



UPDATE – FEDERAL COURT ORDER GRANTED AND ISSUE OF CLEANSING NOTICE

Structural Monitoring Systems Plc (“SMS” or “the Company”) (ASX: SMN) provides an update to the Company's announcement on 4 February 2022 regarding its application to the Federal Court of Australia (**Court**) in relation to potential prior trading of certain CDIs while those CDIs remained subject to secondary trading restrictions under the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company lodged its application for relief under section 1322 of the Corporations Act with the Court on 18 February 2022.

The Company is pleased to advise that on 24 February 2022 the Court granted the relief sought by the Company and a copy of the orders that were granted accompanies this announcement (**Orders**). The Company will forward a copy of the Orders to each recipient of the relevant CDIs on the relevant dates, as soon as practicable.

In accordance with the Orders, the Company also gives a notice pursuant to section 708A(5)(e) of the Corporations Act, which accompanies this announcement.

This announcement is authorised by the Board.

For further details please contact:

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ISSUE OF CLEANSING NOTICE UNDER S708A(5)(e) OF THE CORPORATIONS ACT

Structural Monitoring Systems Plc ("SMS" or "the Company") (ASX: SMN) provides notice that the following CDIs were issued on the respective dates, pursuant to the Company's employee incentive plan (**New CDIs**):

Date of Issue	Total Number of New CDIs Issued
26 February 2021	264,840
20 April 2021	170,588
11 June 2021	489,202
1 July 2021	324,931

The Company gives notice that:

- a) the New CDIs were issued without disclosure under Part 6D.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**);
- b) this notice is being given under section 708A(5)(e) of the *Corporations Act*;
- c) as at the date of this notice, the Company has complied with:
 - i. the provisions of Chapter 2M of the *Corporations Act* as they apply to the Company; and
 - ii. sections 674 and 674A of the *Corporations Act*; and
- d) as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the *Corporations Act*.

ASX ANNOUNCEMENT

ASX: SMN

25 February 2022

**STRUCTURAL
MONITORING
SYSTEMS**
plc



This announcement is authorised by the Board.

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Federal Court of Australia

District Registry: Victoria

Division: General

No: VID84/2022

STRUCTURAL MONITORING SYSTEMS PLC

Plaintiff

ORDER

JUDGE: JUSTICE ANASTASSIOU

DATE OF ORDER: 24 February 2022

WHERE MADE: Melbourne

THE COURT NOTES THAT:

- A. Defined terms referred to in these orders have the meaning given in Schedule 1.

THE COURT ORDERS THAT:

1. Pursuant to s 1322(4)(d) of the *Corporations Act 2001* (Cth) (**Act**), in respect of the Category 1 CDIs, the period of five business days referred to in s 708A(6)(a) of the Act be extended to the second business day after the day on which these orders are entered.
2. Pursuant to s 1322(4)(a) of the Act, it is declared that a Cleansing Notice in respect of any of the Category 1 CDIs that is given to the ASX within the period provided for in order 1 above is deemed to take effect as if it had been given to the ASX on the date that the relevant Category 1 CDIs were issued.
3. Pursuant to s 1322(4)(a) of the Act, it is declared that any offer for sale, or sale of any of the Category 1 CDIs, the Category 2 CDIs or the Category 3 CDIs during the period after their issue to the date of this order is not invalid by reason of:
 - a. any failure of a Cleansing Notice or Cleansing Prospectus to exempt the sellers from the obligations of disclosure under the Act; and / or
 - b. the sellers' consequent failure to comply with ss 707(3) or 727(1) of the Act.
4. Pursuant to s 1322(4)(c) of the Act, any person to whom any of the Category 1 CDIs, Category 2 CDIs or Category 3 CDIs were issued, or have been sold, and who have in turn on-sold any of those CDIs up until the date of this order, is relieved in whole from any civil liability in respect of:



- a. any failure of a Cleansing Notice or a Cleansing Prospectus to exempt the sellers from the obligations of disclosure under the Act; and / or
 - b. the sellers' consequent failure to comply with ss 707(3) or 727(1) of the Act.
5. The Plaintiff, as soon as reasonably practicable, is to serve a sealed copy of these orders on:
 - a. ASIC;
 - b. the ASX; and
 - c. each person to whom the Category 1 CDIs, Category 2 CDIs or Category 3 CDIs were issued.
6. For a period of 28 days from the date of publication of a copy of these orders on the ASX website, any person who claims to have suffered substantial injustice or is likely to suffer substantial injustice by the making of any or all of these orders has liberty to apply to vary or to discharge them within that period.

Date that entry is stamped: 24 February 2022

Sia Lagos
Registrar



SCHEDULE 1 - DEFINITIONS

In these orders:

- (a) **ASIC** means the Australian Securities and Investments Commission.
- (b) **ASX** means the Australian Securities Exchange Limited (**ASX**).
- (c) **Category 1 CDIs** means the CHESS Depositary Interests (**CDIs**) issued by SMS to Eligible Recipients under or pursuant to the SMS EIP between 26 February 2021 and 1 July 2021.
- (d) **Category 2 CDIs** means the CDIs issued to Eligible Recipients under or pursuant to the SMS EIP on 3 November 2021 or 8 November 2021.
- (e) **Category 3 CDIs** means the CDIs issued to Eligible Recipients under or pursuant to the SMS EIP between 20 December 2019 and 12 February 2021, and the CDIs issued on 12 February 2021 to Mr William Rouse (as 450,000 CDIs) and Mr Terrence Walsh (as to 78,125 CDIs).
- (f) **Cleansing Notice** means a notice under s 708A(5)(e) of the Act that is given to the ASX.
- (g) **Cleansing Prospectus** means a prospectus under s 708A(11) of the Act that is lodged with ASIC.
- (h) **SMS EIP** means the Employee Incentive Plan of SMS that came into effect in or around December 2018.