



Notice of Requisition for EGM

Structural Monitoring Systems Plc ("SMS" or "the Company") (ASX: SMN) announces that following the closure of trading on Friday 8 July 2022, the Company received a request from Drake Private Investments LLC (**Drake Private**), for the Company to call a meeting of shareholders pursuant to section 168 of the Companies Act 2006 (UK) (**Requisition**).

The Requisition requests the convening of a general meeting of the Company to consider, and if thought fit, pass the following resolutions as ordinary resolutions:

- RESOLUTION 1 – "That Sam Wright be removed as Director of the Company with immediate effect upon the passing of this resolution";
- RESOLUTION 2 – "That Andrew Roberto be elected as a Director of the Company with immediate effect upon the passing of this resolution";
- RESOLUTION 3 – "That Bryant McLarty be removed as Director of the Company with immediate effect upon the passing of this resolution";
- RESOLUTION 4 – "That Heinrich Loechteken be elected as a Director of the Company with immediate effect upon the passing of this resolution"; and
- RESOLUTION 5 – "That any person appointed as a director of the Company on and from the date of this Requisition being the 8th of July 2022 until the end of the General Meeting (other than any person elected as a director of the Company following their nomination by the shareholders of the Company issuing this Requisition) be removed as a director of the Company with immediate effect on the passing of this resolution".

This announcement was delayed because at the time of receipt of the Requisition, the Company had no record that Drake Private held CDIs in the Company, or the amount of CDIs they held. This evidence was provided by Drake Private on Friday 22 July 2022. The Company now believes Drake Private holds greater than 5% of the voting rights of the shares on issue.

The Company notes that based on the notice of initial substantial holder published on 27 April 2018 (**First Notice**), Drake Special Situations LLC (**Drake Special**) became a substantial holder of the Company on 24 April 2018. However, on 19 July 2022, a notice of change of interests of substantial holder (**Second Notice**) was published on the ASX, by Drake Private, Drake Special and Anthony Faillace, relating to a change of interest that occurred 3 years ago – on 14 August 2019. The Company is seeking clarification for the discrepancy between the First Notice and Second Notice.

ASX ANNOUNCEMENT

ASX: SMN

25 July 2022

**STRUCTURAL
MONITORING
SYSTEMS**
plc



On 19 July 2022 the Company requested that Drake Private provide the following information in respect of the Second Notice:

1. clarification on why the "Present Notice - Person's votes" section in item 2, specifies that Drake Private holds 23,862,500 CDIs, whereas in items 3 and 4, the number of votes held by the relevant persons is listed as 22,380,142 CDIs;
2. to the extent that Drake Private divested 1,482,358 CDIs, details of when such CDIs were divested, to assist the Company with better understanding the facts underlying the Second Notice; and
3. to the extent that beneficial ownership of the CDIs was transferred from Drake Special to Drake Private, the Company requests that Drake Private provide a letter from HSBC Custody Nominees (Australia) Ltd evidencing the transfer of beneficial ownership and the number of CDIs held on behalf of Drake Private.

This information has yet to be provided. The Company will update the market upon receipt of further information from Drake.

The Company is open to reasonable discussion and are making every effort to listen to the concerns of all shareholders. Drake Private has indicated to the SMS Executive Chairman a willingness to consider withdrawing the requisition notice. In the event that Drake Private refuses to retract their request for the Company to call a meeting of shareholders, and on the basis that the Requisition is a valid request, the Company will circulate details of a shareholder general meeting in due course.

The Company is receiving ongoing legal advice in relation to the Requisition and will act in accordance with that advice and relevant legislation.

This ASX release has been approved for release by Ross Love on behalf of the Board of Directors.

For further details please contact:

Communications:

Georgie Sweeting

gsweeting@macequity.com.au

0417 179 024

Shareholder Enquiries:

Bryant McLarty

bmclarty@macequity.com.au

0411 222 927