

ASX ANNOUNCEMENT

CODE: SRJ



21 December 2022

RE-INSTATEMENT TO OFFICIAL QUOTATION

SRJ Technologies Group plc (**SRJ** or the **Company**) (ASX: SRJ) provides the following disclosures and update on its activities in connection with its re-instatement to the official list of the Australian Securities Exchange (ASX).

Market and Company Strategy

The asset integrity market continues to strengthen with customers under pressure from regulators, the drive to secure ESG credentials and the need to maximise production in a high energy price environment. SRJ's business development activities are focussed on securing repeat business and building recurring revenue streams from existing key accounts as well as developing new opportunities in UK/Middle East/West Africa/Australia.

The Company is seeing increasing demand for its strategic and operational consulting services as well as for its pipework repair/containment management solutions. As the industry defeats its maintenance and repair backlogs there is a shift to more strategically oriented asset integrity management and solutions.

SRJ intends on leveraging strategic opportunities, investing in the future and seeking new innovations in the short, mid and long term. The Company's strategy is detailed below:

In the short term:

- Leverage existing strategic partnerships to exploit revenue opportunities of SRJ's disruptive products and solutions
- Offer a range of safe, reliable and technically superior solutions through continued innovation driven by customer demand
- Achieve market acceleration by expanding global client relationships and locations
- Well positioned to assist clients in reaching their ESG objectives and commitments
- Expand consulting activities with key clients
- Target support opportunities from within the Mitsui asset portfolio
- Identifying Strategic Acquisitions to enter new markets or with synergistic Patents and IP

In the mid term:

- Ensure technology is future-proofed to be relevant for energy transition opportunities
- Access to capital markets to facilitate investment in strategic locations and product solutions yet to be targeted/developed to their full potential
- Capture the significant growth opportunities in the energy transition sector with a broad range of asset integrity solutions targeting major operators
- Increase the level of integrated solutions to create value for both clients and SRJ through future acquisitions

And in the long term:

- Seek opportunities to develop or acquire adjacent technologies for systems integration
- Use consultancy team to identify technology gaps in clients' assets and provide solutions to present to the market
- Assess options for building out integrity solutions further in areas such as emissions monitoring, inspection and digital transformation & digitalisation
- Continuous product design and service innovation led by customer engagement and industry insight

Additional information can be found in the Company's quarterly report for the period to 30 September 2022 as announced to the ASX on 28 October 2022.

Head Office

Ph: +44 (0) 1534 626 818

Le Quai House, Le Quai D'Auvergne,
St Helier, Jersey JE2 3TN

Australia

Ph: +61 8 9482 0500

Level 4, 225 St Georges Tce, Perth
Western Australia 6000

ARBN: 642 229 856 - a limited liability company incorporated in Jersey

UK

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Confirmations

The Company's securities have been suspended from official quotation of the ASX since 23 November 2021. The Company has applied to the ASX for its securities to be reinstated to official quotation (**Reinstatement**). ASX has advised the Company that the reinstatement of its securities to official quotation is subject to the Company's compliance with certain conditions including the release of certain information and confirmations to the market.

For this purpose, the Company provides the information and confirmations set out below.

1. Offers of Securities

Recent Placement

- (a) The Company confirms that it has completed the issue of 8,864,000 CHESS Depository Interests (**CDIs**) at an issue price of \$0.20 each under a placement to unrelated sophisticated investors as announced to the ASX on 28 October 2022 (**Recent Placement**). The Company raised an amount of A\$1,700,000 under the Recent Placement.
- (b) The Company's share registry despatched CHESS allotment notices for the CDIs under the Recent Placement on Monday 24 October 2022. No monies were required to be refunded in relation to the Recent Placement.

Other Offers - Prospectus

The Company prepared a Prospectus that was lodged with ASIC on 23 November 2022 (**Prospectus**) for the following offers of securities (**Offers**):

- a) convertible notes to Raleigh Atlantic Limited other than the Tranche 1 Convertible Notes (see details on the convertible notes further below);
- b) 1 free attaching option for every 3 CDIs subscribed for by investors under the Recent Placement (**New Options**). The New Options will be exercisable at \$0.25 per option on or before 24 October 2025;
- c) New Options to Jindabyne Capital Pty Ltd (**Advisor Options**) in lieu of fees relating to services provided for the Recent Placement and certain other placements undertaken by the Company in 2022 (**Prior Placements**);
- d) New Options to the Novus Capital Limited (**Lead Manager**) and Jindabyne Capital Pty Ltd for lead managing and assisting with the Placements (**Broker Options**);
- e) CDIs and attaching New Options (**Uplift Securities**) to investors under the Prior Placements who also invested in the Recent Placement; and
- f) NED Rights (being rights to be issued CDIs) to non-executive directors in lieu of director's fees.

For the purpose of above, **Placements** means the Recent Placement and the Prior Placements. For further details in relation to each of the Offers noted above, please refer to the Prospectus lodged by the Company on the ASX on 23 November 2022.

The above Offers required certain shareholder approvals which were obtained at the Company's annual general meeting held on 16 December 2022 (**AGM**). As such, the issue of the abovementioned securities under the Offers took place on 19 December 2022 following the applicable shareholder approvals that were obtained at the AGM (other than the issue of convertible notes which is discussed further below).

Convertible Notes – Raleigh Atlantic Limited

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On 23 November 2022, the Company entered into a Convertible Loan Note Instrument with Raleigh Atlantic Limited under which the Company has agreed to issue redeemable, unsecured convertible notes to Raleigh Atlantic Limited (**Convertible Notes**). The Company drew down the initial tranche of \$500,000 of Convertible Notes shortly after close of the Offers on 23 November 2022 (**Tranche 1 Convertible Notes**). The Company issued Raleigh Atlantic Limited with a certificate for the Tranche 1 Convertible Note on 24 November 2022.

The Company may draw down up to a further \$1,500,000 worth of Convertible Notes (ie. an aggregate total of \$2,000,000) with this balance of the Convertible Notes receiving shareholder approval at the AGM.

The terms of the Convertible Notes are summarised in section 6.18 of the Prospectus that was released on the ASX on 23 November 2022.

2. Pro forma statement of financial position

The Company provides a reviewed pro forma statement of financial position based on the actual amounts raised under the Recent Placement at Annexure A. The pro forma statement of financial position has been reviewed by Grant Thornton Corporate Finance Pty Ltd with its Independent Limited Assurance Report included in the Prospectus.

3. Statement of commitments

The Company provides a statement of commitments based on the actual amounts raised under the Recent Placement and the Tranche 1 Convertible Notes:

Allocation of Funds A\$'000	A\$2.2m Subscription A\$'(000)	A\$2.2m Subscription £\$'(000)	% of funds raised
Hiring new staff in target jurisdictions	554	313	25%
BoltEx® Inventory	342	193	16%
Hydrogen projects R&D	202	114	9%
Cost of the offer	147	83	7%
Working Capital	955	540	43%
Total	2,200	1,243	100%

Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

4. Top 20 holders and distribution schedule

The statement setting out the names of the 20 largest holders of CDIs, including the number and percentage of CDIs held by those holders, has been separately announced on the ASX announcement

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platform on the same date as this announcement. The statement is prepared on the basis that all Shares in the Company are held as CDIs.

5. Distribution schedule

The distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the required categories, has been separately announced on the ASX announcement platform on the same date as this announcement. The statement is prepared on the basis that all Shares in the Company are held as CDIs.

6. Capital structure

Following the completion of the Offers , the Company's capital structure is as follows:

Securities on issue upon re-instatement	Number
Shares or CDI's	133,520,901
Options	9,270,949
Performance rights	6,493,999
Convertible Notes	\$500,000

The full terms and conditions of all unquoted securities on issue as at the date of Reinstatement are set out in section 6.11 to 6.19 of the Prospectus that was released on the ASX on 23 November 2022, other than the terms of SRJ's existing performance rights which are set out in the Company's Pre-Quotation Disclosure which was released on the ASX on 17 September 2020 at the time of the Company's listing on the ASX.

7. No legal impediments

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to it undertaking the activities the subject of the commitments set out in this announcement or the Prospectus.

8. Listing Rule Compliance

The Company confirms it is in compliant with the ASX Listing Rules and in particular ASX Listing Rule 3.1.

The Company confirms in accordance with ASX Listing Rule 12.1 that its level of operations are sufficient to warrant the continued quotation of its securities and its continued listing.

The Company also confirms in accordance with ASX Listing Rule 12.2 that its financial condition (including operating results) is adequate to warrant the reinstatement of its securities and its continued listing.

All Appendix 2A's have been lodged with the ASX and accurately reflect the securities issued.

All director holdings are current as reflected in the latest appendix 3X or 3Y's.

By order of the Board

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Ben Donovan
Company Secretary
SRJ Technologies Group plc

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Ph: +44 (0) 1534 626 818

Le Quai House, Le Quai D'Auvergne,
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[9062281:35735667_2]

Australia

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Annexure A – Pro forma statement of financial position

Pro-Forma Balance Sheet	30 June 2022 Reviewed (£)	Pro forma (£)	Pro forma (\$)
CURRENT ASSETS			
Inventory	26,186	26,186	46,087
Debtors	169,345	169,345	298,047
Cash at bank and in hand	299,912	1,589,540	2,797,590
TOTAL CURRENT ASSETS	495,443	1,785,071	3,141,724
Fixed assets			
Intangible assets	820,033	820,033	1,443,258
Tangible Assets	219,136	219,136	385,679
TOTAL NON-CURRENT ASSETS	1,039,169	1,039,169	1,828,937
TOTAL ASSETS	1,534,612	2,824,240	4,970,661
CURRENT LIABILITIES			
Creditors	977,715	879,894	1,548,613
<i>Current assets less current liabilities</i>	<i>(482,272)</i>	<i>905,177</i>	<i>1,593,111</i>
TOTAL ASSETS LESS CURRENT LIABILITIES	(556,897)	1,944,346	3,422,048
NON CURRENT LIABILITIES			
Creditors	43,669	43,669	76,857
NET ASSETS/(LIABILITIES)	513,228	1,900,677	3,345,191
CAPITAL AND RESERVES			
Called up share capital	22,231	1,198,222	2,108,872
Share premium account	13,974,414	14,088,050	24,794,969
share based payment reserve	1,634,999	1,634,999	2,877,598
Translation reserve	9,530	9,530	16,772
Profit and loss account	(15,127,946)	(15,030,125)	(26,453,020)
TOTAL EQUITY	513,228	1,900,677	3,345,191

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