



A handwritten signature in black ink, appearing to read 'Alexander Wood'.

Alexander
Wood

SRJ TECHNOLOGIES GROUP PLC

ARBN 642 229 856

PROSPECTUS

For the offer of \$1,610,000 Convertible Notes together with other associated offers

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document which should be read in its entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser or the share registry if you have any questions.

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IMPORTANT NOTICE

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This prospectus relates to the offer of convertible notes to Mercer Street Global Opportunity Fund, LLC (**Mercer**) and certain associated offers of CHESSE Depository Interests over ordinary shares (**CDIs**) and options (together, the **New Securities**) as set out in Section 3.1 (together, **Offers**) in SRJ Technologies Group plc (ARBN 642 229 856), a Jersey limited liability company (**Prospectus**).

Lodgement and quotation

This Prospectus is dated 16 February 2023 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. None of ASIC, ASX Limited (**ASX**) or their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The New Securities being offered under this Prospectus will not be listed on ASX or any other securities exchange, other than the Commencement Shares and Raleigh Shares.

This Prospectus expires on 16 March 2024, the date which is 13 months after the Lodgement Date, and no New Securities will be issued on the basis of this Prospectus after that date.

Continuously Quoted Securities

This Prospectus is a transaction specific prospectus for the offer of continuously quoted securities, options to acquire continuously quoted securities and convertible notes which are convertible into continuously quoted securities.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act and is prepared in accordance with section 713 of the Corporations Act and ASIC Corporations (Offers of Convertibles) Instrument 2016/83. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

Note to Applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. In considering the prospects of the Company, you should consider the risks that could affect the financial performance or position of the Company. You should carefully consider these risks in the light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the New Securities offered under this Prospectus.

No person is authorised to give any information or make any representation in connection with the Offers which is not contained in this Prospectus. You should rely only on information contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company or the Directors.

Your right to acquire New Securities under the Offers is not transferrable. Applicants should carefully read and follow the instructions in Section 3 and on the back of the accompanying Application Form (as defined below) when making the decision whether to apply for New Securities under the Offers.

Exposure period

The Corporations Act prohibits the Company from processing Applications for New Securities under the Offers in the seven-day period after the date of lodgement of the Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further period of up to seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by ASIC and market participants prior to the raising of funds under the Offers. This Prospectus will be made generally available to Australian residents during the Exposure Period without the Application Form by being posted on the following website www.srj-technologies.com/investors. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Obtaining a copy of this Prospectus

Applicants under the Offers in Australia can obtain a copy of this Prospectus (free of charge) during the Offer period (as defined below) from the Company's website www.srj-technologies.com/investors.

Statements of past performance

Past performance and pro forma financial information included in this Prospectus is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past CDI price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future CDI price performance. The historical information included in this Prospectus in relation to 30 June 2022 is, or is based on, financial information that has previously been released to the market. The Prospectus also includes certain unaudited financial information including unaudited financial information for 31 December 2022 and proforma financial information relating to the financial position of the Company as at 31 December 2022. Such unaudited financial information may be subject to change including as a result of an audit (if applicable). The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Prospectus.

Financial information and forward looking statements

All values are in Australian Dollars unless noted otherwise (\$ or A\$), rounded to the nearest \$0.1 million other than the Company's financial data is presented in Great British Pounds as at or for the full year ended 31 December 2022 or half year ended 30 June 2022 (as applicable) unless stated otherwise. Any discrepancies between totals and sums of components in tables contained are due to rounding.

This Prospectus contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties. Any forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Accordingly, such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and prospective investors are cautioned against placing undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward looking statements, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

No cooling-off period

No cooling off rights apply to applications submitted under the Offers.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Company website

Any references to documents included on the Company's website at www.sri-technologies.com/ are for convenience only, and none of the documents or other information available on the Company's website are incorporated herein by reference.

Defined terms and time

Capitalised terms and abbreviations used in this Prospectus have the meanings given to them in the Glossary. Unless otherwise stated or implied, references to times in this Prospectus are to Sydney, Australia time.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company nor any other person

warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

As set out in Sections 1 and 3, it is expected that the Commencement Shares and Raleigh Shares under the Offers and the LTIP Shares will be quoted on ASX. The Company and the Share Registry (in each case, as defined below) disclaim all liability, whether in negligence or otherwise, to persons who trade the CDIs before receiving their holding statements.

Selling restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the New Securities or the Offers, or to otherwise permit a public offering of New Securities, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, the New Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States unless the New Securities are registered under the US Securities Act, or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

United States

The Offers are being made in the United States only to a limited number of "institutional accredited investors" within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act. In order to participate in the Offers, a US investor must sign and return a US investor certificate, together with an application form, that is available from the Company to confirm, amongst other things, that it is an institutional accredited investor.

Privacy

By filling out the Application Form to apply for New Securities, you are providing personal information to the Company through the Share Registry, which is contracted by the Company to manage applications. The Company, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your application.

Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The members, agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the

circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Securityholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Company's issued securities and for associated actions.

The information contained in the Company's register of members must remain there even if that person ceases to be a Securityholder. Information contained in the Company's register of members is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its members) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out on the last page of this Prospectus.

Enquiries

Before making a decision about investing in the Offers, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you have any questions on how to:

- (a) complete your Application Form; or
- (b) take up the New Securities offered to you,

please call the SRJ Offer Information Line between 8.30am and 5.00pm (AEDT) Monday to Friday during the period from and including the date on which the Offers open until and including the date on which the Offers close:

Within Australia: +61 7 3334 4851

If you have misplaced your Application Form and would like a replacement form, please call the number above.

Website

To view annual reports, securityholder and other information about the Company, announcements, background information on the Company's operations and historical information, visit the Company's website at www.srj-technologies.com/.

Exchange rate

Except where otherwise specifically provided, all financial amounts in this Prospectus that have been converted from GBP to AUD have been converted at an exchange rate of GBP1:AUD 1.75

Regulation of SRJ

As the Company is not established in Australia, its general corporate activities (apart from any offering of securities in Australia) are not regulated by the Corporations Act of the Commonwealth of Australia or by the Australian Securities and Investments Commission but instead are regulated by the Companies (Jersey) Law 1991 and applicable Jersey law.

KEY DATES

Event	Date
Lodgement of Prospectus with ASIC and ASX	16 February 2023
Offers open	24 February 2023
Issue of LTIP Shares and Intuitive Shares	24 February 2023
Offers close	27 February 2023
Issue of First Tranche Convertible Notes, Commencement Shares and First Tranche Options (First Allotment Date)	2 March 2023
Extraordinary General Meeting (EGM)	24 March 2023
Issue of First Tranche Conditional Options	27 March 2023
Issue of Second Tranche Convertible Notes, Second Tranche Options and Raleigh Shares (Second Allotment Date)	28 March 2023

Dates and times in this Prospectus are indicative only and subject to change. All times and dates refer to Sydney time. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Offers or any part of the Offers without prior notice, including extending the Offers or any part of the Offers or accepting late applications, either generally or in particular cases, or to withdraw the Offers or any part of the Offers without prior notice. Applicants are encouraged to submit their personalised Application Forms as soon as possible. The commencement of quotation of CDIs is subject to confirmation from ASX.

KEY OFFER STATISTICS

Company	
ASX code	SRJ
Number of CDIs on issue at date of this Prospectus ¹	133,082,177
Aggregate face value of Convertible Notes to be issued under the Prospectus ²	A\$1,610,000
Maximum number of CDIs issued on conversion of First Tranche Convertible Notes ³	17,250,000
Maximum number of CDIs issued on conversion of Second Tranche Convertible Notes ³	14,950,000
Maximum number of CDIs issued on conversion of First and Second Tranche Convertible Notes ³	32,200,000

¹ Assumes all Shares are held in the form of CDIs.

² Total facility is for A\$3.5 million, but only \$1.61 million worth of convertible notes are to be issued under this Prospectus.

³ This is based on the floor price of (A\$0.05); the actual number of CDIs to be offered will depend on the VWAP of securities at the relevant time, see section 5.8 for further information.

Number of Commencement Shares issued under the Offers	763,864
Number of Options issued under the Offers	10,400,238
Number of Raleigh Shares issued under the Offers	680,880
Gross proceeds raised from the Convertible Notes	<p>A\$750,000 will be raised from the issue of the First Tranche Convertible Notes.</p> <p>A\$650,000 will be raised from the issue of the Second Tranche Convertible Notes, subject to shareholder approval for the issue of the Second Tranche Convertible Notes.</p> <p>The Company may also elect to draw down between a further A\$500,000 and A\$2,100,000 under the Convertible Securities Agreement, subject to mutual agreement between Mercer and the Company.</p>
Gross proceeds that may be raised under the Offers of Commencement Shares, Options and Raleigh Shares	Nil. If all Options were exercised in full, this would raise A\$1,750,360
Number of CDIs on issue on completion of the Offers (undiluted)⁴	139,222,978
Maximum Number of CDIs on issue on completion of the Offers (fully diluted)⁵	193,880,831

⁴ This includes the LTIP Shares and the Intuitive Shares to be issued during the Offer Period.

⁵ This includes the LTIP Shares and the Intuitive Shares to be issued during the Offer Period and assumes the exercise of all options and conversion of all convertible notes issued under this Prospectus based on the floor price of A\$0.05.

1. INVESTMENT OVERVIEW

The purpose of this Section 1 is to give potential investors an investment overview that helps them make an informed investment decision by highlighting key information. It is an introduction to the Offers and is not intended to replace the other sections of this Prospectus, which Applicants should read in full.

Topic	Summary	For more information
The Company		
Who is the issuer of the New Securities?	SRJ Technologies Group plc.	
What is the Company's business?	SRJ develops and distributes a range of weld-free coupling and containment management solutions for use in process pipework systems in energy sector assets. It also provides Asset Integrity Management (AIM) consulting services to elevate integrity management performance of its customers.	
What is the Company's strategy?	<p>The Company's immediate strategy is to grow its business by:</p> <ul style="list-style-type: none">leveraging existing strategic partnerships to exploit revenue opportunities for SRJ's disruptive products and solutions;offering a range of safe, reliable and technically superior solutions through continued innovation driven by customer demand; andachieve market acceleration by expanding global client relationships and locations. <p>The Company will also seek opportunities to develop or acquire adjacent technologies for systems integration and identify strategic acquisition opportunities to accelerate the growth of the business and move to a position of profitability. The Company is currently in discussions with respect to certain potential target businesses but there is no guarantee that these discussions will result in a transaction.</p>	
The Offers		
What are the Offers?	<p>The Offers comprise offers of the following New Securities:</p> <ul style="list-style-type: none">the following offers by the Company to Mercer:<ul style="list-style-type: none">an offer of Convertible Notes;an offer of Commencement Shares; andan offer of Options; andan offer of Raleigh Shares to Raleigh Atlantic Limited.	Section 3.1
What is the purpose of the Offers	The Offers are being conducted to raise working capital for the Company, to pay the costs of the Offer and for the issue of Raleigh Shares to Raleigh Atlantic Limited in lieu of fees under the Raleigh Facility.	Section 2.2
What are the terms	The Company has entered into a Convertible Securities Agreement with Mercer dated 15 February 2023 under which the Company has agreed to issue Mercer the Convertible Notes, Commencement	Sections 3.1.1 and 5.7

<p>Convertible Notes?</p>	<p>Shares and Options (Mercer Securities) on the terms and conditions set out in this Prospectus. The Mercer Securities include the Convertible Notes which are redeemable, secured convertible notes.</p> <p>A brief summary of some of the key terms of the Convertible Notes is as follows, the full summary can be found at Section 5.7:</p> <ul style="list-style-type: none"> • the Convertible Notes are convertible in whole or in part at any time by Mercer prior to the maturity date; • the Convertible Notes are redeemable prior to the maturity date by the Company at a 5% premium to their aggregate face value; • the Convertible Notes will be secured obligations of the Company; • the Maturity Date of the Convertible Notes is as follows: <ul style="list-style-type: none"> ○ in respect of a First Tranche Convertible Note, 1 April 2024; ○ in respect of a Second Tranche Convertible Note, 1 April 2024; and ○ in respect of any Subsequent Convertible Notes, 9 months from their issue date. <p>The Company intends to draw down the initial tranche of A\$750,000 of Convertible Notes shortly after close of the Offers and the second tranche of A\$650,000 of Convertible Notes following shareholder approval being obtained at the EGM. The terms of the Convertible Notes are summarised in Section 5.7.</p>	
<p>What will the proceeds of the Convertible Notes be used for?</p>	<p>The proceeds of the Convertible Notes will be used by the Company for general working capital purposes and for the costs of the Offers.</p>	<p>Section 5.9</p>
<p>What are the other securities being offered to Mercer?</p>	<p>The following offers will also be made to Mercer under this Prospectus:</p> <ul style="list-style-type: none"> • Commencement Shares – 763,864 CDIs issued at a deemed issue price of A\$0.137 (equal to 15 day VWAP of CDIs prior to the date of the Convertible Securities Agreement) as a fee to Mercer for the facility; and • Options – are to be issued in conjunction with each drawdown under the facility, the terms of which are summarised in Section 5.6. 5,571,556 Options are to be issued in the First Tranche and 4,828,682 are to be issued in the Second Tranche. 	<p>Sections 3.1.2, 3.1.3 and 5.6</p>
<p>What are the Raleigh Shares?</p>	<p>The Company has agreed to issue 680,880 CDIs to Raleigh Atlantic Limited (Raleigh) in lieu of certain fees in connection with the draw down and repayment of convertible notes under the Raleigh Facility.</p>	<p>Section 3.1.4</p>
<p>Who can apply under the Offers?</p>	<p>The offers of Mercer Securities under this Prospectus are made to Mercer and the offer of Raleigh Shares under this Prospectus is made to Raleigh Atlantic Limited.</p> <p>There is no general offer to the public under this Prospectus.</p>	<p>Section 3.2</p>
<p>What is the effect of the</p>	<p>The maximum number of securities which may be issued under the Offers is set out below. In addition, the Company has agreed to</p>	<p>Section 5.3</p>

Offers on the Company?

issue certain other securities during the Offer Period, also included in the table below:

Offers	No of securities	Percentage of issued share capital at Completion (undiluted)	Percentage of issued share capital at Completion (fully diluted)
Existing CDIs	133,082,177 CDIs	95.59% CDIs	68.64% CDIs
Existing Performance Rights	2,786,666	-	1.44%
Existing Options	9,270,949	-	4.78%
First Tranche Convertible Notes	862,500	-	8.90% ³
Second Tranche Convertible Notes ¹	747,500	-	7.71% ³
Commencement Shares	763,864	0.55%	0.39%
Options ²	10,400,238	-	5.36%
Raleigh Shares ¹	680,880	0.49%	0.35%
Intuitive Shares	550,000	0.39%	0.28%
LTIP Shares	4,146,057	2.98%	2.14%
Total	193,880,831	100.00%	100.00%

This table has been prepared on the basis that all Shares are held as CDIs.

¹ Subject to shareholder approval for the issue of these securities at the EGM.

² 9,001,775 of these Options are subject to shareholder approval at the EGM (ie. the First Tranche Conditional Options and the Second Tranche Options).

³ This is assuming conversion of Convertible Notes based on the floor price of (A\$0.05); the actual number of CDIs to be offered will depend on the VWAP of securities at the relevant time, see section 5.8 for further information.

	<p>The Company may also elect to draw down between a further A\$500,000 and A\$2,100,000 under the Convertible Securities Agreement, subject to mutual agreement between Mercer and the Company (Subsequent Convertible Notes).</p> <p>If the Subsequent Convertible Notes are drawn down and issued and Mercer opts to convert these Convertible Notes to CDIs, a maximum of an additional 48,300,000 CDIs will be issued based on the Floor Conversion Price for a total of 242,180,831 CDIs on a fully diluted basis.</p> <p>The effect of the Offers on the control and financial position of the Company is set out in Section 5.</p>	
<p>Is shareholder approval required for the Offers?</p>	<p>Shareholder approval is not required for the issue of the First Tranche Convertible Notes, First Tranche Options and Commencement Shares which will be made using the Company's placement capacity under Listing Rule 7.1.</p> <p>However, shareholder approval at an EGM expected to be held on or around 24 March 2023 will be required to approve:</p> <ul style="list-style-type: none"> • the issue of the Second Tranche Convertible Notes and Second Tranche Options; • the issue of the First Tranche Conditional Options; • the issue of the Raleigh Shares; and • the issue of the balance of the Convertible Notes. 	<p>Section 3.1.1</p>
<p>Key risks</p>		
<p>What are the key risks associated with the Offers and issue of Convertible Notes</p>	<p>Default Risk and security over assets</p> <p>The Company is currently party to the Convertible Securities Agreement as summarised in Section 5.8 of this Prospectus. Under this agreement, the Company has obligations to either repay outstanding amounts owed by the Company, or issue shares on the receipt of a conversion notice. The agreement also has a number of other conditions and negative covenants that the Company must adhere to.</p> <p>The Company expects to be able to redeem the Convertible Notes in respect of the amounts advanced under the Convertible Notes using the proceeds from future debt or equity raisings, cash flows from operations or proceeds from the sale of assets. However, there is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings.</p> <p>Should the Company default on its obligations under the Convertible Securities Agreement, an event of default will occur. In these circumstances, if the Company is unable to raise sufficient funds or otherwise cure the default, Mercer will be able to seek immediate repayment of the debts due or enforce the security granted under the associated security document and acquire or sell some or all of the Company's shares in Acorn Intellectual Properties Limited, the Group's intellectual property holding company.</p> <p>Dilution Risk</p> <p>The Company currently has 133,082,177 CDIs on issue. As detailed in this Prospectus, the Company is intending to issue the Commencement Shares, Convertible Notes and Options in accordance with the terms of the Convertible Securities Agreement.</p> <p>In addition, the Company may issue Subsequent Convertible Notes in accordance with the Convertible Securities Agreement. As at the</p>	<p>Section 4.3</p>

	<p>date of this Prospectus, there is no agreement or obligation to issue any Subsequent Convertible Notes.</p> <p>Shareholders will be diluted as a result of the issue of the Commencement Shares, exercise of any Options and conversion of the Convertible Notes or any Subsequent Convertible Notes.</p> <p>Exposure to general economic and financial market conditions</p> <p>General domestic and global economic conditions may adversely impact the price of the CDIs, the CDIs issued on the conversion of the Convertible Notes and CDIs issued on exercise of the Options for reasons outside the Company's control. This includes credit conditions, increases in unemployment rates, negative consumer and business sentiment and an increase in interest rates, amongst other factors. There is a risk that the CDIs may trade on the ASX at a price below the applicable issue price, exercise price or conversion price of the Commencement Shares, Options or Convertible Notes for a wide variety of reasons, not all of them related to the financial performance of the Company.</p>	
<p>What are the key risks associated with the Company?</p>	<p>Loss making operation and funding</p> <p>The funds to be raised under the Offers are considered sufficient to meet the current objectives of the Company. However, additional funding will be required if further opportunities arise for capital expenditure, acquisitions, or joint ventures or to accelerate the growth of the business. If these events occur, the Company will look to raise additional funding via equity or debt financing. Failure to obtain sufficient funding may result in delay and indefinite postponement of the Company's activities and operations. There can be no guarantee that additional funding will be available when needed, on terms appropriate to the Company or that do not involve substantial shareholder dilution and there is no guarantee that the Company will ever reach profitability. At the current time, the Company is loss making and is not cash flow positive given it is still in its relatively early stages of commercialisation. As a result, it is reliant on raising funds from investors to fund its operations and product development.</p> <p>Failure to attract new customers</p> <p>The success of the Company's business relies on its ability to attract new business from existing customers and attract new customers including in new jurisdictions. The capacity to attract new customers and attract new business from existing customers and new customers will be dependent on many factors including the capability, cost-effectiveness, customer support and value compared to competing products.</p> <p>Protection of intellectual property</p> <p>The value of the Company's products is dependent on its ability to effectively identify, protect, defend, and in certain circumstances keep secret, its intellectual property, including business processes and know-how, copyrights, patents, trade secrets and trademarks. There is a risk that the Company may be unable to detect the unauthorised use of its intellectual property rights in all instances. Further, actions the Company takes to protect its intellectual property may not be adequate or enforceable and therefore may not prevent the misappropriation of its intellectual property and proprietary information.</p> <p>Competition</p> <p>Whilst the Company currently has expertise to deliver a high-quality product, it is anticipated that the level of competition could increase rapidly. There is no assurance that competitors will not succeed in developing products more effective or economic than the products developed by the Company which would render the Company's products uncompetitive. The Company faces a range of risks</p>	<p>Section 4.2</p>

including that existing competitors could increase their market share through aggressive sales and marketing campaigns, product research and development or price discounting; and existing and potential competitors, who may have significantly more resources, develop new or superior products or improve existing products to compete with the Company.

Uncertainty of revenue and lack of formal customer contracts

The Company does not have formal written contracts in place with the majority of its customers and the written customer contracts it does have in place are generally not long-term and do not contain minimum purchase requirements. Customers order and purchase products from the Company on an ad hoc basis by submitting standard purchase orders with the Company which then supplies the products and issues an invoice for those products. The purchase orders are either on the Company's or the customer's standard terms and conditions which are generally on standard market terms. The Company's customers may decide not to continue placing purchase orders with the Company in the future at the same level as in prior periods. As a result, the Company's operating performance may vary from period to period and may fluctuate significantly in the future.

Reliance on key customers

A significant proportion of the Company's revenue is currently derived from the Company's largest customer, EnerMech, under the terms of the EnerMech Collaboration Agreement whereby EnerMech is a distributor of the Company's products. Sales under the EnerMech Collaboration Agreement represented approximately 55% of the expected revenue in 2022. The company's second-largest customer is SBM which contributes approximately 19% of the Company's revenue. Aggregated, EnerMech and SBM are approximately 74% of the Company's revenue. While the Company is reliant on a small number of large customers, management is of the opinion that this will continue to reduce as more SRJ products are installed thereby increasing asset reference points.

Reliance on key personnel

The nature of the Company's business requires its employees in the engineering team to be highly skilled and experienced in their respective fields. Further, the Company's management team consists of individuals, in particular Mr. Alexander Wood (CEO), Roger Smith (Head of EMEA), Paul Eastwood (Technical Director) and certain other senior employees of the Company, who have significant knowledge of the Company's technology, products and well-established relationships with the Company's key customers, third party manufacturers and suppliers. The loss of key members of the management team or members of the engineering team, or any delay in their replacement, may adversely affect the Company's ability to implement its strategies and may also adversely affect the Company's future financial performance.

Launch and adoption of new and existing products

The development and release of new products, or the adoption of these new products may take longer than expected, may involve additional costs and/or may delay new revenue streams. New third-party technologies could prove more advanced and be developed in less time than the Company's new products.

Infringement of intellectual property rights

The ability of the Company to operate without infringing the proprietary intellectual property rights of third parties is an integral part of its business. There is a risk that third parties may allege that the Company's products use intellectual property derived by them or from their products without their consent or permission.

Impacts of COVID-19

The COVID-19 pandemic continues to evolve and the Company considers it reasonably likely that its business will be affected in various ways (both directly and indirectly), including workforce and supply challenges for asset owners and oil and gas operators as a result of delays to pipeline maintenances, potential impacts on supply chains and possible decline in customer revenue arising from forced business closures. There is continued uncertainty as to the further impact of COVID-19 including in relation to further governmental action, work stoppages, lockdowns, quarantines, travel restrictions, other unforeseen changes.

2. BACKGROUND TO AND PURPOSE OF THE OFFERS

2.1 Overview of the Offers

Under this Prospectus, SRJ is offering the Mercer Securities to Mercer, being:

- 2.1.1 A\$1.61 million worth of Convertible Notes with a face value of \$1.00 per Convertible Note for a total subscription price of A\$1.4 million on the terms set out in Section 5.7;
- 2.1.2 763,864 Commencement Shares for nil cash consideration; and
- 2.1.3 10,400,238 Options for nil cash consideration.

The Company is also offering A\$136,176 worth of CDIs to Raleigh Atlantic Limited (**Raleigh Shares**) in lieu of fees payable by the Company to Raleigh Atlantic Limited in connection with the draw down and repayment of convertible notes under the amended convertible note facility between the Company and Raleigh. This equates to 680,880 CDIs at an offer price of A\$0.20 per CDI.

2.2 Background to and purpose of the Offers

Since the Company announced its proposed acquisition of STATS (UK) Limited (**STATS**) on 23 November 2021, which the Company is no longer pursuing, the Company's CDIs were suspended from trading on the ASX. The Company's CDIs were reinstated to quotation on the ASX on 22 December 2022 following completion of its most recent capital raising on 21 December 2022.

In November 2022, SRJ drew down an aggregate of A\$500,000 worth of convertible notes under an amended convertible note facility with Raleigh Atlantic Limited. On 15 December, SRJ further drew down an aggregate of \$700,000 worth of convertible notes. On 22 December 2022, SRJ repaid all amounts owing to Raleigh Atlantic Limited under these convertible notes and SRJ does not intend to draw down any further amounts under this convertible note facility. In connection with the draw down and repayment of the Raleigh Facility, the Company has agreed to pay A\$136,176 in fees to Raleigh, which is being paid as CDIs in lieu of cash.

SRJ has entered into a Convertible Securities Agreement with Mercer dated 15 February 2023 to raise additional funds for working capital and growth of the Company.

- 2.2.1 Under the Convertible Securities Agreement with Mercer, the following funds may be drawn down by SRJ:
 - (a) SRJ has agreed to draw down A\$750,000 and issue the First Tranche Convertible Notes shortly following closing of the Offers;
 - (b) SRJ has agreed to draw down A\$650,000 and issue the Second Tranche Convertible Notes subject to all the closing conditions being satisfied or waived and shareholder approval for the issue of the Second Tranche Convertible Notes being obtained at the EGM by 31 March 2023;
 - (c) SRJ may also elect to draw down between a further A\$500,000 and A\$2,100,000 under the Convertible Securities Agreement within 12 months of the execution of the Convertible Securities Agreement, subject to mutual agreement between Mercer and SRJ, which would also be subject to shareholder approval for the purposes of Listing Rule 7.1 (15% capacity); and
- 2.2.2 Under the Convertible Securities Agreement, SRJ has also agreed to issue Mercer with 763,864 Commencement Shares and 10,400,238 Options which are to be

issued in conjunction with each drawdown under the facility as described in Section 3.1.3.

2.3 Intuitive Shares

Pursuant to the terms of the Consulting Agreement dated 31 October 2022 between the Company and Intuitive Pty Ltd (**Intuitive**), the Company has agreed to pay Intuitive certain fees in relation to its investor relations services provided to the Company. Intuitive agreed to be issued 550,000 CDIs in lieu of the Company paying its consulting fees in cash. As such, Intuitive is to be issued 550,000 CDIs on or around 24 February 2023 (**Intuitive Shares**).

2.4 Non-Executive Director and employee remuneration

The Company is taking actions to improve its cash position and runway including reducing costs where possible and deferring some areas of expenditure. As part of this program SRJ issued 438,724 Performance Rights to receive CDIs to the Company's Non-Executive Directors on 19 December 2022 in lieu of directors' fees, under the SRJ Equity Incentive Plan (**NED Rights**). Under this program SRJ also issued 3,707,333 Performance Rights to receive CDIs in the Company to certain SRJ employees on or around the date of the Company's IPO (**Employee Performance Rights**).

The Non-Executive Directors have indicated their intention to exercise their NED Rights, which together with the Employee Performance Rights will convert into 4,146,057 CDIs in the Company to be issued on or around 24 February 2023 in accordance with their terms (**LTIP Shares**).

2.5 On-sale restrictions under the Corporations Act

If securities are issued to an investor without a disclosure document then (unless an exemption applies) the securities may be restricted under the Corporations Act from on-sale for the first 12 months from the date of issue unless the investor (to whom the securities are on-sold) also falls within one of the exemptions.

As the Company's CDIs have been suspended from trading on ASX for more than 5 days during the 12 months preceding the date of this Prospectus, the Company was precluded from relying on lodging a cleansing notice under section 708A(5) of the Corporations Act to remove any such on-sale restrictions from CDIs issued on conversion of the NED Rights, the issue of the Intuitive Shares and the issue of Raleigh Shares.

However, section 708A(11) of the Corporations Act provides (amongst other things) that a sale offer does not need disclosure (and therefore will be exempt from the on-sale provisions) if:

- 2.5.1 the relevant securities are in a class of securities that are quoted securities of the body; and either:
- (a) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (b) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offer of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued, and
 - (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3. DETAILS OF THE OFFERS

3.1 Offers

Under the Offers, SRJ is offering the Mercer Securities to Mercer under the terms of the Convertible Securities Agreement and on the terms and conditions set out in this Prospectus.

3.1.1 Convertible Notes

Pursuant to this Prospectus, the Company will offer the Convertible Notes to Mercer in accordance with the Convertible Securities Agreement. The facility provides for the issue of up to A\$4.025 million of Convertible Notes for an aggregate subscription price of A\$3.5 million, however, only the First Tranche Convertible Notes and Second Tranche Convertible Notes are to be issued under this Prospectus. The Convertible Notes will expire on 1 April 2024. The proceeds raised from the issue of the Convertible Notes will be used by the Company for working capital purposes and to pay the costs of the Offers.

SRJ has agreed to immediately draw down A\$750,000 of Convertible Notes (**First Tranche Convertible Notes**) and will issue Mercer \$862,500 worth of Convertible Notes under the Offers. Subject to shareholder approval at the EGM and all of the relevant closing conditions being satisfied or waived, SRJ will draw down a further A\$650,000 and will issue Mercer \$747,500 worth of Convertible Notes (**Second Tranche Convertible Notes**). Under the facility, SRJ may also elect to draw down between a further A\$500,000 and A\$2,100,000, subject to mutual agreement between Mercer and SRJ, which would also be subject to shareholder approval for the purposes of Listing Rule 7.1 (**Subsequent Convertible Notes**).

The issue of the First Tranche Convertible Notes does not require shareholder approval at the EGM as this will fall within the Company's remaining Listing Rule 7.1 capacity. However, the issue of the Second Tranche Convertible Notes is conditional on shareholder approval at the EGM for the purposes of Listing Rule 7.1 and relevant closing conditions being satisfied or waived in accordance with the terms of the Convertible Securities Agreement.

The Convertible Notes will be secured obligations of the Company with the Company agreeing under the terms of the Convertible Securities Agreement, that upon request from Mercer, a security interest will be granted to Mercer over the Company's shares in Acorn Intellectual Properties Limited.

3.1.2 Commencement Shares

In accordance with this Prospectus and the Convertible Securities Agreement, the Company will also be offering 763,864 Commencement Shares which are fully paid ordinary shares in the Company to be issued to Mercer (or its nominee) for nil cash consideration on the First Allotment Date. The Commencement Shares have a total value of A\$105,000 based on a price per CDI of A\$0.137 (equal to 15 day VWAP of CDIs prior to the date of the Convertible Securities Agreement).

3.1.3 Options

In accordance with this Prospectus and the Convertible Securities Agreement, the Company will also be offering 10,400,238 Options to Mercer. The Options will be offered as follows:

- (a) 1,398,463 Options issued on the First Allotment Date (**First Tranche Options**);

- (b) 4,173,093 Options issued within 5 Business Days of receiving shareholder approval at the EGM (**First Tranche Conditional Options**); and
- (c) 4,828,682 Options allotted shortly after the issue of the Second Tranche Convertible Notes on the Second Allotment Date (**Second Tranche Options**).

The terms of the Options are set out in Section 5.6. The offer of the First Tranche Conditional Options and Second Tranche Options are conditional on shareholder approval at the EGM. Shareholder approval is required at the EGM because the issue of the First Tranche Conditional Options and the Second Tranche Options would exceed the Company's placement capacity.

The offer of First Tranche Options does not require shareholder approval at the EGM and these will be allotted on the First Allotment Date.

3.1.4 Raleigh Shares

The Company has agreed to pay Raleigh certain fees in connection with the draw down and repayment of previous convertible notes under the amended convertible note facility between the Company and Raleigh Atlantic Limited. Raleigh has agreed to be issued 680,880 CDIs at an offer price of A\$0.20 in lieu of the Company paying its fees in cash. As such, Raleigh is being offered 680,880 CDIs under the Offers.

3.2 How to apply

The Offers open at 9am (AEDT) on 24 February 2023 and are expected to close at 5.00pm (AEDT) on 27 February 2023. The Company may elect to close the Offers or to extend the Offers or accept late Applications either generally or in particular cases. The Offers may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

Persons entitled to receive securities under the Offers will receive a personalised invitation from the Company. Recipients must complete the Application Form accompanying the invitation in accordance with the instructions from the Company in order to receive securities under the Offers.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

3.3 Are the Offers underwritten

The Offers are not underwritten.

3.4 ASX quotation and trading

The Company will apply for quotation of any CDIs under the Offers within 7 days of the date of this Prospectus.

The fact that ASX may grant quotation of the CDIs under the Offers is not to be taken in any way as an indication of the merits of the Company, or the CDIs issued under the Offers.

3.5 CHESS

The CDIs will participate from the date of commencement of quotation in the Clearing House Electronic Sub-register System (**CHESS**), operated by ASX Settlement Pty Limited. These

CDIs must be held in uncertificated form (i.e. no certificate will be issued) on the CHESSE sub-register under sponsorship of a sponsoring participant (usually a broker) or on the issuer-sponsored sub-register. Arrangements can be made at any subsequent time following quotation to convert your holdings from the issuer-sponsored sub-register to the CHESSE sub-register under sponsorship of a sponsoring participant or vice versa, by contacting your sponsoring participant.

3.6 No withdrawal or cooling-off rights

You cannot withdraw your application once it has been accepted. Cooling-off rights do not apply to an investment in the securities under the Offers.

3.7 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. Having regard to the risks applicable to the Company and its business, Investors should be aware that an investment in the securities offered under this Prospectus should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company set out in section 4 and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

4. RISK FACTORS

4.1 Introduction

The business, assets and operations of the Company, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risk factors can impact the value of an investment in the CDIs of the Company. The New Securities should be considered a speculative investment.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively manage them is limited.

Based on the information available as at the date of this Prospectus, set out below is a list of specific risks that the Company is exposed to or which investors in the Company are exposed to. The summary of risks that follows is not intended to be exhaustive and this Prospectus does not take into account the personal circumstances, financial position or investment requirements of any particular person. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company and their related entities.

The below risks, and others not specifically referred to below may, in the future, materially affect the financial performance of the Company and the value of the Company's CDIs.

There can be no guarantee that SRJ will achieve its stated objectives, deliver on its business strategy, or any forward-looking statement contained in this Prospectus will be achieved or realised. You should note that past performance may not be a reliable indicator of future performance.

Before applying for New Securities, you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment for you, having regard to your investment objectives, financial circumstances, and taxation position. You should read this Prospectus in its entirety and seek advice from your stockbroker, solicitor, accountant, financial adviser, or other independent professional adviser before deciding whether to apply for New Securities.

4.2 Risks specific to SRJ

4.2.1 Loss making operation and funding

The funds to be raised under the Offers are considered sufficient to meet the current objectives of the Company. However, additional funding will be required if further opportunities arise for capital expenditure, acquisitions, or joint ventures or to accelerate the growth of the Company. If these events occur, the Company will look to raise additional funding via equity or debt financing. Failure to obtain sufficient funding may result in delay and indefinite postponement of the Company's activities and operations. There can be no guarantee that additional funding will be available when needed, on terms appropriate to the Company or that do not involve substantial shareholder dilution and there is no guarantee that the Company will ever reach profitability. At the current time, the Company is loss making and is not cash flow positive given it is still in its relatively early stages of commercialisation. As a result, it is reliant on raising funds from investors to fund its operations and product development.

4.2.2 Failure to attract new customers

The success of the Company's business relies on its ability to attract new business from existing customers and attract new customers.

The capacity to attract new customers and attract new business from existing customers will be dependent on many factors including the capability, cost-effectiveness, customer support and value compared to competing products. If customers do not continue to use the Company's products and increase their usage over time, and if new customers do not choose to use the Company's products, the growth in the Company's revenue may slow, or the Company's revenue may decline, which will have an adverse impact on the Company's operating and financial performance.

4.2.3 Protection of intellectual property

The value of the Company's products is dependent on its ability to effectively identify, protect, defend, and in certain circumstances keep secret, its intellectual property, including business processes and know-how, copyrights, patents, trade secrets and trademarks. There is a risk that the Company may be unable to detect the unauthorised use of its intellectual property rights in all instances. Further, actions the Company takes to protect its intellectual property may not be adequate or enforceable and therefore may not prevent the misappropriation of its intellectual property and proprietary information. Breach of the Company's intellectual property may result in the need for it to commence legal action, such as infringement or administrative proceedings, which could be costly, time consuming and potentially difficult to enforce in certain jurisdictions and may ultimately prove unfavourable to the Company.

The Company's failure to protect its intellectual property rights could have an adverse impact on its operations and financial performance. In particular, the below is noted:

Various events outside of the Company's control pose a threat to its intellectual property rights, as well as to its products and technologies. For example, effective intellectual property protection may not be available or feasible in every country in which the Company's products and services could be distributed. Also, the efforts the Company has taken to protect its proprietary rights may not be sufficient or effective.

Whilst the Company has obtained a number of patents for its product components, it otherwise largely relies on trade secrets and the confidentiality and intellectual property protections in its contracts with employees and third parties to protect its intellectual property rather than formal legal mechanisms to protect its intellectual property. There is always the possibility, despite the Company's efforts, that the confidentiality and intellectual property protections the Company implements will be insufficient to protect the Company's intellectual property. In particular, the Company cannot guarantee that its contractual confidentiality and intellectual property protections will be sufficient to restrict access to the Company's sensitive intellectual property or that employees, third party manufacturers and others who have had access to the Company's sensitive intellectual property during the course of their employment or engagement with the Company, do not unlawfully use such sensitive intellectual property either during or after their employment or engagement ceases or is terminated. The secrecy of this information could be compromised by outside parties or by employees or others engaged by the Company.

There is always the possibility that the Company's registered or unregistered intellectual property (including its patents or trademarks) may be deemed invalid or unenforceable. It is also possible the Company may not be able to protect some of its innovations and technology. Further to this, the Company may not have adequate patent or copyright protection for certain innovations and technology that later turn out to be important.

4.2.4 Competition risk

Whilst the Company currently has expertise to deliver a high-quality product, it is anticipated that the level of competition could increase rapidly. There is no assurance that competitors will not succeed in developing products more effective or economic than the products developed by the Company which would render the Company's products uncompetitive.

The Company faces the risk that:

- (a) existing competitors could increase their market share through aggressive sales and marketing campaigns, product research and development or price discounting;
- (b) existing and potential competitors, who may have significantly more resources, develop new or superior products or improve existing products to compete with the Company;
- (c) the Company may fail to increase adoption and usage of its products or introduce new products;
- (d) the Company may fail to anticipate and respond to changing opportunities, technology, or customer requirements as quickly as its competitors;
- (e) the Company's competitors may enhance their product offering to improve their competitive positioning relative to the Company;
- (f) new market entrants into the pipeline repair and emergency pipeline replacement market could develop products which compete with the Company's products; and
- (g) customers who purchase the Company's products today may, as they continue to grow, decide to invest in or develop their own solutions, rather than purchasing them from third parties such as the Company.

If any of these risks arise, the Company may compete less effectively and the Company's market share and ability to secure existing or new business could be reduced, which would have an adverse impact on the Company's operating and financial performance.

4.2.5 Uncertainty of revenue and lack of formal customer contracts

The Company does not have formal written contracts in place with the majority of its customers and the written customer contracts it does have in place are generally not long-term and do not contain minimum purchase requirements. Customers order and purchase products from the Company on an ad hoc basis by submitting standard purchase orders with the Company which then supplies the products and issues an invoice for those products. The purchase orders are either on the Company's or the customer's standard terms and conditions which are generally on standard market terms. The Company's customers may decide not to continue placing purchase orders with the Company in the future at the same level as in prior periods. As a result, the Company's operating performance may vary from period to period and may fluctuate significantly in the future.

Since the Company has no long-term written contracts with its customers, if the Company's relationship with any of its major customers deteriorates, or should any of these major customers not order products from the Company, then the Company's business and financial condition could be adversely impacted.

4.2.6 Reliance on key customers

A significant proportion of the Company's revenue is currently derived from the Company's largest customer, EnerMech, under the terms of the EnerMech Collaboration Agreement whereby EnerMech is a distributor of the Company's products. Sales under the EnerMech Collaboration Agreement represented approximately 55% of the expected revenue in 2022. The company's second-largest customer is SBM which contributes approximately 19% of the Company's revenue. Aggregated, EnerMech and SBM are approximately 74% of the Company's revenue. While the Company is reliant on a small number of large customers, management is of the opinion that this will continue to reduce as more SRJ products are installed thereby increasing asset reference points.

4.2.7 The Company may face difficulties encountered by many companies early in their commercialisation

The Company commenced operations in 2011 and has primarily been focused on the development, testing and certification of its products to date. While the Company is revenue generating and is expanding its customer base and relationships in the industry, its ability to sell its products at a larger scale still needs to be proven.

The Company remains in the initial stages of commercialising its key products. As is common with companies with limited operating history, the Company has incurred net losses since its inception, has never been profitable and can give no assurance that the Company will be profitable or cash-flow positive in the future. In assessing the Company's business prospects, you should consider the various risks encountered by companies early in their commercialisation. These risks include the Company's ability to:

- (a) progress the commercialisation of its products and services and implement its growth strategy;
- (b) increase awareness of its brand and market acceptance of its products;
- (c) obtain any required future certifications or approvals for new products and maintain existing certifications and approvals;
- (d) manage expanding operations effectively; and
- (e) respond effectively to competitive pressures and development.

4.2.8 Reliance on key personnel

The nature of the Company's business requires its employees in the engineering team to be highly skilled and experienced in their respective fields. Further, the Company's management team consists of individuals, in particular Alexander Wood (CEO) and Roger Smith (Managing Director – Europe & MENA), and certain other senior employees of the Company, who have significant knowledge of the Company's technology, products and well-established relationships with the Company's key customers, third party manufacturers and suppliers. In particular, SRJ is heavily reliant on its engineering team in the United Kingdom with the product design skills concentrated in a small number of personnel in the United Kingdom. The loss of key members of the management team or members of the engineering team, or any delay in their replacement, may adversely affect the Company's ability to implement its strategies and may also adversely affect the Company's future financial performance.

Further to this, if the Company is unable to retain or motivate key personnel, hire qualified personnel, or maintain its corporate culture, the Company may not be able to successfully execute its business plans. The Company's performance and future success depends on its continuing ability to identify, hire, develop, motivate, and

retain highly skilled personnel for all areas of the organisation, particularly design and engineering.

Competition for qualified employees in the Company's industry, particularly product design, is intense. In addition, the Company's compensation arrangements, such as equity award programs, may not always be successful in attracting new employees and retaining and motivating existing employees. The Company's continued ability to execute on its strategies effectively depends on its ability to attract new employees and to retain and motivate existing employees.

4.2.9 Launch and adoption of new and existing products

The development and release of new products, or the adoption of these new products may take longer than expected, may involve additional costs and/or may delay new revenue streams. New third-party technologies could prove more advanced and be developed in less time than the Company's new products. There is also risk that the Company's new products may not be well received or adopted by its customers as a result of various reasons including (amongst others) the new products not being well priced when compared to competing products or the new products lacking a strong feature that resonates with customers.

In particular, the business strategy of the Company assumes the adoption of the Company's existing products and the successful launch and adoption of new products. If for any reason the adoption of the Company's existing products or the development and launch of new products is delayed or these products are not successfully marketed or adopted by the Company's customers or new customers, then this could cause additional costs and/or delays in the timing for the Company to recognise revenue and could therefore materially impact the Company's ability to achieve its business strategy. If significant further expenditure is required, the Company may also be required to raise further funding to develop and launch these or other new products.

4.2.10 Impacts of COVID-19 and associated risk of recession

The COVID-19 pandemic continues to evolve and the Company considers it reasonably likely that its business will be affected in various ways (both directly and indirectly), including workforce and supply challenges for asset owners and oil and gas operators as a result of government imposed restrictions, delays to pipeline maintenances, potential impacts on supply chains and possible decline in customer revenue arising from forced business closures. There is continued uncertainty as to the further impact of COVID-19 including in relation to further governmental action, work stoppages, lockdowns, quarantines, travel restrictions, other unforeseen changes and the potential for an economic recession either globally or in certain jurisdictions in which the Company operates.

4.2.11 Global and jurisdiction risk

The Company has operations in Australia and the United Kingdom, conducts projects in various other jurisdictions and has its corporate and head office functions in Jersey. As at the Prospectus Date, the Company derives revenue from operations in foreign countries. As a result, the Company is exposed to fluctuations in currency exchange rates particularly in USD as compared to GBP, which are not managed by way of hedging at present. These fluctuations in currency, exchange rates, the introduction of foreign exchange controls which restrict or prohibit repatriation of funds, and technology export and import restrictions, prohibitions or delays may adversely impact the Company's operating and financial performance.

The sale of products in foreign jurisdictions also exposes the Company to national trade laws, regulatory rules and regulations (where applicable) and failure to comply

with any applicable law or regulatory requirement could result in penalties and enforcement action.

4.2.12 Manufacturing, supply and product liability risk

The Company may be subject to product liability claims if a defect in a product sold or supplied by the Company results in, or is alleged to have resulted in, personal injury or property damage. The Company's business model relies on third party suppliers to supply certain product components and also relies on third party manufacturers to manufacture the Company's products. Although the Company has policies and procedures in place to ensure its products are of a certain standard, there can be no assurance that manufacturing defects will not arise in the Company's products or that key components provided by third party suppliers may be defective.

Product defects could expose the Company to product liability claims or litigation which may result in the revocation of certifications or approvals for certain products and or monetary damages being awarded against the Company.

In addition, a product defect may expose the Company to financial liability, decrease demand for its products or damage the Company's business reputation, brand names or its relationships. If any of those events were to occur, they may adversely impact the Company's operating and financial performance.

4.2.13 Failure to realise benefits from research and development costs

Developing technology is expensive and the investment in the development of these product offerings often involves an extended period of time to achieve a return on investment. An important element of the Company's business strategy is to continue to make investments in innovation and related product opportunities. The Company believes that it must continue to dedicate resources to the Company's innovation efforts to develop technology product offerings in order to maintain the Company's competitive position. The Company may not, however, receive significant revenues from these investments for several years, or may not realise such benefits at all.

4.2.14 Insurance risk

While the Company currently has in place what it reasonably believes to be sufficient levels of insurance to cover general and product liability, directors' and officers' liability and workers compensation claims, there is a possibility that events may arise which are not covered by the Company's insurance policies. In the event of a successful claim being made against the Company, this may adversely impact the Company's reputation, result in payment of excesses incurred in defending claims, result in payment of any amount of liability that exceeds available insurance coverage and may increase future insurance premiums.

The Company may be unable to obtain appropriate insurance cover for all relevant matters, particularly given the Company's operations in overseas countries may be considered by insurers to present additional risk, depending upon political and litigious circumstances in the country in question.

4.2.15 Health and safety risk

The Company is subject to OH&S risks associated with operating within an environment of high-pressure gas and oil infrastructure with technology and machinery that are potentially dangerous. If an OH&S claim was made against SRJ, it would need to defend such claims, which is costly and may result in the Company incurring significant costs, management time and reputational damage, any of which would be adverse to the Company's financial performance.

4.2.16 Country/region specific risks in new and/or unfamiliar markets

The Company has operations in a number of overseas jurisdictions and is exposed to a range of different legal and regulatory regimes, including in new jurisdictions in which the Company is expanding its operations. As the Company expands its presence in new international jurisdictions, it is subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks, including:

- (a) unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements;
- (b) less sophisticated technology standards;
- (c) difficulties engaging local resources; and
- (d) potential for political upheaval or civil unrest.

As the Company increases its operations in existing regions or enters newer regions there is a risk that the Company fails to understand the laws, regulations and business customs of these regions. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which the Group may operate. This could interrupt or adversely affect parts of the Company's business and may have an adverse effect on the Company's operations and financial performance.

4.2.17 Jersey tax risks

As the Company's operations are moving towards a more global focus, there are two key tax risks from a Jersey perspective:

Residence - the Company is currently tax resident in Jersey and liable to Jersey income tax at 0%. There is a risk that, as the Company's operations are moving more towards a global focus, the Company will become tax resident in another jurisdiction and not tax resident in Jersey which would give rise to a higher corporate income tax rate rather than 0%. As an example, with the SRJ's operations headquartered in the UK, alongside SRJ's UK based consulting team the risk exists that the Company will become tax resident in the UK whose current rate of tax is 20%.

Substance – certain Jersey tax resident companies, which have income from a relevant activity, to demonstrate they have substance in Jersey.

Jersey Substance – The Taxation (Companies-Economic Substance) (Jersey) Law 2019 was introduced in Jersey from 1 January 2019 for Jersey tax resident companies. This legislation requires certain Jersey tax resident companies, which have income from a relevant activity, to demonstrate they have substance in Jersey by:

- (a) being directed and managed in Jersey;
- (b) having physical substance in Jersey (i.e. having adequate people, premises and expenditure in Jersey); and
- (c) conducting core-income generating activities in Jersey.

There is a risk that, should the Company remain Jersey tax resident but with an additional global focus, the Company will not be able to demonstrate that it has adequate substance in Jersey by not satisfying tests (a), (b) and (c) above.

The Taxation (Companies – Economic Substance) (Jersey) Law 2019 provides progressive sanctions for non-compliance including financial penalties, disclosure and striking off from the register. Non-compliance could also impact the Company's reputation and have an adverse effect on its financial condition.

4.2.18 Inability to develop products compatible with future energy technology

The Company may seek to expand into new energy markets in the future. However, there is a risk that the Company's current technology will not be fully compatible with these future energy infrastructures. Although the Company will likely invest in developing products that are compatible with any such future energy markets, there is a risk that competitors may develop products that are more compatible with these future energy infrastructures or may develop such products faster than the Company is able to. Not being able to compete or effectively compete in these new energy markets could adversely affect the Company's business and may have an adverse effect on the Company's operations and financial performance.

4.2.19 Supply chain disruption risk

The Company's products are comprised of products and materials available in the commercial market. The ability to source underlying products and materials to use in the manufacture of the Company's products may be impacted by factors outside of the Company's control. Additionally, the Company's estimated cost of components may also vary due to availability of products, resources, materials or any variables that may impact on the cost of components or elements in its products.

The Company's manufacturers source key components for SRJ's product from third party suppliers. The Company does not have written contracts in place with any of these third-party suppliers. The delivery of such components may be delayed, or a specific supplier may not be able to deliver at all, which may lead to a longer sales cycle or may force the Company to shift to another supplier. COVID-19 may also affect supply chains which may be disrupted due to Government imposed COVID-19 restrictions. A disruption to supply of these products may adversely affect the Company's operating and financial performance. If the disruptions were prolonged and another third-party supplier or manufacturer could not be sourced, this could have a material adverse effect on the Company's ability to meet existing customer demand and to continue to grow the business.

4.3 Risks related to the Offers, Convertible Notes and an investment in CDIs

4.3.1 Default Risk and security over assets

The Company is currently party to the Convertible Securities Agreement as summarised in Section 5.8 of this Prospectus. Under this agreement, the Company has obligations to either repay outstanding amounts owed by the Company, or issue shares on the receipt of a conversion notice. The agreement also has a number of other conditions and negative covenants that the Company must adhere to.

The Company expects to be able to redeem the Convertible Notes in respect of the amounts advanced under the Convertible Notes using the proceeds from future debt or equity raisings, cash flows from operations or proceeds from the sale of assets. However, there is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings.

Should the Company default on its obligations under the Convertible Securities Agreement, an event of default will occur. In these circumstances, if the Company is unable to raise sufficient funds or otherwise cure the default, Mercer will be able to seek immediate repayment of the debts due or enforce the security granted under the associated security document and acquire or sell some or all of the Company's shares in Acorn Intellectual Properties Limited, the Group's intellectual property holding company.

4.3.2 Exposure to general economic and financial market conditions

General domestic and global economic conditions may adversely impact the price of the CDIs, the CDIs issued on the conversion of the Convertible Notes and CDIs issued on exercise of the Options for reasons outside the Company's control. This includes credit conditions, increases in unemployment rates, negative consumer and business sentiment and an increase in interest rates, amongst other factors. There is a risk that the CDIs may trade on the ASX at a price below the applicable issue price, exercise price or conversion price of the Commencement Shares, Options or Convertible Notes for a wide variety of reasons, not all of them related to the financial performance of the Company. Factors that may influence the general economic climate include but are not limited to:

- (a) changes in Government policies, taxation and other laws;
- (b) future demand for pipeline repair and emergency pipeline replacement products and services;
- (c) the strength of the equity and share markets in Australia and throughout the world;
- (d) changes in investor sentiment toward particular market sectors;
- (e) movement in, or outlook on, exchange rates, interest rates and inflation rates;
- (f) industrial disputes in regions in which the Group operates;
- (g) financial failure or default by an entity with which the Company may become involved in a contractual relationship;
- (h) natural disasters, social upheaval or war; and
- (i) threats to health including pandemics and in particular the current disruptions and economic impacts (which are yet to be fully determined) as a result of COVID-19.

4.3.3 Dilution risk

The Company currently has 133,082,177 CDIs on issue. As detailed in this Prospectus, the Company is intending to issue the Commencement Shares, Convertible Notes and Options in accordance with the terms of the Convertible Securities Agreement.

In addition, the Company may issue Subsequent Convertible Notes in accordance with the Convertible Securities Agreement. As at the date of this Prospectus, there is no agreement or obligation to issue any Subsequent Convertible Notes.

Shareholders will be diluted as a result of the issue of the Commencement Shares, exercise of any Options and conversion of the Convertible Notes or any Subsequent Convertible Notes.

4.3.4 Price of CDIs

As a publicly listed company on the ASX, the Company is subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in the Company's CDI price that are not explained by the Company's fundamental operations and activities.

The price at which CDIs are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the CDIs to trade at prices below the issue price, exercise price or conversion price of the New Securities (as applicable). There is no assurance that the price of the CDIs will increase following the quotation on the ASX, even if the Company's sales and earnings increase.

Some of the factors which may adversely impact the price of the CDIs include, but are not limited to, the number of potential buyers or sellers of CDIs on the ASX at any given time, fluctuations in the domestic and international markets for listed securities, general economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies and settings, changes in legislation or regulation, inclusion in or removal from market indices, recommendations by brokers or analysts, global hostilities, tensions and acts of terrorism, the nature of the markets in which the Company operates and general operational and business risks.

Deterioration of general economic conditions may also affect the Company's business operations, and the consequent returns from an investment in the CDIs.

4.3.5 Foreign exchange risk

The proceeds of the Offers will be received in Australian Dollars, while the Company's functional currency is GBP. The Company is not currently hedging against exchange rate fluctuations, and consequently will be at the risk of any adverse movement in the GBP-Australian Dollar exchange rate between the pricing of the Offers and the closing of the Offers.

The CDIs will be listed on the ASX and priced in Australian Dollars. However, the Company's reporting currency is GBP. As a result, movements in foreign exchange rates may cause the price of the Company's CDIs to fluctuate for reasons unrelated to the Company's financial condition or performance and may result in a discrepancy between the Company's actual results of operations and investors' expectations of returns on securities expressed in Australian Dollars.

4.3.6 Liquidity risk

The CDIs issued under the Offers will only be listed on the ASX and will not be listed for trading on any other securities exchanges in Australia, the United Kingdom or elsewhere. As such, there can be no guarantee that an active market in the CDIs will develop or continue, or that the market price of the CDIs will increase. If a market does not develop or is not sustained, it may be difficult for investors to sell their CDIs. Furthermore, the market price for the CDIs may fall or be made more volatile because of the relatively low volume of trading in the Company's securities. When trading volume is low, significant price movement can be caused by trading a relatively small number of CDIs. If illiquidity arises, there is a real risk that security holders will be unable to realise their investment in the Company.

4.3.7 Exposure to changes in tax rules or their interpretations

Tax rules or their interpretation for both the Company and its Shareholders may change.

There is a risk that both the level and basis of taxation may change both in Jersey and Australia, as well as new markets it may enter in the future. The tax considerations of investing in the CDIs may differ for each investor. Each prospective investor is encouraged to seek professional tax advice in connection with any investment in the Company.

4.3.8 There are costs and management time involved in complying with Jersey and Australian laws

As a Jersey company, the Company will need to ensure its continuous compliance with the laws of Jersey. The Company is listed on the ASX and registered as a foreign company in Australia, therefore the Company will also need to ensure continuous compliance with relevant Australian laws and regulations, including the ASX Listing Rules and certain provisions of the Corporations Act. To the extent of any inconsistency between the laws of Jersey and Australian law and regulations, the Company may need to make changes to its business operations, structure or policies to resolve such inconsistency. If the Company is required to make such changes, this is likely to result in additional demands on management and extra costs.

4.3.9 Inability to pay dividends or make other distributions

The ability for future dividends or other distributions to be paid by the Company will be contingent on its ability to generate positive cash flows.

There is no guarantee that dividends will be paid on the CDIs or underlying Shares in the future, as this is a matter to be determined by the Board in its discretion and the Board's decision will have regard to, amongst other things, the financial performance and position of the Company, relative to its capital expenditure and other liabilities.

4.3.10 Government and regulatory factors

Laws and regulations may be adopted with respect to the Company's products in relation to issues such as user privacy, intellectual property, securities regulation, information security and the content and quality of products and services, which could increase costs or limit the Company's proposed scope of activity.

4.3.11 Litigation risk

In the ordinary course of business, the Company may be involved in litigation disputes from time to time. Litigation disputes brought by third parties including, but not limited to customers, suppliers, competitors, business partners, employees and government bodies may adversely impact the financial performance and industry standing of the business, in the case where the impact of legal proceedings is greater than or outside the scope of the Company's insurance. Such litigation could negatively impact the industry standing of the Company, cause the Company to incur unforeseen expenses, occupy a significant amount of management's time and attention and could negatively affect the Company's business operations and financial position.

4.3.12 Force majeure events

Acts of terrorism, an outbreak or escalation of international hostilities or fires, floods, earthquakes, labour strikes, civil wars and other natural disasters may cause an adverse change in investor sentiment with respect to the Company specifically or the stock market more generally, which could have a negative impact on the value of an investment in the CDIs.

4.3.13 Speculative nature of investment

The above list of key risks ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risks and others not specifically referred to above may in the future materially affect the Company, its financial performance or the value of the CDIs. This is particularly so for an early stage business such as the Company, where there is limited operating history and experience. The CDIs issued under the Offers or issued on exercise or conversion of the New Securities (as applicable) carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on the ASX. Potential investors should therefore consider an investment in the Company as speculative and should consult their professional advisers before deciding whether to apply for New Securities under the Offers.

5. EFFECT OF THE OFFERS

5.1 Historical and pro forma financial position

Set out below is a summary of the Company's:

- reviewed consolidated statement of financial position as at 30 June 2022; and
- unaudited consolidated statement of financial position as at 31 December 2022 together with an unaudited pro forma statement of financial position as at 31 December 2022 giving effect to the Offers,

(together the **Financial Information**).

The Financial Information is presented in an abbreviated form and does not contain all of the disclosures that are usually provided in the Company's annual report (**Annual Report**) prepared in accordance with the applicable accounting standards and therefore cannot be expected to provide as full an understanding of the financial position of the Company as a statement of financial position in the Annual Report.

The Financial Information as at 30 June 2022 has been derived from the Company's financial statements for the period ending 30 June 2022 released to ASX on 24 October 2022. The Financial Information as at 31 December 2022 has been derived from the Company's unaudited management accounts for the period ending 31 December 2022.

An unaudited convenience translation in Australian dollars of the Pro Forma Balance Sheet as at 30 June 2022 and as at 31 December 2022 has been included (the indicative foreign exchange rate applied is A\$1.00 = GBP £0.57. The Pro Forma Balance Sheet is indicative only and is not intended to be a statement of the Company's current or future financial position.

Pro-Forma Balance Sheet	30 June 2022 Reviewed (£)	31 Dec 2022 (Unaudited) (£)	Proforma (\$)	Offer adjustment (£)	Offer adjustment (\$)	Profoma post offer (£)	Profoma post offer(\$)
CURRENT ASSETS							
Inventory	26,186	126,560	221,480	-	-	126,560	221,480
Debtors	169,345	261,193	457,089	-	-	261,193	457,089
Cash at bank and in hand	299,912	559,539	979,193	752,000	1,316,000	1,311,539	2,295,193
TOTAL CURRENT ASSETS	0	81,729	143,026			81,729	143,026
							-
Fixed assets							-
Intangible assets	820,033	762,854	1,334,994	-	-	762,854	1,334,994

Tangible Assets	219,136	61,031	106,804	-	-	61,031	106,804
TOTAL NON-CURRENT ASSETS	1,039,169	823,885	1,441,799	-	-	823,885	1,441,799
							-
TOTAL ASSETS	1,534,612	1,852,906	3,242,586	752,000	1,316,000	2,604,906	4,558,586
							-
CURRENT LIABILITIES							-
Creditors	(977,715)					(879,894)	(1,539,815)
Other current liabilities	-	(281,602)	(492,803)	0	0	(281,602)	(492,803)
<i>Current assets less current liabilities</i>	(482,272)	208,106	364,185	-	-	208,106	364,185
TOTAL ASSETS LESS CURRENT LIABILITIES	556,897	1,031,991	1,805,984	-	-	1,031,991	1,805,984
NON CURRENT LIABILITIES							
Creditors	(43,669)	(460,363)	(805,635)	-	-	(460,363)	(805,635)
NET ASSETS/(LIABILITIES)	513,228	571,628	1,000,349	0	0	571,628	1,000,349
							-
CAPITAL AND RESERVES							-
Called up share capital	22,231	24,197	42,344	-	-	24,197	42,344
Share premium account	13,974,414	15,162,657	26,534,650	-	-	15,162,657	26,534,650
share based payment reserve	1,634,999	1,833,639	3,208,869	-	-	1,833,639	3,208,869
Translation reserve	9,530	6,412	11,221	-	-	6,412	11,221

Profit and loss account	(15,127,946)	(16,455,277)	(28,796,734)	-	-	(16,455,277)	(28,796,734)
							-
TOTAL EQUITY	513,228	571,629	1,000,350	-	-	571,629	1,000,350

5.2 Pro forma adjustments

The following transactions and events contemplated in this Prospectus which are to take place on or before completion of the Offers, referred to as the Pro Forma Adjustments, are presented as if they, together with the Offers, had occurred on or before 31 December 2022 (as applicable) and are set out below.

With the exception of the pro forma transactions noted below no material transactions have occurred between 31 December 2022 and the date of this Prospectus, which the Directors consider require disclosure.

Pro forma transactions:

- (a) The Offers of Convertible Notes, CDIs and Options made to Mercer under this Prospectus, raising approximately A\$1.4 million by the Company and involving the issue of a maximum of 32,200,000 CDIs based on the floor price of A\$0.05.

5.3 Capital structure as at the date of this Prospectus and immediately after the Offers

The effect on the capital structure of SRJ immediately after the Offers is set out below.

Type of securities	Date of Prospectus	Completion of the Offers	Completion of the Offers (fully diluted)
CDIs	133,082,177	139,222,978 ¹	193,880,331 ^{1,2,3}
Options	9,270,949	19,671,187	0
Performance Rights	6,932,723	2,786,666	0
First Tranche Convertible Notes	0	862,500	0
Second Tranche Convertible Notes	0	747,500	0

¹ This includes the Commencement Shares, Raleigh Shares, LTIP Shares and Intuitive Shares.

² This includes the maximum number of CDIs / Shares that may be issued on conversion of the Tranche 1 and Tranche 2 Convertible Notes based on the floor price of A\$0.05, exercise of all options and vesting of all Performance Rights in accordance with their terms.

³ If the Company were to draw down and issue the full A\$3,500,000 under the facility and Mercer opts to convert these Convertible Notes to CDIs in accordance with the Convertible Securities Agreement, a maximum of an additional 48,300,000 CDIs would be issued based on conversion at the floor price of \$A0.05.

5.4 Effect on Control

5.4.1 Dilution

The maximum number of securities which may be issued under the Offers is set out below:

Offers	No of securities	Percentage of issued share capital at Completion (undiluted)	Percentage of issued share capital at Completion (fully diluted)
Options ¹	10,400,238	0.00%	5.36%
Commencement Shares	763,864	0.55%	0.39%
Raleigh Shares ²	680,880	0.49%	0.35%
Convertible Notes ³	1,610,000	0%	16.6% ⁴
Total³		1.04%	22.7%

¹ 9,001,775 of these Options are subject to shareholder approval at the EGM (ie. the First Tranche Conditional Options and the Second Tranche Options).

² Subject to shareholder approval at the EGM.

³ If the Company were to draw down and issue the full A\$3,500,000 under the facility and Mercer opts to convert these Convertible Notes to CDIs in accordance with the Convertible Securities Agreement, a maximum of an additional 48,300,000 CDIs would be issued based on maximum conversion at the floor price of \$A0.05.

⁴ This is assuming maximum conversion of convertible notes based on the floor price of (A\$0.05); the actual number of CDIs to be offered will depend on the VWAP of securities at the relevant time, see section 5.8 for further information.

5.4.2 Substantial shareholders

The table below sets out the relevant interests of the substantial shareholders of the Company prior to and immediately following the Offers.

Shareholder	At Prospectus Date	%	Immediately following the Offers	%	Immediately following the Offers (fully diluted)	% ¹
AVI Partners	27,574,855	20.72%	27,574,855	19.81%	27,574,855	14.22%

Solibay Capital Partners Inc	9,858,048	7.41%	9,858,048	7.08%	9,858,048	5.08%
Total	37,432,903	28.13%	37,432,903	26.89%	37,432,903	19.30%

¹ This is assuming maximum conversion of Convertible Notes based on the floor price of (A\$0.05); the actual number of CDIs to be offered will depend on the VWAP of securities at the relevant time.

5.5 Rights and liabilities attaching to CDIs

The CDIs representing Commencement Shares and Raleigh Shares and the CDIs issued on exercise of the Options and the conversion of the Convertible Notes will be fully paid and will rank *pari passu* with the CDIs currently on issue.

Memorandum and Articles of Association and rights attaching to the Shares

A summary of the Company's securities and provisions of its Articles of Association is set out below. A copy of the Company's Articles of Association can be inspected during office hours at the registered office of the Company and Securityholders have the right to obtain a copy of the Company's Articles of Association, free of charge. This summary is not intended to be exhaustive.

General

The rights attaching to ownership of the Shares are detailed in the Articles and, in certain circumstances, regulated by the Jersey Companies Law, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

The following is a broad summary of the more significant rights, privileges and restrictions attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders in the Company. To obtain such a statement, you should seek independent legal advice.

Objects

The memorandum of association of the Company does not contain an objects clause, and the Company's objects are therefore unrestricted.

Share capital

The share capital of the Company is £100,000 divided into 550,000,000 ordinary shares with a par value of £0.00018188175 each.

Resolutions

A two-thirds majority of Shareholders present and entitled to vote at a general meeting of the Company is required to pass a special resolution.

A simple majority of Shareholders present and entitled to vote at a general meeting of the Company is required to pass an ordinary resolution.

Rights attaching to shares

Voting Rights

Subject to the Jersey Companies Law and to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person or by proxy has one vote,

and where a proxy has been appointed by more than one Shareholder, such proxy shall have one vote for each Shareholder.

On a poll, every Shareholder present in person or by proxy has one vote for every share of which he is a holder. If more than one of the joint holders of a share tenders a vote on the same resolution, whether in person or by proxy, the vote of the joint holder named first in the register of members shall be accepted to the exclusion of the vote(s) of the other joint holders.

Dividends

Subject to the provisions of the Jersey Companies Law, the Company may, by ordinary resolution, declare a dividend to be paid to the Shareholders, according to their respective rights and interests. No dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Jersey Companies Law, the Board may pay interim dividends.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide all dividends shall be declared and paid according to the Shareholder's holding of Shares.

Authority to allot shares; no pre-emption rights

The Board may exercise all of the powers of the Company to allot and issue shares. No pre-emption rights apply on the allotment and/or issue of Shares.

Purchase of own shares

Subject to the provisions of the Jersey Companies Law and to any rights conferred on the holders of any class of shares, the Company may purchase all or any of its shares of any class, including any redeemable shares. Subject to Jersey law, the Company may hold as treasury shares any shares purchased or redeemed by it.

Return of capital on winding up

On a winding up, assets available for distribution among the members must be applied first in repaying members the amount paid up (as to par but not any premium) on their shares respectively and, if there is any balance remaining, it must be distributed to members in proportion to each member's holding of shares at the start of the winding up.

If the Company is wound up, the directors or the liquidator (as the case may be) may, with the sanction of a special resolution of the Shareholders and any other sanction required by law divide among the Shareholders all or any part of the non-cash assets of the Company.

Transfer of certificated shares

Subject to the Articles, any Shareholder may transfer a certificated share by instrument of transfer in any usual form, or in such other form as the Board may approve and which shall be signed by or on behalf of the transferor and (in the case of a share which is unpaid or not fully paid) by or on behalf of the transferee.

The Board may refuse to register any transfer of a certificated share which would result in a breach of the ASX Listing Rules.

Variation of rights

Unless otherwise stated in their terms of issue, the rights attached to a class of shares may only be varied:

- 5.5.1 by special resolution of members of that class; or
- 5.5.2 by a consent in writing signed by or on behalf of holders of two thirds of the issued shares of that class.

Unless otherwise expressly provided by the rights attached to any class of shares those rights shall not be deemed to be varied by the creation or issue of further shares ranking after or equally with them.

General Meetings

Annual general meetings

An annual general meeting of the Company must be held in each year (in addition to any other meetings which may be held in that year) and such meeting must be specified as the annual general meeting. The Board will determine the place(s) and time of the annual general meeting, subject to the provisions of the Jersey Companies Law.

If it is anticipated that a meeting will be conducted as an electronic general meeting or a combined physical and electronic general meeting, the notice of meeting shall state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

General Meetings

The Board may convene a general meeting. The Board must also convene a general meeting on receipt of a requisition by Shareholders (representing at least 10% of the paid up share capital of the Company) or, in default, a general meeting may be convened by such requisitions, as provided by the Articles.

Length and Form of Notice

An annual general meeting and all other general meetings of the Company must be called by at least 14 days' notice. Notice will be given to such Shareholders as are, under the Articles, entitled to receive such notices from the Company and to the Directors and the auditors of the Company.

Notices

Subject to Jersey law (and other rules applicable to the Company), any notice, document or information to be sent or supplied by the Company to a director or Shareholder may be sent or supplied in hard copy form, in electronic form or by means of a website.

In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to the joint holder who is named first in the register.

Directors

Appointment of Directors

Any person who is willing to act as a director, and is not disqualified by law from being a director of a company, may be appointed to be a director:

- 5.5.1 by ordinary resolution; or
- 5.5.2 by a decision of the directors.

Any appointment of a director may be either to fill a vacancy or as an additional director.

Retirement of Directors

A director (excluding the managing director) must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer.

At each annual general meeting one-third of the directors (except for the managing director) or, if their number is not three or a multiple of three then the number nearest but not exceeding one-third, shall retire from office by rotation.

Termination of director's appointment

A director will cease to hold office if the director:

- 5.5.1 is prohibited or disqualified from being a director by law;
- 5.5.2 is declared bankrupt in any jurisdiction;
- 5.5.3 makes any arrangement or composition with the director's creditors generally;
- 5.5.4 in the opinion of a registered medical practitioner given to the Company in writing, becomes incapacitated and incapable of acting as a director and may remain incapacitated for more than three months;
- 5.5.5 resigns from office by notice in writing to the Company and the resignation has taken effect in accordance with its terms; or
- 5.5.6 is removed from office by ordinary resolution.

Size of Board and Board Vacancies

Unless and until otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum, but shall not be less than three. At the date of this Prospectus no such resolution has been passed by the Company.

Remuneration of non-executive directors

Unless otherwise determined by ordinary resolution of the holders of ordinary shares in accordance with the ASX Listing Rules, the maximum aggregate amount of directors' fees per annum that may be paid to non-executive directors for their services as directors shall be A\$500,000.

Director indemnity and insurance

Indemnity: To the fullest extent permitted by the Jersey Companies Law, every present and former officer of the Company is to be indemnified out of the assets of the Company against any loss or liability incurred by the officer by reason of being or having been an officer of the Company.

Insurance: The directors may, at the expense of the Company, purchase and maintain insurance for the benefit of any officer of the Company in respect of any loss or liability incurred by the officer by reason of being or having been an officer of the Company.

Amendment of Articles of Association

In accordance with the Jersey Companies Law, the Company may only amend its articles of association by special resolution.

- 5.5.7 CHESSE Depository Interests

Details of CDIs and the key differences between holding CDIs and holding the underlying Shares are set out below:

<p>What are CDIs?</p>	<p>In order for the Shares to trade electronically on the ASX, the Company participates in the electronic transfer system known as CHESS operated by ASX Settlement.</p> <p>CHESS cannot be directly used for the transfer of securities of companies domiciled in certain foreign jurisdictions, such as Jersey. Accordingly, to enable the Shares to be cleared and settled electronically through CHESS, the Company intends to issue depositary interests called CHESS Depositary Interests or CDIs.</p> <p>CDIs confer the beneficial ownership in foreign securities such as the Shares on the CDI holder, with the legal title to such Shares being held by an Australian depositary nominee.</p>
<p>Who is the depositary nominee and what do they do?</p>	<p>The Company has appointed CDN, a subsidiary of the ASX, and an approved general participant of ASX Settlement to act as its Australian depositary.</p> <p>CDN will hold legal title to the Shares on behalf of CDI holders. CDN will receive no fees for acting as the depositary for the CDIs.</p> <p>By completing an Application Form, an Applicant will apply for Shares to be issued to CDN, which will in turn issue CDIs to the Applicant.</p>
<p>What registers will be maintained recording your interests?</p>	<p>The Company will operate a certificated principal register of Shares in Jersey and an uncertificated issuer sponsored sub-register of CDIs and an uncertificated CHESS sub-register of CDIs in Australia.</p> <p>The Company's uncertificated issuer sponsored sub-register of CDIs and uncertificated CHESS sub-register of CDIs will be maintained by the Share Registry in Australia. The principal register of Shares in Jersey is the register of legal title and will record the legal ownership by CDN of the Shares underlying the CDIs. The two uncertificated sub-registers of CDIs combined will make up the register of beneficial ownership in the Shares underlying the CDIs.</p>
<p>How is local and international trading in CDIs affected?</p>	<p>CDI holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically by delivery of the relevant CDI holdings through CHESS. In other respects, trading in CDIs is essentially the same as trading in other CHESS approved securities, such as shares in an Australian company.</p>
<p>What is the CDI:Share ratio?</p>	<p>One CDI represents an interest in one Share.</p>
<p>What will Applicants receive on acceptance of their Applications?</p>	<p>Successful Applicants will receive a holding statement which sets out the number of CDIs held by the CDI holder and the reference number of the holding. These holding statements will be provided to a holder when a holding is first established and where there is a change in the holdings of CDIs.</p>
<p>How do CDI holders convert from a CDI holding to a direct holding of Shares on the Jersey principal register?</p>	<p>CDI holders who wish to convert their ASX listed CDIs to Shares to be held on the Jersey register can do so by instructing the Company's Share Registry either:</p> <ul style="list-style-type: none"> • directly in the case of CDIs on the issuer sponsored sub-register operated by the Company. CDI holders will be provided with a request form entitled "CDI cancellation" for completion and return to the Company's Share Registry; or

	<ul style="list-style-type: none"> through their sponsoring participant (usually their broker) in the case of CDIs which are sponsored on the CHESSE sub-register. In this case, the sponsoring broker will arrange for completion of the relevant form and its return to the Company's Share Registry. <p>The Company's Share Registry will then arrange for the Shares to be transferred from CDN into the name of that holder and a new share certificate will be issued. This will cause the Shares to be registered in the name of the holder on the Company's principal share register in Jersey and trading on the ASX will no longer be possible. The Shares are not and will not in the near future be quoted on any other market.</p> <p>The Company's Share Registry will not charge an individual security holder or SRJ a fee for transferring CDI holdings into Shares (although a fee will be payable by market participants). It is expected that this process will be completed with 24 hours, provided that the Share Registry is in receipt of a duly completed and valid CDI cancellation request form. However, no guarantee can be given about the time for this conversion to take place.</p> <p>If holders of Shares wish to convert their holdings to CDIs, they can do so by contacting the Company's Share Registry in Jersey. The Company's Share Registry in Jersey will not charge a fee to a holder of Shares seeking to convert the Shares to CDIs (although a fee will be payable by market participants).</p>
<p>What are the voting rights of a CDI holder?</p>	<p>If holders of CDIs wish to attend and vote at the Company's general meetings, they will be able to do so. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs must allow CDI holders to attend any meeting of the holders of Shares unless relevant Jersey law at the time of the meeting prevents CDI holders from attending those meetings.</p> <p>In order to vote at such meetings, CDI holders have the following options:</p> <ul style="list-style-type: none"> (i) instructing CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Company's Share Registry prior to the meeting; or (ii) informing the Company that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to the Shares underlying their CDIs for the purposes of attending and voting at the general meeting; or (iii) converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on the ASX it would be necessary to convert their holding of Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See above for further information regarding the conversion process. <p>As holders of CDIs will not appear on the Company's share register as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken.</p> <p>As each CDI represents an interest in one Share, a CDI holder will be entitled to one vote for every CDI they hold.</p>

	<p>CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI holders by the Company.</p> <p>These voting rights exist only under the ASX Settlement Operating Rules, rather than under the Companies (Jersey) Law 1991. Since CDN is the legal holder of applicable Shares, the holders of CDIs do not have any directly enforceable rights under the Company's Articles of Association or Memorandum of Association.</p>
<p>What dividend and other distribution entitlements do CDI holders have?</p>	<p>Despite legal title to the Shares being vested in CDN, the ASX Settlement Operating Rules provide that CDI holders are to receive all economic benefits and other entitlements in relation to the underlying Shares, including dividends and other entitlements which attach to the underlying Shares. These rights exist only under the ASX Settlement Operating Rules (which have the force of law by virtue of the Corporations Act), rather than under the Companies (Jersey) Law 1991.</p> <p>Whilst the Company does not anticipate declaring any dividends in the foreseeable future, should it do so in the longer term, the Company will declare any dividends in GBP as that is its main functional currency. In that event, the Company will pay any dividend in AUD by default to CDI holders, or in GBP if elected by the CDI holder. If the CDI holder wishes to receive dividends in GBP they must complete an appropriate form and return it to the Company's Share Registry, no later than the close of business on the dividend record date.</p>
<p>What corporate action entitlement (such as rights issues and bonus issues) do CDI holders have?</p>	<p>CDI holders receive all direct economic and other entitlements in relation to the underlying Shares. These include entitlements to participate in rights issues, bonus issues and capital reductions. These rights exist only under the ASX Settlement Operating Rules, rather than under the Companies (Jersey) Law 1991.</p>
<p>What rights do CDI holders have in the event of a takeover?</p>	<p>If a takeover bid or similar transaction is made in relation to the Shares of which CDN is the registered holder, under the ASX Settlement Operating Rules, CDN must not accept the offer made under the takeover bid except to the extent that acceptance is authorised by the relevant CDI holder. CDN must ensure that the offeror processes the takeover acceptance of a CDI holder if such CDI holder instructs CDN to do so.</p> <p>These rights exist only under the ASX Settlement Operating Rules, rather than under the Companies (Jersey) Law 1991.</p>
<p>What notices and announcement will CDI holders receive?</p>	<p>CDI holders will receive all notices and company announcements (such as annual reports) that Shareholders are entitled to receive from the Company. These rights exist only under the ASX Settlement Operating Rules, rather than under the Companies (Jersey) Law 1991.</p>
<p>What rights do CDI holders have on liquidation or winding up?</p>	<p>In the event of the Company's liquidation, dissolution or winding up, a CDI holder will be entitled to the same economic benefit in respect of their CDIs as holders of Shares. These rights exist only under the ASX Settlement Operating Rules, rather than under the Companies (Jersey) Law 1991.</p>
<p>Will CDI holders incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares?</p>	<p>A CDI holder will not incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares.</p>
<p>Where can further information be obtained?</p>	<p>For further information in relation to CDIs and the matters referred to above, please refer to the ASX website and the documents entitled:</p>

	<ul style="list-style-type: none"> • Understanding CHESSE Depository Interests at: http://www.asx.com.au/documents/settlements/CHESSE_Depository_Interests.pdf; and • ASX Guidance Note 5 at: http://www.asx.com.au/documents/rules/gn05_chess_depository_interests.pdf <p>or contact your stockbroker or the Offer Information Line.</p>
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5.6 Terms of the Options

The terms and conditions of the Options are as follows:

- 5.6.1 The Options shall be issued for no cash consideration;
- 5.6.2 The exercise price of each Option is:
- (a) for the Options relating to the First Tranche Convertible Notes and Second Tranche Convertible Notes \$0.168 being, 125% of the 20 day VWAP per CDI immediately prior to execution of the Convertible Securities Agreement; and
 - (b) for the Options relating to the Subsequent Convertible Notes, 125% of the 20 day VWAP per CDI immediately prior to the date of the allotment of any Subsequent Convertible Notes.
- 5.6.3 The Options will expire at 5:00pm AEST on the date that is 36 months after their date of issue (**Expiry Date**) unless earlier exercised.
- 5.6.4 The Options are transferable.
- 5.6.5 The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Option Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date.
- 5.6.6 Upon the valid exercise of the Options and payment of the Exercise Price, the Company will within 3 Business Days issue fully paid CDIs ranking pari passu with the then issued CDIs.
- 5.6.7 Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the Listing Rules, provide Option holders with notice prior to the record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- 5.6.8 Option holders do not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
- 5.6.9 In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options, the Exercise Price of the Options, or both will be reorganised (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reorganisation.
- 5.6.10 If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:

$$O_n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- O_n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex-right date or the ex-entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- 5.6.11 If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
- 5.6.12 The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the Listing Rules are obtained, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
- 5.6.13 The Company does not intend to apply for listing of the Options on the ASX.
- 5.6.14 The Company shall apply for quotation of the resultant CDIs issued upon exercise of any Option.

5.7 Summary of terms of the Convertible Notes

Set out below is a summary of the terms of the convertible securities agreement proposed to be entered into between SRJ and Mercer Street Global Opportunity Fund, LLC (**Mercer Convertible Securities Agreement**).

5.8 Convertible Securities facility

- 5.8.1 **Facility:** Mercer has agreed to subscribe for 1,610,000 Convertible Notes in total, for an aggregate subscription price of A\$1,400,000, to be issued in two tranches:
 - (a) subject to the relevant closing conditions being fulfilled or waived, Mercer will first subscribe for 862,500 Convertible Notes for an aggregate subscription price of A\$750,000 (**First Tranche Convertible Notes**) shortly following entry into the Convertible Securities Agreement; and
 - (b) subject to the relevant closing conditions being fulfilled or waived and the Company obtaining shareholder approval at an EGM to be convened by the Company, Mercer will subscribe for a further 747,500 Convertible Notes for an aggregate subscription price of A\$650,000 (**Second Tranche Convertible Notes**) provided that closing occurs on or before 31 March 2023.
- 5.8.2 Under the Convertible Securities Agreement, SRJ may also request to draw down between a further A\$500,000 and A\$2,100,000 under the facility by the issue of further Convertible Notes (**Subsequent Convertible Notes**). The subscription for any Subsequent Convertible Notes is subject to the agreement of Mercer.

- 5.8.3 Pursuant to the Convertible Securities Agreement, the Company will issue secured, convertible notes to Mercer, which are convertible into CDIs (**Convertible Notes**). The key terms of the Convertible Notes are set out further below.
- 5.8.4 **Options:** The Company must issue 1,398,463 unlisted options over ordinary shares/CDIs on the terms summarised in Section 5.6 (**Options**) when issuing the First Tranche Convertible Securities. In addition, subject to shareholder approval being obtained at an EGM to be held prior to 31 March 2023, the Company must issue a further 9,001,775 Options with respect to the First Tranche Convertible Notes and Second Tranche Convertible Notes. To the extent that the Company draws down Subsequent Convertible Notes, the Company must issue a further number of Options equal to the amount drawn down divided by the 20 day VWAP of the CDIs prior to closing of the Subsequent Convertible Note tranche.
- 5.8.5 **Commencement shares:** Upon the issue of the First Tranche Convertible Notes, the Company must issue to Mercer for nil cash consideration CDIs to the value of A\$105,000 (calculated based on the 15 day VWAP of CDIs prior to the date of the Convertible Securities Agreement).
- 5.8.6 **Representations and warranties:** The Convertible Securities Agreement contains standard representations and warranties in relation to the Company, its business and financial position and an indemnity with respect to loss suffered by Mercer and its affiliates.
- 5.8.7 **Negative covenants:** The Convertible Securities Agreement contains a number of negative covenants by the Company including restricting its ability to incur financial indebtedness and take out other equity linked facilities.
- 5.8.8 **Closing conditions:** The Convertible Securities Agreement contains customary closing conditions that must be satisfied or waived before any Convertible Notes are issued, including but not limited to:
- (a) the Company receiving confirmation from ASX that it considers the Convertible Notes appropriate and equitable for the purposes of ASX Listing Rule 6.1;
 - (b) the Company having existing placement capacity to issue the Convertible Notes, or receiving shareholder approval to do so;
 - (c) each representation and warranty made by the Company being true and correct;
 - (d) the Company having complied with all relevant agreements and covenants required by the Convertible Securities Agreement;
 - (e) except to the extent disclosed to Mercer prior to the date of the Convertible Securities Agreement, there being no pending actions, suits or proceedings against or affecting the Company, its subsidiaries or its officers;
 - (f) the Company not being in material default under or committed a material violation of any indenture, loan or credit agreement; and
 - (g) in respect of the Second Tranche Convertible Notes and any Subsequent Convertible Notes, there being no adverse changes in law, tax changes or changes in economic conditions impacting Mercer.

5.9 Use of proceeds:

The funds raised by the issue of the First Tranche Convertible Notes and Second Tranche Convertible Notes must be used for general working capital purposes and to cover the costs associated with the entry into the Convertible Securities Agreement. The use of proceeds from the issue of any Subsequent Convertible Notes is to be agreed with Mercer prior to their issue.

5.10 Key terms

- 5.10.1 **Face value:** the face value in respect of each Convertible Note is A\$1.00 (**Face Value**) being a 15% premium to the subscription price of each Convertible Note.
- 5.10.2 **Rank and security:** The Convertible Notes will be secured obligations of the Company with the Company agreeing under the terms of the Convertible Securities Agreement, that upon request from Mercer, a security interest will be granted to Mercer over the Company's shares in Acorn Intellectual Properties Limited. CDIs issued on conversion of the Convertible Notes must rank equally with all other fully paid CDIs other than in respect of any dividend or other entitlement for which the applicable record date falls prior to the applicable conversion date.
- 5.10.3 **Maturity date:** The maturity date of the Convertible Notes is as follows:
- (a) in respect of a First Tranche Convertible Note, 1 April 2024;
 - (b) in respect of a Second Tranche Convertible Note, 1 April 2024; and
 - (c) in respect of any Subsequent Convertible Notes, 9 months from their issue date.
- 5.10.4 **Repayment on maturity:** If Mercer has not notified the Company at least 10 business days prior to the relevant maturity date that it will be converting the relevant Convertible Notes, to the extent not already converted or repaid prior to the relevant maturity date, the Company must pay Face Value of the Convertible Notes to the holder of the Convertible Notes.
- 5.10.5 **Conversion:** Mercer may at its absolute discretion convert any Convertible Notes at any time prior to the maturity date, by giving the Company a notice provided such conversion is for Convertible Notes with an aggregate Face Value equal to or greater than A\$25,000 (unless the total remaining aggregate Face Value is less than A\$25,000, in which case the conversion must be for the full remaining value).
- 5.10.6 **Conversion price:** The conversion price is the higher of (a) 90% of the average of the lowest two daily VWAPs of CDIs selected by Mercer and specified in a Conversion Notice for the 15 trading days on which CDIs traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant Conversion Notice; and (b) A\$0.05 (subject to any adjustment following any reconstruction of the issued capital of the Company in accordance with the Listing Rule) (**Conversion Price**).
- 5.10.7 **Early repayment:** the Company may elect to repay all (and not some) of the outstanding Convertible Notes on issue at any time prior to maturity, at a 5% premium to their aggregate Face Value, provided that:
- (a) the Company is at all times in compliance with its obligations under the Convertible Securities Agreement;
 - (b) there is no existing event of default;

- (c) Mercer has not issued a Conversion Notice in respect of the Convertible Notes; and
- (d) such repayment is permitted by law and the Listing Rules.

Where the Company elects to repay the Convertible Notes early, Mercer may elect to convert up to 30% of the Convertible Notes in which case the number of Convertible Notes to be repaid will be reduced accordingly.

5.10.8 **Other repayment events:** Early repayment may be required by Mercer in the following circumstances:

- (a) on the occurrence of an event of default;
- (b) on a change of control by takeover bid, scheme of arrangement or otherwise;
- (c) if the Company's CDIs are no longer quoted on ASX or the Company's CDIs are suspended from trading on ASX for a period of 20 consecutive business days;
- (d) on a capital raising by the Company of A\$5,000,000 or more during the term of the Convertible Securities Agreement; and
- (e) if the Company notifies Mercer that it intends to enter into certain restricted arrangements (for example, incurring more than A\$100,000 in financial indebtedness, creating an encumbrance over its assets or disposing of a material part of its assets other than in the ordinary course of business for fair market value and Mercer does not consent to the proposed arrangement).

5.10.9 **Voting rights and share entitlements:** The Convertible Notes will not carry a right to vote at meetings of the Company prior to conversion. The Convertible Notes will not carry any entitlement to participate in future issues of securities by the Company prior to any conversion.

5.10.10 **Events of default:** The Convertible Securities Agreement contains customary events which will trigger an event of default, including but not limited to:

- (a) the occurrence of insolvency events;
- (b) breach of representations and warranties or other material breaches of the agreement;
- (c) the disposal of material assets;
- (d) the suspension of the CDIs from trading for more than 5 days in a rolling 12 month period;
- (e) the occurrence of an event causing a material adverse effect on the Company; and
- (f) any judgement against the Company or indebtedness of over A\$500,000 becoming due.

5.10.11 **Default interest:** upon an event of default occurring, the Company must pay interest at a rate of 18% per annum on the amount of the Face Value of all Convertible Notes issued and not yet converted or repaid. Interest will accrue from the date of the event of default and be calculated daily and compound monthly.

5.10.12 **Transferability:** The Convertible Notes are transferable to other sophisticated or professional investors (as defined in the Corporations Act).

5.11 Summary of Equity Incentive Plans

The Company adopted two equity incentive plans prior to its initial listing in 2020, the SRJ Employee Equity Incentive Plan and the SRJ Equity Incentive Plan (together the **Equity Incentive Plans**), to assist in the reward, retention and motivation of the Group's Directors, senior management and employees. The SRJ Equity Incentive Plan captures those parties that are not employees of the Group including Non-Executive Directors. The NED Rights, Employee Performance Rights and LTIP Shares are issued under the applicable Equity Incentive Plan.

Under the rules of the Equity Incentive Plans, the Board has discretion to offer any of the following awards:

5.11.1 options to acquire Shares; and/or

5.11.2 performance rights to acquire Shares.

(collectively, the **Awards**).

Performance Rights issued will be subject to performance hurdles. Performance hurdles will be determined on a case by case basis (for example, the vesting of Performance Rights may be connected to company milestones or to achievement of a financial performance threshold). The vesting conditions and/or performance hurdles applicable to Performance Rights will be determined by the Board, the Remuneration and Nomination Committee or a trustee appointed to manage the Equity Incentive Plans (referred to in this Section as the **Grantor**).

The terms and conditions of the Equity Incentive Plans are set out in comprehensive rules. A summary of the rules of the Equity Incentive Plans is set out below:

5.11.3 the SRJ Employee Equity Incentive Plan is open to Executive Directors, senior management and employees of the Company or its related bodies corporate, as determined by the Grantor. Participation is voluntary.

5.11.4 the SRJ Equity Incentive Plan is open to Non-Executive Directors and Consultants of the Company or its related bodies corporate, as determined by the Grantor. Participation is voluntary.

5.11.5 the Grantor may determine the type and number of Awards to be issued under the Equity Incentive Plans to each participant and other terms of issue of the Awards, including but not limited to:

- (a) the conditions and/or performance hurdles that must be met by a participant in order for an Award to vest (if any);
- (b) the fee to be paid by a participant on the grant of Awards (if any);
- (c) the exercise price of any option granted to a participant;
- (d) the period during which a vested option can be exercised; and
- (e) any forfeiture conditions or disposal restrictions applying to the Awards and any Shares that a participant receives upon exercise of their options or vesting of Performance Rights.

5.11.6 an Award holder may not transfer or assign his/her Award and if they attempt to do so the Award will lapse.

- 5.11.7 when any conditions and/or performance hurdles have been satisfied, participants will receive fully vested Shares or their options/Performance Rights will become vested and will be exercisable into Shares (as applicable).
- 5.11.8 each vested option and performance right enables the participant to be issued or to be transferred one Share upon exercise or vesting (as applicable), subject to the rules governing the Equity Incentive Plan and the terms of any particular offer.
- 5.11.9 Participants holding options or Performance Rights are:
- (a) not permitted to vote at any general meeting of the Company (except as required by law);
 - (b) not entitled to a dividend. The Board has the discretion to grant an Award holder a 'dividend equivalent', but this is payable only upon vesting of the Award and at the end of any holding period applicable to the Award;
 - (c) not granted a right to a return of capital or to participate in surplus profits or assets upon winding up or otherwise. The Company maintains a discretion to determine whether an 'Award' will vest or lapse in these circumstances; and
 - (d) not permitted to participate in new issues of Securities by the Company but adjustments may be made to the number of Shares over which the options or Performance Rights are granted and/or the exercise price (if any) to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules of the Equity Incentive Plan and the ASX Listing Rules.
 - (e) In the event of a change of control of the Company, subject to the Listing Rules, an Award will vest to the extent determined by the Board.
- 5.11.10 the Remuneration and Nomination Committee may determine that upon a participant becoming a good leaver, the Awards of that participant may vest early or any holding period applicable to those Awards may be waived or reduced.
- 5.11.11 the Equity Incentive Plans limit the number of Awards that the Company may grant without Shareholder Approval, such that the aggregate of all Awards on issue (assuming all options and Performance Rights were exercised):
- (a) in reliance on Class Order Relief, do not at any time exceed in aggregate 5% of the total issued capital of the Company calculated in accordance with Class Order Relief; and
 - (b) other than in reliance on Class Order Relief, do not at any time exceed in aggregate 10% of the total issued capital of the Company at the date of any proposed new Awards.

The maximum number of Awards that may be issued under the Equity Incentive Plans is 10% of the number of Shares on issue at the time of issue, which at the time of this Prospectus will be a maximum of 13,308,217 Shares.

6. Additional information

6.1 Nature of this Prospectus

This Prospectus is a prospectus to which the special content rules under section 713 of the Corporations Act apply. Section 713 allows the issue of a more concise prospectus for offer of:

- 6.1.1 securities in a class which have been continuously quoted by ASX for the three months prior to the date of the prospectus;
- 6.1.2 securities convertible into continuously quoted securities; or
- 6.1.3 options over such continuously quoted securities.

CDIs in the Company have been continuously quoted by ASX for the three months prior to the date of this Prospectus. The information in this Prospectus principally concerns the terms and conditions of the Offers and the information that investors and their professional advisers would reasonably require to make an informed assessment of:

- 6.1.4 the effect of the Offers on the Company; and
- 6.1.5 the rights and liabilities attaching to the New Securities.

This Prospectus contains this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all the information that would be included in a prospectus for an initial public offering of CDIs.

The Company, since listing, has provided ASX with a substantial amount of information regarding its activities. That information is publicly available. Securityholders and other investors should read this Prospectus in conjunction with that publicly available information before making an investment decision.

No party other than SRJ has authorised or caused the issue of the information in this Prospectus, or takes any responsibility for, or makes any statements, representations or undertakings in, this Prospectus.

6.2 Reporting and disclosure obligations

The Company is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require ASX to be notified periodically and on a continuous basis of information about specific events and matters as they arise for the purpose of ASX making the information available to the financial market operated by it.

In particular, the Company has an obligation under ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning the Company, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of the Company's securities. The Company is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

6.3 Availability of other documents

ASX maintains records of company announcements for all companies listed on ASX. The Company's announcements may be viewed on ASX website (www.asx.com.au). ASIC also maintains records in respect of documents lodged with it by the Company, and these may be obtained from or inspected at any office of ASIC. The Company will provide a copy of any of

the following documents, free of charge, to any person who requests a copy during the Offer period:

- 6.3.1 the Annual Report lodged with ASIC and given to ASX by the Company for the year ended 31 December 2021;
- 6.3.2 Appendix 4D and financial statements for the half year ended 30 June 2022;
- 6.3.3 any continuous disclosure notice given by the Company to ASX (being any document used to notify ASX of information relating to the Company under the continuous disclosure provisions of ASX Listing Rules and the Corporations Act) after the date of lodgement with ASIC and giving to ASX of the Annual Report referred to above and before lodgement with ASIC of this Prospectus. Details of these notices are as follows:

Date	Title of announcement
15 February 2023	<u>SRJ Executes Convertible Securities Agreement to Fund Growth</u>
6 February 2023	<u>SRJ Investor Webinar</u>
6 February 2023	<u>Investor Presentation</u>
31 January 2023	<u>Quarterly Activities/Appendix 4C Cash Flow Report</u>
31 January 2023	<u>Notification of cessation of securities</u>
18 January 2023	<u>SRJ wins another major contract with FPSO operator</u>
17 January 2023	<u>Initial Director's Interest Notice - Smith</u>
16 January 2023	<u>Final Director's Interest Notice - Mooney</u>
16 January 2023	<u>Board Changes</u>
30 December 2022	<u>Retirement of Director</u>
30 December 2022	<u>Final Director's Interest Notice - Mitchell</u>
29 December 2022	<u>Trading Update</u>
22 December 2022	<u>Reinstatement to Quotation</u>
22 December 2022	<u>Distribution Schedule</u>
22 December 2022	<u>Top 20 securityholders</u>
22 December 2022	<u>Re-instatement to official quotation</u>
19 December 2022	<u>Notification regarding unquoted securities - SRJ</u>
19 December 2022	<u>Change of Director's Interest Notice - Mitchell</u>
16 December 2022	<u>Results of Annual General Meeting</u>

28 November 2022	<u>Proposed issue of securities</u>
25 November 2022	<u>Notice of Annual General Meeting/Proxy Form</u>
24 November 2022	<u>Updated Prospectus</u>
23 November 2022	<u>Prospectus</u>
1 November 2022	<u>Application for quotation of securities - SRJ</u>
28 October 2022	<u>Quarterly Activities/Appendix 4C Cash Flow Report</u>
24 October 2022	<u>Appendix 4D</u>
24 October 2022	<u>Half Yearly Report and Accounts</u>
19 October 2022	<u>Voluntary Escrow</u>
14 September 2022	<u>Application for quotation of securities - SRJ</u>
14 September 2022	<u>Notice under ASX Listing Rule 3.10A</u>
10 August 2022	<u>Change of Director's Interest Notice - Wood</u>
10 August 2022	<u>Notification of cessation of securities - SRJ</u>
29 July 2022	<u>Quarterly Activities/Appendix 4C Cash Flow Report</u>
12 July 2022	<u>Application for quotation of securities</u>
1 July 2022	<u>Application for quotation of securities</u>
12 May 2022	<u>Application for quotation of securities</u>
9 May 2022	<u>SRJ secures another flange integrity and hot bolting campaign</u>
5 May 2022	<u>SRJ acquisition of STATS not proceeding</u>
29 April 2022	<u>Quarterly Activities/Appendix 4C Cash Flow Report</u>

All requests for copies of the above documents should be addressed to:
Company Secretary
Level 4, 225 St Georges Terrace
Western Australia, Perth, 6000

Certain documents are also available on the Company's website, <https://www.srj-technologies.com/>.

At the date of this Prospectus, save as disclosed in this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules and which the Board considers would be reasonably required in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to CDIs in the Company.

6.4 Interests of Directors

Other than as set out below or elsewhere in this Prospectus:

6.4.1 No Director or proposed Director has, or has had in the two years before lodgement of this Prospectus, an interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers.

6.4.2 No amounts, whether in cash or CDIs or otherwise, have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director either to induce them to become, or to qualify them as, a Director, or otherwise for services rendered by them in connection with:

- (a) the promotion or formation of the Company; or
- (b) the Offers (or any of their components).

As at the date of this Prospectus, the Directors have the following interests in issued securities of the Company, either directly or indirectly:

Director	CDIs	Performance Rights	Percentage at the Prospectus Date	Percentage on completion of the Offers	Percentage on completion of the Offers (fully diluted)
Robin Pinchbeck	316,934	606,250	0.24%	0.50% ²	0.48%
Alex Wood	206,250	1,646,666	0.15%	0.15%	0.96%
Roger Smith	440,000	1,393,333	0.33%	1.32% ²	0.95%

1. Alexander Wood holds 19% of the shares of AVI Partners, which holds 16.30% of the issued share capital of the Company on a fully diluted basis immediately following the Offers.

2. Includes LTIP Shares issued on exercise of NED Rights, refer to Section 2.4 for further details.

6.5 Consents

Each of the following parties has given and has not, before the issue of this Prospectus, withdrawn its written consent to being named in the Prospectus and to the inclusion, in the form and context in which it is included, of any information described below as being included with its consent.

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the CDIs), the Directors of the Company, any underwriters, persons named in the Prospectus with their consent as having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading or deceptive statements made in the Prospectus. Although the Company bears primary

responsibility for the Prospectus, other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the reference to its name and any statement or report included in this Prospectus with the consent of that party as described below:

- 6.5.1 Maddocks has consented to being named in the Corporate Directory of this Prospectus as the Australian legal adviser to the Company, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Maddocks;
- 6.5.2 Mercer has consented to being named in this Prospectus, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Mercer;

6.6 Interests of advisers and costs of the Offers

Other than as set out below or elsewhere in this Prospectus, no adviser involved in the preparation of this Prospectus (nor any firm in which any adviser is a partner), has held at any time in the past two years any interests in:

- 6.6.1 the formation or promotion of the Company;
- 6.6.2 any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- 6.6.3 the Offers (or any component of it) themselves.

In addition, other than as set out below, no amounts (whether in cash, CDIs or otherwise) have been paid or agreed to be paid and no benefits have been given or agreed to be given to any adviser (or any firm in which the adviser is a partner) for services rendered by the adviser, or the adviser's firm in connection with the promotion or formation of the Company or in connection with the Offers:

- 6.6.4 In lieu of fees payable by the Company to Raleigh Atlantic Limited in connection with the draw down and repayment of convertible notes, the Company is offering 680,880 CDIs to Raleigh Atlantic Limited under this Prospectus;
- 6.6.5 Maddocks has acted as legal adviser to the Company in relation to this Prospectus and the Offers. In aggregate, the Company has paid or agreed to pay approximately A\$40,000 (plus GST and disbursements) for these services to the date of this Prospectus. Further amounts may be paid to Maddocks in accordance with their usual time based charge out rates;
- 6.6.6 The Company has agreed to pay a finder's fee to Brighton Capital equal to 6% of the amount drawn down under the facility; and
- 6.6.7 The Company has agreed to pay certain costs of Mercer's advisers in connection with the preparation of the Convertible Securities Agreement in the amount of approximately A\$28,000.

6.7 Not investment advice or financial product advice

The information in this Prospectus is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. SRJ is not licensed to (and does not) provide financial product advice in respect of the New Securities.

The information in this Prospectus does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Securities, you should consider whether they are a suitable investment for you in the light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of New Securities the subject of the Offers. If, after reading this Prospectus, you have any questions about the Offers, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

6.8 Information availability

Investors in Australia can obtain a copy of this Prospectus during the Offer period by calling +61 7 3334 4851 any time from 8.30am to 5.00pm (AEDT time) Monday to Friday.

Neither this Prospectus nor the accompanying Application Form may be distributed to or relied upon by, persons that are in the United States or otherwise distributed in the United States.

6.9 Litigation and Claims

So far as the Directors are aware, there is no current or threatened litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

6.10 Past performance

Past performance and pro-forma historical financial information given in this Prospectus is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Prospectus is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

6.11 Consents to lodgement of this Prospectus

Each Director of the Company has consented, and not withdrawn their consent, to the lodgement of this Prospectus with ASIC as required by section 720 of the Corporations Act.

7. Glossary

Term	Meaning
Applicant	means a person who submits a valid Application Form pursuant to this Prospectus.
Application	means an application for New Securities under this Prospectus.
Application Forms	means the application forms attached to or accompanying this Prospectus for investors to apply for New Securities under the Offer.
Articles	The Articles of Association of the Company.
ASIC	Australian Securities and Investments Commission.
ASIC Act	Australian Securities and Investments Commission Act 2001 (Cth).
ASX or Australian Securities Exchange	ASX Limited (ABN 98 008 624 691), or the financial market operated by it, as the context requires.
ASX Listing Rules	The official listing rules of ASX, as amended or waived from time to time.
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532).
ASX Settlement Operating Rules	The operating rules of ASX Settlement, and to the extent they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited ABN 48 001 314 503.
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations.
Board	the board of directors of the Company from time to time.
CDI	CHESS Depository Interests.
CGT	Capital gains tax.
CHESS	Clearing House Electronic Subregister System operated in accordance with the Corporations Act.
Commencement Shares	763,864 CDIs to be issued to Mercer under the Offers.
Company or SRJ	SRJ Technologies Group plc ARBN 642 229 856.
Convertible Notes	the redeemable, secured convertible notes with a face value of A\$1,610,000 to be issued on the key terms set out in Section 5.7.
Corporations Act	Corporations Act 2001 (Cth).
Director or Directors	A member of the board of directors of the Company from time to time.

EGM	The extraordinary general meeting of SRJ shareholders to be held on or around 24 March 2023.
Employee Performance Rights	means the 3,707,333 Performance Rights issued to certain employees of the Company under the SRJ Equity Incentive Plan.
Expiry Date	means 15 March 2024.
Financial Information	has the meaning given in Section 6.
First Allotment Date	means 2 March 2023.
First Tranche Convertible Notes	means the initial tranche of 862,500 Convertible Notes to be issued shortly after the First Closing Date (with a subscription price of \$750,000).
First Tranche Conditional Options	means 4,173,093 Options issued within 5 Business Days of receiving shareholder approval at the EGM.
First Tranche Options	means 1,398,463 Options issued on the First Closing Date.
GBP or £	Great British Pounds being the lawful currency of the United Kingdom.
Group	SRJ Technologies Group plc its subsidiaries and affiliates.
GST	Goods and services or similar tax imposed in Australia.
IFRS	International Financial Reporting Standards.
Intuitive Shares	550,000 CDIs to be issued to Intuitive Pty Ltd in lieu of fees in relation to its investor relations services provided to the Company.
Lodgement Date	means 16 February 2023, being the date this Prospectus is lodged with ASIC.
LTIP Shares	means the 4,146,057 CDIs to be issued on conversion of the Employee Performance Rights and the NED Rights
Mercer	means Mercer Street Global Opportunity Fund, LLC.
Mercer Securities	means the Convertible Notes, Commencement Shares and Options offered under the Offers.
NED Rights	means the 438,724 Performance Rights issued to the Company's Non-Executive Directors, under the SRJ Equity Incentive Plan.
New Securities	means the CDIs, options and convertible notes to be issued under the Offers.
Options	means the First Tranche Options, First Tranche Conditional Options and the Second Tranche Options, the terms of which are set out in Section 5.6.
Offers	means the offer of up to \$1,610,000 Convertible Notes together with other associated offers as set out in Section 3.1 of this Prospectus.

Performance Rights	Rights to acquire shares issued under the Incentive Plans on the key terms set out in Section 5.11.
Pro Forma Balance Sheet	has the meaning given in Section 5.
Prospectus	this prospectus prepared by the Company in accordance with the special content rules under section 713 of the Corporations Act in respect of the Offer.
Raleigh Facility	means the amended convertible note facility between the Company and Raleigh dated 21 November 2022.
Raleigh Shares	means the 680,880 CDIs offered by the Company to Raleigh Atlantic Limited in lieu of fees.
Second Allotment Date	means 28 March 2023.
Second Tranche Convertible Notes	means the tranche of 747,500 Convertible Notes to be issued shortly after the Second Closing Date (with a subscription price of \$650,000).
Second Tranche Options	means 4,828,682 Options allotted shortly after the issue of the Second Tranche Convertible Notes on the Second Allotment Date.
Securityholder	the registered holder of a CDI or Share.
Securityholding	the number and value of CDI(s) held in the Company.
Share	a fully paid ordinary share in the capital of the Company.
Share Registry	Computershare Investor Services Pty Ltd.
SRJ	SRJ Technologies Group plc ARBN 642 229 856.
SRN	Security Reference Number.
Subsequent Convertible Notes	means the further amount of Convertible Notes between \$500,000 million and \$2,100,000 million, subject to mutual agreement between Mercer and SRJ, which would also be subject to future shareholder approval.

Corporate directory

Head Office

La Quai House
Le Quai D'Auvergne
St Helier, Jersey JE2 3TN
Ph: +44 (0) 1534 626 818
Email: info@srj-technologies.com

UK Office

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Port Hamble, Satchell Lane
Amble, Southampton SO31 4QD
Ph: +44 (0) 2382 549 818
Email: info@srj-technologies.com

Australian Office

Level 4
225 St Georges Terrace
Perth WA 6000
Ph: +61 (08) 6162 6199
Email: js@srj-technologies.com

Website

www.srj-technologies.com

Stock exchange listing

SRJ is listed on ASX (code 'SRJ')

Australian legal adviser

Maddocks
Angel Place
Level 27, 123 Pitt Street
Sydney NSW 2000

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000