

10 January 2022

## SMX targets the superfood industry after successfully developing the first product ensuring provenance of organic oysters

- The SMX food, beverage and alcohol department which deals with seeds, animal feed, and wines and spirits has expanded its operations into superfoods by securing the origination and brand efficacy of organic oysters.
- A food grade marker has been successfully applied to a live oyster and is able to be read through plastic liner packaging. This marking system is not affected by refrigerated environments, logistics and transport conditions and procedures that are typical to the industry and sustained through the shelf life of the oysters.
- SMX's digital blockchain platform, can provide information on the oyster shell which can detect and read its origin precisely in real time at any point along the value chain, without destroying the product.
- SMX's traceability and authentication technology has the potential to increase the marketability of the oysters, by being able to verify the product as original and authentic in real time at any point along the value chain.
- Commercial negotiations with oyster suppliers have already begun and full marking activities are planned for the end of Q1 2022.

**Security Matters Limited (ASX: SMX)** (Security Matters or the Company), a company focused on digitising physical objects on the blockchain to enable a circular and closed loop economy, is delighted to announce that extensive laboratory tests on marking oyster shells with a food grade marker while the oyster is cleaned and processed, has now been successfully completed.

SMX food, beverage and alcohol department has begun 2022 by announcing the successful extensive laboratory testings on marking natural, organic oysters. This new addition to the food department continues to build on the successful marking and implementation into animal feed and wine. The global oyster market had an estimated value of US\$7.5 billion in 2018<sup>1</sup> and is the first of several large superfood markets that SMX is targeting with its marker technology to ensure brand provenance and efficacy, which is necessary for product authenticity and marketability. SMX will continue with its strategy to focus on low volume/high value products where product origination, authentication and efficacy are essential for end consumers.

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<sup>1</sup> <https://www.seafish.org/responsible-sourcing/aquaculture-farming-seafood/species-farmed-in-aquaculture/aquaculture-profiles/oysters/sources-quantities-and-cultivation-methods/>

Commercial negotiations with interested oyster suppliers have already begun and full marking activities are planned for the end of Q1 2022 by these early adopters. As announced in the half year 2021 report, in 2022 the SMX food department will expand its operations further by including the ability to mark, track and trace cocoa, palm oil, soy and other kinds of seeds. Further SMX is exploring opportunities within the EU to work alongside and assist organisations such as Appellation d'origine contrôlée (controlled designation of origin) in their ability to identify and market certain controlled designation goods.

SMX's oyster development provides companies with the ability to ensure brand provenance, protection of quality, traceability, and authenticity of the premium oysters for clients and their consumers. Providing special security features, the use of SMX's marker will enable the invisible labelling of oyster shells with information on its exact geographical origin.

The SMX marker can be incorporated into the oyster cleaning and packaging process. The marking system is not affected by refrigerated environments typical to the industry and survived the shelf life of the oysters.

SMX's digital blockchain platform, can provide information on the oyster shell which can detect and read its origin precisely in real time at any point along the value chain, without destroying the product. As part of the industrialization of this technology, the tangible SMX marker will be linked to its digital twin on the blockchain, which is known to be particularly forgery-proof.

Prior to SMX's solution, globally oysters have been targeted and stolen from farms and re-sold due to the limited ability to mark and identify where an oyster originated, compared to other farmed goods. This has resulted in significant losses for oyster farms. Through SMX's technology, clients can easily and quickly mark and identify every oyster in their farm.

Clients and consumers are placing increasing importance on the provenance and ESG sustainability assurances in the form of being able to tangibly authenticate the source of the oysters and sustainability practices which have been employed.

### **Haggai Alon, Founder and CEO commented:**

*"SMX is excited to have successfully developed a food grade marker system for oysters. This is the first of several large superfood markets where our technology can be applied to provide all value chain players with the ability to meet the consumers and stakeholders' expectations on the origination of their products and sustainability, whilst also increasing the marketability of products which has the potential to increase sales."*

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By order of the Chief Executive Officer.

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**About Security Matters Limited**

Security Matters has commenced the commercialisation of its unique, patented technology that uses a hidden chemical-based 'barcode' to permanently and irrevocably 'mark' any object, be it solid, liquid or gas. The barcode is read using the company's unique 'reader' to access the corresponding stored data, recorded and protected using blockchain technology.

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