>A summary of the key terms of the Engagement Agreement is set out below:</p> <ul style="list-style-type: none"> • SMX intends to undertake a placement by the issue of new fully paid ordinary shares in SMX (New Shares) at an issue price of \$0.30 (Placement). • Euroz Hartleys is prepared to facilitate the Placement on a best endeavours basis. • SMX will upon settlement of the Placement pay Euroz Harleys a fee of 6% of the funds raised by Euroz Hartleys from the Placement and a 2% fee on any additional proceeds in the Placement from other AFSL holders or investors that are not clients of Euroz Hartleys. • Euroz Hartleys anticipates allocating the Broker Attaching Options on a pro-rata basis to other AFSL holders who received firm allocations in the Placement of at least \$1.0 million. • Otherwise the Engagement Agreement contains contain terms which are typical for similar agreements including representations and warranties from the Company and the broker, indemnities and obligations in respect of confidentiality.
A voting exclusion statement	A voting exclusion statement is included under Resolution 4 in the Notice of Meeting

Resolution 5 – Approval of issue of Shares to Amir Bader or his nominee in accordance with Listing Rule 10.11

Board recommendation and undirected proxies. The Board (with Mr Bader abstaining) recommends that Shareholders vote in **FAVOUR** of Resolution **5**. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution **5**.

Mr Amir Bader is to be issued shares as part of his non-executive director remuneration.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party. The Directors have declared that no shareholder resolution is required in respect of Chapter 2E as the issue of Shares to Mr Bader constitutes reasonable remuneration.

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of Securities to a related party of the Company. Mr Bader is a related party of the Company. Accordingly, approval for the issue of securities to related parties of the Company is required pursuant to Listing Rule 10.11. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the approval of the issue of Shares to Mr Bader:

Number and class of securities to be issued to related parties

Director	Mr Amir Bader
Dollar amount	\$27,500 in foregone salary
Price	\$0.3065
Shares	89,723
Date of issue	The Shares will be issued no later than one month after the date of the Meeting
Purpose of issue	Remuneration as a Non-executive director

Board recommendation

Each Director, other than Mr Bader who abstains, believes that Resolution 5 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 5.

Further information

The Directors are not aware of any other information which is relevant to the consideration by members of the proposed resolutions set out in this Notice of Meeting.

Resolution 6 – Approval of issue of Shares to Ms Kathryn Davies or her nominee in accordance with Listing Rule 10.11

Board recommendation and undirected proxies. The Board (with Ms Davies abstaining) recommends that Shareholders vote in **FAVOUR** of Resolution **6**. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution **6**.

Ms Kathryn Davies is to be issued shares as part of her non-executive director remuneration.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party. The Directors have declared that no shareholder resolution is required in respect of Chapter 2E as the issue of Shares to Ms Davies constitutes reasonable remuneration.

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of Securities to a related party of the Company. Ms Davies is a related party of the Company. Accordingly, approval for the issue of securities to related parties of the Company is required pursuant to Listing Rule 10.11. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the approval of the issue of Shares to Ms Davies:

Number and class of securities to be issued to related parties

Director	Ms Kathryn Davies
Dollar amount	\$13,750 in foregone salary
Price	\$0.3065
Shares	44,861
Date of issue	The Shares will be issued no later than one month after the date of the Meeting
Purpose of issue	Remuneration as a Non-executive director

Board recommendation

Each Director, other than Ms Davies who abstains, believes that Resolution 5 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 6.

Resolutions 7 and 8 – Approval of issue of Options to Mr Haggai Alon and Mr Ed Hofland or their nominee in accordance with Listing Rule 10.14

Board recommendation and undirected proxies. The Board (with Mr Alon and Mr Hofland abstaining) recommends that Shareholders vote in **FAVOUR** of Resolutions **7** and **8**. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolutions **7** and **8**.

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party. The Directors have declared that no shareholder resolution is required in respect of Chapter 2E as the issue of Options and the entire remuneration package announced to ASX on 27 August 2021 to Mr Hofland and Mr Alon constitutes reasonable remuneration.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of securities (which includes an option or right to subscribe for a security) under an employee incentive scheme to a director of the company.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of equity securities to a related party of the company. ASX Listing Rule 10.12 exception 8, provides an exception to ASX Listing Rule 10.11 where an issue of equity securities is made under an employee incentive scheme with the approval of shareholders under ASX Listing Rule 10.14. As approval is being sought under ASX Listing Rule 10.14, approval under ASX Listing Rule 10.11 and ASX Listing Rule 7.1 is not required.

Mr Alon and Mr Hofland are directors of the Company for the purposes of ASX Listing Rule 10.14.1. Being directors of the Company, they are also a related party of the Company for the purposes of Chapter 2E of the Corporations Act.

As detailed in the section titled 'Material terms of Options' below, in certain circumstances, the vesting of unvested Options may be accelerated, in particular where a recipient 'leaves' their position and is a 'good leaver'.

Section 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with the special provisions of s 200E of the Corporations Act, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is, or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The terms of the Options will allow, subject to the Listing Rules, an acceleration of vesting of share entitlements on a retirement, which could constitute a benefit otherwise prohibited under Section 200B). In order to give the Company the ability to comply with the proposed terms of the Options, to the extent that an acceleration of vesting could be regarded as providing a person a benefit in connection with that person's retirement from an office or position of employment (**Employment Retirement Benefit**), Shareholder approval for the purposes of sections 200B and 200E of the Corporations Act is being sought.

Insofar as Resolutions 7 and 8 could relate to the provision of an Employment Retirement Benefit, in accordance with section 200E(2A) of the Corporations Act, a vote on Resolutions 7 and 8 must not be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company (or any related body corporate), or an associate of that person. However, a person is entitled to cast a vote if:

- (i) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and
- (ii) it is not cast on behalf of the retiree or an associate of that person.

As announced to ASX on 27 August 2021, it is proposed that the Company issues, in aggregate the following Options to Mr Alon and Mr Hofland under the Company's 2018 ESOP.

These Options are intended to form part of the director's remuneration package.

Each Option, once satisfied, will entitle the holder to one Share in the capital of the Company. Vesting will occur, subject to the relevant Director remaining in his current role with the Company at each relevant vesting periods; and the target share price hurdle requirement being achieved at each relevant time of vesting during the vesting period, as detailed below.

Shareholder approval is sought for the purposes of both ASX Listing Rule 10.14 and sections 200B and 200E of the Corporations Act with respect to the issue of the Options to the Directors pursuant to the employee incentive scheme and relevant terms of issue.

The issue of the Options is conditional on the passing of Resolutions 7 and 8.

Technical information required by section 200E of the Corporations Act and ASX Listing Rule 10.15

Name of person	Relationship of person	Remuneration package	Number and class of securities to be issued
Mr Ed Hofland (or nominee)	Mr Hofland is an Executive Director and Chairman of the Company	As detailed in Schedule 4 of this Notice of Meeting, including: <ul style="list-style-type: none"> • ILS 14,000 gross per month, which is subject to increase based on certain triggers. • A retention bonus paid in cash equal to twice the Base Remuneration or ILS 28,000. A termination payout equal to ILS 264,000.	167,000 Options under the Company's 2018 Employee Share Option Plan

Mr Haggai Alon (or nominee)	Mr Alon is an Executive Director and CEO of the Company	As detailed in Schedule 5 of this Notice of Meeting, including: <ul style="list-style-type: none"> • ILS 40,000 gross per month, which is subject to increase based on certain triggers. • A retention bonus paid in cash equal to twice the Base Remuneration or ILS 80,000. • A capital bonus based on certain triggers. • Short incentive payment of up to one Base Remuneration annually upon meeting agreed KPIs. • Car expense payments of ILS 3,000 per month, which is subject to increase based on certain triggers. A termination payout equal to ILS 780,000.	500,000 Options under the Company's 2018 Employee Share Option Plan
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For a section 200B benefit to be allowed, section 200E requires that this Notice provide Shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are likely to, affect the calculation of the value.

In the circumstances of a possible Employment Retirement Benefit, the value of the benefits that may be given cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is to be awarded (if at all).

Specifically, the value of an Employment Retirement Benefits will depend on a number of factors, including the Company's share price at the time and the number of unvested Options.

Material terms of Options

Name of person	Number of Options	Strike price	Vesting	Expiry
Mr Hofland (or nominee)	167,000	\$0.70	If a Trigger Event occurs then 80% of the Options will be vested. If a Double Trigger Event occurs then 100% (or the remaining 20% will be vested) as the case may be.	5 years
Mr Alon (or nominee)	500,000	\$0.70	If a Trigger Event occurs then 80% of the Options will be vested. If a Double Trigger Event occurs then 100% (or the remaining 20% will be vested) as the case may be.	5 years

The following information applies with respect to all Options to be issued:

Why Options are being used	Options are a cash free way to remunerate directors and further align their interest with that of the Company.
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	The Company does not consider that there are any significant opportunity costs foregone by the Company in issuing the Options.
Value of Options	<p>The estimated accounting value of all of the Options to be issued is approximately \$0 currently due to the hurdle price being significantly higher than the current share price. This reflects the total remuneration package for each Director as set out in the table above under the heading 'Technical information required by ASX Listing Rule 10.15'. The assumptions used in the black & Scholes calculation to value the Options were as follows:</p> <ul style="list-style-type: none"> • Expiry Period 5 years • Risk-free interest rate* 0.88% • Current Share Price** \$0.30 • Hurdle Strike Price \$0.70 • Volatility 80% <p>* 5-year Government Bond Rate (rba.gov.au) ** As at 25 Oct 2021 (www.commsec.com)</p>
Accelerated Vesting	Vesting of the Options will be accelerated in certain circumstances, including where the recipient is a good leaver or where a change of control event occurs with respect to the Company.
Dates on which the entity will issue the Options	The Company intends to issue the Options by no later than 1 month following Shareholder approval and no later than 3 years after the date of the meeting. It is difficult to determine when the Shares resulting from the Options are likely to be issued, however, if the Trigger and Double Trigger Events occur, the vesting of the relevant Options will occur.
Price at which Options are to be issued	The Options will be issued for a \$Nil issue price.

Details of any securities issued under the scheme will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

Material Terms of the Employment Agreements between the Company and Mr Ed Hofland and between the Company and Mr Haggai Alon

The material terms of the Employment Agreement between the Company and Mr Ed Hofland are contained in Schedule 4 of this Notice of Meeting.

The material terms of the Employment Agreement between the Company Mr Haggai Alon are contained in Schedule 5 of this Notice of Meeting.

Further information

The Directors are not aware of any other information which is relevant to the consideration by members of the proposed resolutions set out in this Notice of Meeting.

Schedule 1 - Terms of Attaching Options and Broker Attaching Options

1. Entitlement

- (a) Each Option entitles the holder (**Optionholder**) to subscribe for one Share at the exercise price specified in clause 3, during the option period specified in clause 4 of these Option Terms.
- (b) Options will be granted to the Optionholder free of charge and may only be granted in the Optionholder or the Optionholder's nominee's name.
- (c) The Options are not transferrable.

2. Issue price

No amount is payable on issue of the Options.

3. Exercise price

The exercise price of an Option is \$0.40.

4. Option period and vesting

- (a) The Options may be exercised in part or in whole at any time.
- (b) The Options automatically on 31 March 2022.

5. Participation rights, bonus issues, rights issues and reorganisations

5.1 Participation

The Optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless he has exercised his Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

5.2 Notice of new issue

The Company must give the Optionholder, in accordance with the ASX Listing Rules, notice of:

- (a) the proposed terms of the issue or offer proposed under clause 5.1 of these Option Terms; and
- (b) where the option can be exercised by the Optionholder, the right to exercise his option under clause 5.1 of these Option Terms.

5.3 Bonus issues

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the option is exercisable is increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the option before the record date for determining entitlements to the issue.

5.4 Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, the exercise price of each option is reduced in accordance with the ASX Listing Rules.

5.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Optionholder (including the number of options to which the Optionholder is entitled to and the exercise price) is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

5.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 5 of this Schedule will be made by the Board of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Optionholder.

5.7 Notice of change

The Company must within a reasonable period give to the Optionholder notice of any change under clause 5 of these Option Terms to the exercise price of any options held by the Optionholder or the number of shares which the Optionholder is entitled to subscribe for on exercise of an option.

6. Method of exercise of options

6.1 Method and payment

To exercise options, the Optionholder must give the Company or its share registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of options being exercised and shares to be issued; and
- (b) payment of the exercise price for the Shares the subject of the exercise notice by way of bank cheque or by other means of payment approved by the Company.

6.2 Exercise of Options

- (a) The Optionholder may exercise the Options in part or in whole.
- (b) Options will be deemed to have been exercised on the date the application is lodged with the directors of the Company.

6.3 Issue of Shares

Within 10 business days after receiving an application for exercise of options and payment by the Optionholder of the exercise price, the Company must issue the Optionholder the number of Shares specified in the application.

7. Ranking of Shares issued on exercise of options

Subject to the Company's constitution, all Shares issued on the exercise of Options rank in all respects (including rights relating to dividends) *pari passu* with the existing Shares at the date of issue.

8. Quotation

- (a) The Company not will apply to ASX Limited for official quotation of the Options.
- (b) The Company will apply to ASX Limited for official quotation of the Shares issued on exercise of Options.

9. Deferral of Exercise if resulting in a prohibited acquisition of Shares

- (a) If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (**Prohibition**), the exercise of those Options shall be deferred until such time or times when the exercise would not result in a contravention of the Prohibition. In assessing whether the exercise of a Option would result in any person being in contravention of the Prohibition:

- (b) Optionholders may give written notice to the Company if they consider that the exercise of a Option may result in contravention of the Prohibition. The absence of such written notice from the Holder will entitle the Company to assume that the exercise of an Option will not result in any person being in contravention of the Prohibition.
- (c) the Company may (but is not obliged to) by written notice to an Optionholders request that an Optionholders provides the written notice referred to in paragraph (b) within 7 days if the Company considers that the exercise of a Option may result in the contravention of the Prohibition. The absence of such written notice from the Optionholders will entitle the Company to assume that the exercise of an Optionholders will not result in any person being in contravention of the Prohibition.

10. Control events

Options issued to an Option Holder may be immediately exercised and Shares issued to the Holder at the total discretion of the Board of the Company on the occurrence of any of the following events:

- (a) a Takeover Bid is made to acquire all or some of the ordinary shares in the capital of the Company and the directors of the Company recommend to shareholders that the Takeover Bid be accepted;
- (b) a court approves a Scheme of Arrangement which would result in a person having a Relevant Interest in more than 50% of the ordinary shares in the capital of the Company; or
- (c) the Company announces to the ASX an intention to sell all or substantially all of its business undertakings or assets.

11. Definitions:

Dollar means an Australian dollar.

Relevant Interest has the meaning given to it in the Corporations Act.

Scheme of Arrangement has the meaning given to it in the Corporations Act.

Takeover Bid has the meaning given to it in the Corporations Act.

Schedule 2 - Bonus Option Terms

1. Entitlement

- (a) The Company will issue options which entitles the Optionholder to subscribe for one Share for each option at the exercise price specified in clause 3, during the option period specified in clause 4 of these Option Terms (**Options**).
- (b) Options will be granted to the Optionholder free of charge and may only be granted in the Optionholder or the Optionholder's nominee's name.
- (c) The Options are not transferrable.

2. Issue price

No amount is payable on issue of the Options.

3. Exercise price

The exercise price of an Option is \$0.70.

4. Option period and vesting

- (a) The Options will be issued and vest only after exercise of 100% of the Attaching Options.
- (b) Subject to clause 4(a), the Options may be exercised in part or in whole at any time.
- (c) The Options automatically expire on 20 January 2023.

5. Participation rights, bonus issues, rights issues and reorganisations

5.1 Participation

The Optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless he has exercised his Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

5.2 Notice of new issue

The Company must give the Optionholder, in accordance with the ASX Listing Rules, notice of:

- (a) the proposed terms of the issue or offer proposed under clause 5.1 of these Option Terms; and
- (b) where the option can be exercised by the Optionholder, the right to exercise his option under clause 5.1 of these Option Terms.

5.3 Bonus issues

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the option is exercisable is increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the option before the record date for determining entitlements to the issue.

5.4 Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, the exercise price of each option is reduced in accordance with the ASX Listing Rules.

5.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Optionholder (including the number of options to which the Optionholder is entitled to and the exercise price) is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

5.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 5 of this Schedule will be made by the Board of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Optionholder.

5.7 Notice of change

The Company must within a reasonable period give to the Optionholder notice of any change under clause 5 of these Option Terms 1 to the exercise price of any options held by the Optionholder or the number of shares which the Optionholder is entitled to subscribe for on exercise of an option.

6. Method of exercise of options

6.1 Method and payment

To exercise options, the Optionholder must give the Company or its share registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of options being exercised and shares to be issued; and
- (b) payment of the exercise price for the Shares the subject of the exercise notice by way of bank cheque or by other means of payment approved by the Company.

6.2 Exercise of Options

- (a) The Optionholder may exercise the Options in part or in whole.
- (b) Options will be deemed to have been exercised on the date the application is lodged with the directors of the Company.

6.3 Issue of Shares

Within 10 business days after receiving an application for exercise of options and payment by the Optionholder of the exercise price, the Company must issue the Optionholder the number of Shares specified in the application.

7. Ranking of Shares issued on exercise of options

Subject to the Company's constitution, all Shares issued on the exercise of Options rank in all respects (including rights relating to dividends) *pari passu* with the existing Shares at the date of issue.

8. Quotation

- (a) The Company will not apply to ASX Limited for official quotation of the Options.
- (b) The Company will apply to ASX Limited for official quotation of the Shares issued on exercise of Options.

9. Deferral of Exercise if resulting in a prohibited acquisition of Shares

- (a) If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (Prohibition), the exercise of those Options shall be deferred until such time or times when the exercise would not result in a contravention of the Prohibition. In assessing whether the exercise of a Option would result in any person being in contravention of the Prohibition:

- (b) Optionholders may give written notice to the Company if they consider that the exercise of a Option may result in contravention of the Prohibition. The absence of such written notice from the Holder will entitle the Company to assume that the exercise of a Option will not result in any person being in contravention of the Prohibition.
- (c) the Company may (but is not obliged to) by written notice to an Optionholders request that an Optionholders provides the written notice referred to in paragraph (b) within 7 days if the Company considers that the exercise of a Option may result in the contravention of the Prohibition. The absence of such written notice from the Optionholders will entitle the Company to assume that the exercise of an Optionholders will not result in any person being in contravention of the Prohibition.

10. Control events

Options issued to an Option Holder may be immediately exercised and Shares issued to the Holder at the total discretion of the Board of the Company on the occurrence of any of the following events:

- (a) a Takeover Bid is made to acquire all or some of the ordinary shares in the capital of the Company and the directors of the Company recommend to shareholders that the Takeover Bid be accepted;
- (b) a court approves a Scheme of Arrangement which would result in a person having a Relevant Interest in more than 50% of the ordinary shares in the capital of the Company; or
- (c) the Company announces to the ASX an intention to sell all or substantially all of its business undertakings or assets.

11. Dealing restrictions

11.1 Options

Any Dealing in respect of an Option is prohibited, unless the Board determines otherwise or the Dealing is required by law.

11.2 Shares

Subject to the overriding restriction below, the Optionholder will be free to Deal in the Shares which are delivered on vesting and exercise of your Options.

12. Definitions:

Dollar means an Australian dollar.

Relevant Interest has the meaning given to it in the Corporations Act.

Scheme of Arrangement has the meaning given to it in the Corporations Act.

Takeover Bid has the meaning given to it in the Corporations Act.

Schedule 3 - Broker Options

1. Entitlement

- (a) The Company will issue options which entitles the Optionholder to subscribe for one Share for each option at the exercise price specified in clause 3, during the option period specified in clause 4 of these Option Terms (**Options**).
- (b) Options will be granted to the Optionholder free of charge and may only be granted in the Optionholder or the Optionholder's nominee's name.
- (c) The Options are not transferrable.

2. Issue price

No amount is payable on issue of the Options.

3. Exercise price

The exercise price of an Option is \$0.35.

4. Option period and vesting

- (a) The Options may be exercised in part or in whole at any time.
- (b) The Options automatically expire 24 months from the date of issue.

5. Participation rights, bonus issues, rights issues and reorganisations

5.1 Participation

The Optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless he has exercised his Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding shares.

5.2 Notice of new issue

The Company must give the Optionholder, in accordance with the ASX Listing Rules, notice of:

- (a) the proposed terms of the issue or offer proposed under clause 5.1 of these Option Terms; and
- (b) where the option can be exercised by the Optionholder, the right to exercise his option under clause 5.1 of these Option Terms.

5.3 Bonus issues

If the Company makes a bonus issue of shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the option is exercisable is increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the option before the record date for determining entitlements to the issue.

5.4 Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the option before the record date for determining entitlements to the issue, the exercise price of each option is reduced in accordance with the ASX Listing Rules.

5.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Optionholder (including the number of options to which the Optionholder is entitled to and the exercise price) is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

5.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 5 of this Schedule will be made by the Board of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Optionholder.

5.7 Notice of change

The Company must within a reasonable period give to the Optionholder notice of any change under clause 5 of these Option Terms 1 to the exercise price of any options held by the Optionholder or the number of shares which the Optionholder is entitled to subscribe for on exercise of an option.

6. Method of exercise of options

6.1 Method and payment

To exercise options, the Optionholder must give the Company or its share registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of options being exercised and shares to be issued; and
- (b) payment of the exercise price for the Shares the subject of the exercise notice by way of bank cheque or by other means of payment approved by the Company.

6.2 Exercise of Options

- (a) The Optionholder may exercise the Options in part or in whole.
- (b) Options will be deemed to have been exercised on the date the application is lodged with the directors of the Company.

6.3 Issue of Shares

Within 10 business days after receiving an application for exercise of options and payment by the Optionholder of the exercise price, the Company must issue the Optionholder the number of Shares specified in the application.

7. Ranking of Shares issued on exercise of options

Subject to the Company's constitution, all Shares issued on the exercise of Options rank in all respects (including rights relating to dividends) *pari passu* with the existing Shares at the date of issue.

8. Quotation

- (a) The Company will not apply to ASX Limited for official quotation of the Options.
- (b) The Company will apply to ASX Limited for official quotation of the Shares issued on exercise of Options.

9. Deferral of Exercise if resulting in a prohibited acquisition of Shares

- (a) If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (Prohibition), the exercise of those Options shall be deferred until such time or times when the exercise would not result in a contravention of the Prohibition. In assessing whether the exercise of a Option would result in any person being in contravention of the Prohibition:

- (b) Optionholders may give written notice to the Company if they consider that the exercise of a Option may result in contravention of the Prohibition. The absence of such written notice from the Holder will entitle the Company to assume that the exercise of a Option will not result in any person being in contravention of the Prohibition.
- (c) the Company may (but is not obliged to) by written notice to an Optionholders request that an Optionholders provides the written notice referred to in paragraph (b) within 7 days if the Company considers that the exercise of a Option may result in the contravention of the Prohibition. The absence of such written notice from the Optionholders will entitle the Company to assume that the exercise of an Optionholders will not result in any person being in contravention of the Prohibition.

10. Control events

Options issued to an Option Holder may be immediately exercised and Shares issued to the Holder at the total discretion of the Board of the Company on the occurrence of any of the following events:

- (a) a Takeover Bid is made to acquire all or some of the ordinary shares in the capital of the Company and the directors of the Company recommend to shareholders that the Takeover Bid be accepted;
- (b) a court approves a Scheme of Arrangement which would result in a person having a Relevant Interest in more than 50% of the ordinary shares in the capital of the Company; or
- (c) the Company announces to the ASX an intention to sell all or substantially all of its business undertakings or assets.

11. Dealing restrictions

11.1 Options

Any Dealing in respect of an Option is prohibited, unless the Board determines otherwise or the Dealing is required by law.

11.2 Shares

Subject to the overriding restriction below, the Optionholder will be free to Deal in the Shares which are delivered on vesting and exercise of your Options.

12. Definitions:

Dollar means an Australian dollar.

Relevant Interest has the meaning given to it in the Corporations Act.

Scheme of Arrangement has the meaning given to it in the Corporations Act.

Takeover Bid has the meaning given to it in the Corporations Act.

Schedule 4 – Material terms of Mr Ed Hoflands Employment Agreement

#	Terms	Details
1.	Contracting entity:	Security Matters Ltd (Israel). Note: the duties of the executive apply to the entire Security Matters group including the Company.
2.	Effective Date:	New contract on foot from 1 June 2021
3.	Duties:	Executive Chair of the Security Matters group.
4.	Term:	Until termination by the Company or resignation of the Executive in accordance with the terms of the agreement.
5.	Base Remuneration:	<ul style="list-style-type: none"> • ILS 14,000 gross per month (Base Remuneration). • As at 29 October 2021, this equates to approximately \$A5,860 per month or \$A70,380 per annum. • The Base Remuneration is re-rated as follows: <ul style="list-style-type: none"> ○ if a Trigger Event occurs, then the Base Remuneration will be increased to ILS 17,000 gross per month; and ○ if a Double Trigger Event occurs, then the Base Remuneration will be increased to ILS 22,000 gross per month.
6.	Retention Bonus:	<ul style="list-style-type: none"> • A retention bonus paid in cash equal to twice the Base Remuneration or ILS 28,000. • Payable if the executive is employed on 1 January of a relevant year.
7.	Trigger Events	<ul style="list-style-type: none"> • if the Company raises an aggregate of US\$10 million in a single capital raising, this is referred to as "Trigger Event"; and • if the Company raises an aggregate of US\$20 million in a single capital raising, this is referred to as "Double Trigger Event".
8.	Long Term Incentive Program:	<ul style="list-style-type: none"> • A grant of 167,000 options under the Company's 2017 ESOP with a strike price of \$A0.70 • Vesting to be as follows: <ul style="list-style-type: none"> ○ if a Trigger Event Occurs (but not a Double Trigger Event), then 400,000 options will be immediately vested; ○ If a Double Trigger Event occurs, then all (or the remainder (as the case may be) of the options are vested.
9.	Retirement bonus	<ul style="list-style-type: none"> • The executive is entitled to a termination payout equal to ILS 264,000. • This is subject to the Corporations Act provisions regarding termination payments.
10.	Restraint:	<ul style="list-style-type: none"> • Restraints from competing with, interfering with customer relationships and staff for a period of 12 months post termination.

11.	Notice Period:	<ul style="list-style-type: none"> • Notice by the executive or the Company to be 90 days. • Company may require the executive to remain on gardening leave for a period of 12 months post termination on full pay and benefits.
12.	Governing law	<p>Laws of the State of Israel.</p> <p>All payments and terms relevant to Security Matters Limited's status as an Australian public company limited by shares, quoted on ASX will be subject to the provisions of the <i>Corporations Act 2001 (Cth)</i> and the ASX Listing Rules including requirements for shareholder approval (where required).</p>
13.	Other	<p>Other material terms include standard terms for agreements of this nature including, inside information, adherence to Board policies and charters, confidentiality, moral rights and intellectual property rights.</p>

Schedule 5 – Material terms of Mr Haggai Alon’s Employment Agreement

#	Terms	Details
14.	Contracting entity:	Security Matters Ltd (Israel). Note: the duties of the executive apply to the entire Security Matters group including the Company.
15.	Effective Date:	New contract on foot from 1 June 2021
16.	Duties:	CEO of the Security Matters group.
17.	Term:	Until termination by the Company or resignation of the Executive in accordance with the terms of the agreement.
18.	Base Remuneration:	<ul style="list-style-type: none"> • ILS 40,000 gross per month (Base Remuneration). • As at 29 October 2021, this equates to approximately \$A16,750 per month or \$A201,100 per annum. • The Base Remuneration is re-rated as follows: <ul style="list-style-type: none"> ○ if a Trigger Event occurs, then the Base Remuneration will be increased to ILS 50,000 gross per month; and ○ if a Double Trigger Event occurs, then the Base Remuneration will be increased to ILS 65,000 gross per month. • if the Company raises an aggregate of US\$20 million in a single capital raising, then all (or the remainder (as the case may be) of the options are vested. • Under Israeli law there is also an entitlement to a payment for ongoing education equal to 7.5% of the Base Remuneration.
19.	Retention Bonus:	<ul style="list-style-type: none"> • A retention bonus paid in cash equal to twice the Base Remuneration or ILS 80,000. • Payable if the executive is employed on 1 January of a relevant year.
20.	Capital Bonus	<ul style="list-style-type: none"> • A capital bonus is payable in recognition of the executive's role in assisting to raise capital as follows: <ul style="list-style-type: none"> ○ if a Trigger Event occurs, then a one-time payment of 1.5% of the capital raised; and ○ if a Double Trigger Event occurs, then a one-time payment of 1.0% of the capital raised. • "Capital" includes circumstances where the Company merges with another entity that has cash reserves. • The two payments are cumulative and not exclusive. Therefore if the Double Trigger Event occurs, and is also a Trigger Event because US \$20m or more is raised in one raising, then only payment of 1.0% is payable.
21.	Trigger Events	<ul style="list-style-type: none"> • if the Company raises an aggregate of US\$10 million in a single capital raising, this is referred to as "Trigger Event"; and • if the Company raises an aggregate of US\$20 million in a single capital raising, this is referred to as "Double Trigger Event".

22.	Short Term Incentive Program:	<ul style="list-style-type: none"> • Subject to meeting KPIs, to be agreed initially with the Chairman and then approved by the Board, the executive is entitled to an STI of up to one Base Remuneration annually (STI Payment) (ie ILS 40,000). • The STI is re-rated if a Double a Trigger Event occurs, then the STI Payment will be increased to two times the Base Remuneration.
23.	Long Term Incentive Program:	<ul style="list-style-type: none"> • A grant of 500,000 options under the Company's 2017 ESOP with a strike price of \$A0.70 • Vesting to be as follows: <ul style="list-style-type: none"> ○ if a Trigger Event Occurs (but not a Double Trigger Event), then 400,000 options will be immediately vested; ○ If a Double Trigger Event occurs, then all (or the remainder (as the case may be) of the options are vested.
24.	Car expenses:	<ul style="list-style-type: none"> • ILS 3,000 per month. • Trigger Event - increase to ILS 4,000 per month. • Double Trigger Event - increase to ILS 5,000 per month.
25.	Retirement bonus	<ul style="list-style-type: none"> • The executive is entitled to a termination payout equal to ILS 780,000. • This is subject to the Corporations Act provisions regarding termination payments.
26.	Restraint:	<ul style="list-style-type: none"> • Restraints from competing with, interfering with customer relationships and staff for a period of 2 years post termination.
27.	Notice Period:	<ul style="list-style-type: none"> • Notice by the executive or the Company to be 180 days. • Company may require the executive to remain on gardening leave for a period of 9 months post termination on full pay and benefits.
28.	Governing law	<p>Laws of the State of Israel.</p> <p>All payments and terms relevant to Security Matters Limited's status as an Australian public company limited by shares, quoted on ASX will be subject to the provisions of the <i>Corporations Act 2001 (Cth)</i> and the ASX Listing Rules including requirements for shareholder approval (where required).</p>
29.	Other	<p>Other material terms include standard terms for agreements of this nature including, inside information, adherence to Board policies and charters, confidentiality, moral rights and intellectual property rights.</p>

Glossary

In this Explanatory Memorandum, and the Notice of Meeting:

Board means the Board of Directors of the Company.

Company means Security Matters Limited.

Constitution means the Constitution of the Company.

Director means a Director of the Company.

Explanatory Memorandum means this Explanatory Memorandum which forms part of the Notice of Meeting.

ASX Listing Rules means the listing rules of the ASX Limited.

Meeting means the General Meeting of the Company the subject of this Notice of Meeting scheduled to occur on Monday 6 December 2021.

Option means an option, but not the obligation to acquire a Share.

Shareholder means a holder of a Share.

Share means a fully paid ordinary share in the capital of the Company.

Enquiries

Please direct any enquiries in relation to the Meeting, the resolutions or this Explanatory Memorandum to Mr Mark Licciardo, Company Secretary at:

Postal Address:

Mertons Corporate Services Pty Ltd

Level 7, 330 Collins Street, Melbourne VIC 3000

Telephone: + 61 03 8689 9997

Facsimile: + 61 9602 4709

Email: markl@mertons.com.au

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 4:00pm (AEDT) on Saturday 4 December 2021**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/smxegm2021>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **4:00pm (AEDT) on Sunday 28 November 2021**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/smxegm2021>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Security Matters Limited

ACN 626 192 998

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Security Matters Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held **virtually on Monday, 6 December 2021 at 4:00pm (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 5 - 8, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 5 - 8 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of Ordinary Shares pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of 4,702,664 Unlisted Options pursuant to ASX Listing Rule 7.1 to placement participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of 2,642,000 Unlisted Options pursuant to ASX Listing Rule 7.1 to brokers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of Shares to Amir Bader or his nominee in accordance with Listing Rule 10.11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of issue of Shares to Kathryn Davies or her nominee in accordance with Listing Rule 10.11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of issue of Options to Mr Haggai Alon or his nominee in accordance with Listing Rule 10.14	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of issue of Options to Mr Ed Hofland or his nominee in accordance with Listing Rule 10.14	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2021