



Arbitration Award Received

Structural Monitoring Systems Plc ("SMS" or "the Company") (ASX: SMN) advises that an arbitration award was received yesterday in relation to a dispute between the Company and Tulip Bay Pty Ltd.

As per the Company's 2021 Annual Report, SMS disclosed that a claim for royalties amounting to \$561,865 including interest was a contingent liability.

The arbitrator has now ruled in favour of Tulip Bay and effectively held that due to obligations under the contracts associated with the sale of the CVM technology to SMS, SMS is required to pay Tulip Bay royalties for the years claimed. The orders made are as follows:

1. By the date of this award SMS must pay to Tulip Bay the sum of \$481,190.34.
2. By the date of this award SMS must pay to Tulip Bay further amounts for interest at the simple interest rate of 3% per annum
 - a. on the sum of \$94,256.51 from 7 November 2016 until the date of this award;
 - b. on the sum of \$95,010.51 from 7 November 2017 until the date of this award;
 - c. on the sum of \$96,150.63 from 7 November 2018 until the date of this award;
 - d. on the sum of \$97,881.41 from 7 November 2019 until the date of this award;
 - e. on the sum of \$97,891.28 from 7 November 2020 until the date of this award; and
 - f. on so much of the sum awarded (including interest) that remains unpaid, from the date of this award until the date of final payment.

This announcement is authorised by the Board.

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