

**ASX Announcement**

ASX: SMN

20 January 2025

**SMS achieves key milestone towards FAA certification**

**Structural Monitoring Systems Plc** (“**SMS**” or “**the Company**”) (ASX: SMN & SMNOA) is pleased to announce significant progress in the certification process for its Aft Pressure Bulkhead (APB) sensor technology. The Federal Aviation Administration (FAA) has approved and issued the final Certification plan to Boeing, marking the achievement of the third-to-last milestone in the process.

With this milestone completed, only two steps remain:

1. Boeing's submission of the full Service Bulletin and Compliance Report to the FAA.
2. Final approval and certification from the FAA for this application.

Although the timeline for these final steps is not yet confirmed, we will be following progress closely and updating the market as this information is received.

While SMS has achieved full technical approval of the APB sensor solution within Boeing, the FAA has required concurrent inspections using Low Frequency Eddy Current (LFEC) technology every 2,400 cycles (or every second inspection) until sufficient operational data is gathered.

To meet this requirement, Boeing is working with a major operator of older 737 Classic aircraft to collect additional data and SMS is supplying the necessary kits to support this program.

**Progress with Delta Air Lines**

Delta Air Lines has confirmed its commitment to install APB sensors across its fleet of 71 aircraft subject to inspection requirements. Delta is also training Maintenance, Repair, and Overhaul (MRO) providers in Florida and El Salvador. Key developments include:

- The **53rd installation**, scheduled for **17 January 2025**, on aircraft 3745.
- Five additional installations planned for the following week in Kansas, Mexico, Florida, and El Salvador.

### **Upcoming United Airlines Trial**

SMS is preparing sensor kits for United Airlines' APB sensor trial, expected to begin in January 2025.

United has integrated the sensors into its maintenance program and is qualifying AEM as a supplier. Further updates on United's plans and response to SMS's commercial proposal are anticipated soon. The FAA's clarified requirements will also support discussions with other key target airlines, including Southwest and American Airlines, about integrating SMS's sensor technology.

### **Chairman and CEO Ross Love commented:**

"We are very pleased to have a clear pathway to FAA certification for our APB sensor solution.

"While the additional inspection requirement set by the FAA is temporary, we are confident that Boeing's program to collect the necessary operational data will address this in due course. "In the meantime, we can now be highly confident that our APB sensors will indeed be the first structural health monitoring solution used in the commercial airline industry and will pave the way for expanded adoption of CVM™ technology and future innovations.

"While we might have wished that this process had been completed well before now, we have to continue to respect the rigorous standards set down by the world's largest and most influential aviation safety regulator.

"In this regard, we also recognise how significant this approval will be for SMS and the industry as a whole when it is finally issued this year."

This announcement been approved for release by Executive Chairman Ross Love on behalf of the Board of Directors.

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