

**1 February 2023**

## **LIONHEART III CORP STOCKHOLDER MEETING APPROVES BUSINESS COMBINATION WITH SMX**

Further to previous updates to the market, SMX is in a position to report on the results of the Lionheart meeting to approve the Business Combination.

### **Results of Lionheart Meeting**

SMX has been informed that the result of Lionheart's meeting of 30 January was to approve the business combination. The vote was 10,679,317 in favour and 2,910,912 against.

### **Redemption Rates**

At present, Lionheart stockholders have elected to redeem 12,442,441 of 12,500,000 of Lionheart's shares of Class A Common Stock. As a result, redemption deductions from the Lionheart Trust will be approximately USD\$126,913,898, subject to final adjustments. The current trust balance is approximately USD\$129,000,000.

SMX and Lionheart continue to pursue other potential funding sources for the combined company, including potential PIPE financing, but no assurance can be made that any such financing will be achieved.

### **Further Report from Independent Expert**

SMX intends to submit a further report from the independent expert, when available, to the court and to ASIC to obtain approval for its distribution to shareholders as soon as possible.

**--Ends--**

This announcement has been approved by release to ASX by the Chief Executive Officer.

For further information, please contact:

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### **About Lionheart III Corp**

Lionheart III Corp is a blank check company formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses. For more information, visit: [<https://lheartcapital.com/our-companies/lionheart-iii/>.]

## About Security Matters Limited

Security Matters Ltd (ASX:SMX) has commenced commercializing its innovative patented platform technology service and holds close to 100 patents, in various stages of approval, to permanently and irrevocably “mark” any object either solid, liquid or gas, to give materials memory.

SMX is the leader of Industry 5.0 evolution enabling companies to transform from a linear to circular economy.

## Forward-Looking Statements

This communication includes forward-looking statements that involve risks and uncertainties. Forward-looking statements are statements that are not historical facts. Such forward-looking statements, including the identification of a target business and potential business combination or other such transaction, are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section entitled “Risk Factors” in the annual report on Form 10-K filed by Lionheart on April 14, 2022. Important factors, among others, that may affect actual results or outcomes include: (i) changes in domestic and foreign business, market, financial, political and legal conditions; (ii) the inability of SMX and Lionheart to successfully or timely consummate the proposed business combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the proposed business combination or that the approval of the equity holders of SMX is not obtained; (iii) failure to realize the anticipated benefits of the proposed business combination; (iv) SMX’s limited operating history; (v) SMX’s ability to grow and manage its growth effectively; (vi) SMX’s ability to execute its business plan; (vii) SMX’s estimates of the size of the markets for its products; (viii) the rate and degree of market acceptance of SMX’s products; (ix) SMX’s ability to identify and integrate acquisitions; (x) SMX’s future investments in its technology and operations; (xi) potential litigation involving Lionheart or SMX or the validity or enforceability of SMX’s intellectual property; (xii) risks relating to the uncertainty of the projected financial information with respect to SMX; (xiii) the effects of competition on SMX’s business; (xiv) developments and changes in laws and regulations; (xv) the impact of significant investigative, regulatory or legal proceedings; (xvi) general economic and market conditions impacting demand for SMX’s products and services; (xvii) the amount of redemption requests made by Lionheart’s public stockholders; (xviii) the amount of cash available following redemptions by Lionheart stockholders; (xix) the ability to meet Nasdaq’s listing standards following the consummation of the proposed transaction; (xx) the ability of Lionheart or the combined company to issue equity or equity-linked securities in connection with the proposed business combination or in the future; and such other risks and uncertainties as are discussed in the Lionheart’s annual report on Form 10-K filed with the SEC on April 14, 2022. Other factors include the possibility that the proposed business combination does not close. Lionheart expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Lionheart’s expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.