



REPLACEMENT PROSPECTUS

SRJ TECHNOLOGIES GROUP PLC

ARBN 642 229 856

Replacement Prospectus for the initial public offering of 18,916,252 CDIs over ordinary shares in the Company at an offer price of A\$0.50 per CDI

LEAD MANAGER & UNDERWRITER
Morgans Corporate Limited
(AFSL 235407)

This Prospectus is important, and should be read in its entirety before any investment decision regarding the CDIs offered under this Prospectus is made. If after reading its contents you have any questions, whether about the Company, the Offer or otherwise, you should contact your independent financial adviser. The CDIs offered under this Prospectus should be considered speculative in nature.

IMPORTANT NOTICES

OFFER

The Offer contained in this Prospectus is an invitation to acquire CHES Depositary Interests (CDIs) over fully paid ordinary shares in SRJ Technologies Group plc ARBN 642 229 856, a Jersey limited liability company (**SRJ** or the **Company**). This Prospectus is issued by the Company and SRJ Technologies SaleCo Limited (ACN 643 224 864) (**SaleCo**) for the purposes of Chapter 6D of the Corporations Act.

LODGEMENT AND LISTING

This Prospectus is dated 21 August 2020 and a copy of this Prospectus was lodged with ASIC on that date. This prospectus is a replacement prospectus which replaces the prospectus dated 7 August 2020 and lodged with ASIC on that date (**Original Prospectus**). This Prospectus differs from the Original Prospectus. The differences between this Prospectus and the Original Prospectus are in the nature of updates and clarifications including to (a) further explain what working capital will constitute (as referenced in the use of funds), (b) further clarify certain figures and terms used in the Prospectus including reduced asset downtime (c) further clarify the nature of relationships between the Company and certain of its distributors (d) further comment on the impacts of COVID-19 (e) further clarify the Company's proposed expansion timeline (f) include a revised copy of the IP Report to include the end date of each patent in each relevant jurisdiction and (g) to update the definition of the Prospectus Date to now refer to the date of lodgement of the Original Prospectus with ASIC.

The Company will apply to ASX for admission of the Company to the official list of ASX and for quotation of the CDIs on ASX within seven days after the date of this Prospectus. Neither ASIC, ASX nor their respective officers take any responsibility for the contents of this Prospectus or for the merits of the investment to which this Prospectus relates.

EXPIRY DATE

No Shares or CDIs will be allotted or issued on the basis of this Prospectus later than 13 months after the Prospectus Date.

NOTE TO APPLICANTS

The information contained in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

No person is authorised to give any information or to make any representation in connection with the Offer or the CDIs described in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company or the Lead Manager in connection with the Offer.

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in the Company's CDIs. There are risks associated with an investment in the Company's CDIs, which must be regarded as a speculative investment. Some of the key risks that should be considered are set out in Section 4. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues). There may also be risks in addition to these that should be considered in light of your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional adviser before deciding whether to invest in the CDIs.

No person named in this Prospectus warrants or guarantees the Company's performance, the repayment of capital by the Company or any return on investment made pursuant to this Prospectus.

NO OFFER WHERE OFFER WOULD BE ILLEGAL

This Prospectus does not constitute an offer of or invitation to apply for CDIs in any place in which, or to any person to whom, it would not be lawful to make such an offer of or invitation. No action has been taken to register or qualify the CDIs or the Offer or to otherwise permit a public offering of the CDIs, in any jurisdiction outside Australia and New Zealand. The Offer is not being extended to any investor outside Australia or New Zealand, other than to certain institutional and sophisticated investors as part of the institutional offer in certain jurisdictions as described in Section 9.1. The distribution of this Prospectus (including in electronic form) outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

NOTICE TO UNITED STATES RESIDENTS

The CDIs being offered pursuant to this Prospectus have not been registered under the United States Securities Act of 1933, as amended (US Securities Act) or any US state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the CDIs in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful under applicable law, including the US Securities Act. In addition, any hedging transactions involving the CDIs or any Shares into which the CDIs may be converted may not be conducted unless in compliance with the US Securities Act.

NOTICE TO NEW ZEALAND INVESTORS

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Corporation Regulations 2001 (Cth). In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings-Australia) Regulations 2008.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Cth) and Corporation Regulations 2001 (Cth) (Australia) set out how the Offer must be made.

There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment for Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the CDIs is not New Zealand dollars. The value of the CDIs will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the CDIs to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the CDIs are able to be traded on the securities market and you wish to trade the CDIs through that market, you will have to make arrangements for a participant in that market to sell the CDIs on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the CDIs and trading may differ from securities markets that operate in New Zealand.

FINANCIAL INFORMATION & AMOUNTS

Section 6 of this Prospectus sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information.

The Financial Information included in this Prospectus has been prepared and presented in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, except where otherwise stated.

The Financial Information is presented in abbreviated form. It does not include all of the presentation and disclosures required by the Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The Financial Information in this Prospectus should be read in conjunction with, and is qualified by reference to, the information contained in section 6.

All financial amounts contained in this Prospectus are expressed in GBP £ rounded to the nearest £'000 (thousand) unless otherwise stated. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

An exchange rate of £1: A\$1.85 has been used throughout this Prospectus except where expressly noted otherwise.

DISCLAIMER

No person is authorised by the Company, SaleCo or the Lead Manager to give any information or make any representation in connection with the Offer that is not contained in the Prospectus. Only information or representations contained in this Prospectus may be relied on as having been authorised by the Company, SaleCo or their respective Directors, the Lead Manager or any other person in connection with the Offer. The Company's business, financial condition, results of operations and prospects may have changed since the Prospectus Date.

This Prospectus contains forward-looking statements concerning the Company's business, operations, financial performance and condition as well as the Company's plans, objectives and expectations for its business, operations, financial performance and condition. Any statements contained in this Prospectus that are not of historical facts may be deemed to be forward-looking statements. You can identify these statements by words such as "aim", "anticipate", "assume", "believe", "could", "due", "estimate", "expect", "goal", "intend", "may", "objective", "plan", "predict", "potential", "positioned", "should", "target", "will", "would" and other similar expressions that are predictions of or indicate future events and future trends.

These forward-looking statements are based on current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates and management's beliefs and assumptions. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors, many of which are in some cases beyond the Company's control. As a result, any or all of the Company's forward-looking statements in this Prospectus may turn out to be inaccurate. Factors that may cause such differences or make such statements inaccurate include, but are not limited to, the risk factors described in Section 4. Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements set out in this Prospectus and are cautioned not to place undue reliance on such forward-looking statements.

These forward-looking statements speak only as at the Prospectus Date. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. You should, however, review the factors and risks the Company describes in the reports to be filed from time to time with ASX after the Prospectus Date.

PAST PERFORMANCE

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

EXPOSURE PERIOD

The Corporations Act prohibits the Company from processing Applications for CDIs under the Offer in the seven-day period after the date of lodgement of the Original 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 Offer. 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.

ELECTRONIC PROSPECTUS

This Prospectus will be available in electronic form on the following website: www.srj-technologies.com/investors.

OBTAINING A COPY OF THE PROSPECTUS

A hard copy of this Prospectus will be available for Australian residents free of charge during the Offer Period by contacting the SRJ Offer Information Line on +61 7 3334 4851 between 8.30am and 5.00pm AEST, Monday to Friday (excluding public holidays).

This Prospectus will be made available in electronic form on the following website: www.srj-technologies.com/investors. Information contained on: www.srj-technologies.com/investors other than the Prospectus, does not form part of this Prospectus.

The Offer constituted by this Prospectus in electronic form is available only to persons receiving this Prospectus in electronic form within Australia. Hard copy and electronic versions of this Prospectus are generally not available to persons in other jurisdictions (including the United States).

Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. If unsure about the completeness of this Prospectus received electronically, or a print out of it, you should contact the Company on the above telephone number. A paper copy of this Prospectus will be available for Australian and New Zealand residents free of charge by contacting the SRJ Offer Information Line on +61 7 3334 4851 (between 8:30am to 5:30pm AEST).

Applications for the CDIs under this Prospectus may only be made on either a printed copy of the Application Form attached to or accompanying this Prospectus or via the electronic Application Form attached to the electronic version of this Prospectus, available at www.srj-technologies.com/investors.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of the Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with Section 724 of the Corporations Act.

COOLING OFF RIGHTS

Cooling off rights do not apply to an investment in CDIs pursuant to the Offer. This means that, in most circumstances you cannot withdraw your Application once it has been accepted.

PRIVACY

The Company, the Share Registry on its behalf, and the Lead Manager may collect, hold, use and disclose personal information provided by investors to allow it to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration of your investment. This means that the Company will need to collect your personal information (for example, your name, address and details of the Securities that you hold). Under the Corporations Act some of this information must be included in the Company's Share register, which will be accessible by the public.

The Company will only use and/or disclose your personal information for the purposes for which it was collected, other related purposes and as permitted or required by law. If you do not wish to provide this information, the Company and the Share Registry may not be able to process your Application.

The Company and the Share Registry may also share your personal information with agents and service providers of the Company or others who provide services on the Company's behalf, some of which may be located outside of Australia where personal information may not receive the same level of protection as that afforded under Australian law.

For more details on how the Company collects, stores, uses and discloses your information, please read the Company's Privacy Policy located at www.srj-technologies.com/investors.

Alternatively, you can contact the Company by telephone on +61 7 3334 4851 from 8:30am to 5:30pm AEST, Monday to Friday (excluding public holidays) or webmail at info@srj-technologies.com and the Company will send you a copy of its Privacy Policy free of charge. It is recommended that you obtain a copy of this Privacy Policy and read it carefully before making an investment decision.

By completing an Application Form or authorising a broker to do so on your behalf, or by providing the Company with your personal information, you agree to this information being collected, held, used and disclosed as set out in this Prospectus and the Company's Privacy Policy (located at www.srj-technologies.com/privacy).

The Company's Privacy Policy also contains information about how you can access and seek correction of your personal information, complain about a breach by the Company of the Australian privacy laws, and how the Company will deal with your complaint.

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

DEFINITIONS, ABBREVIATIONS AND TIME

Defined terms and abbreviations used in this Prospectus (unless specified otherwise) are explained in Section 12.

All references to time in this Prospectus refer to Australian Eastern Time (AEST) unless stated otherwise.

PHOTOGRAPHS, DATA AND DIAGRAMS

Photographs and diagrams used in this Prospectus which do not have any descriptions are for illustration only and should not be interpreted to mean that any person shown 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 and may not accurately reflect the final appearance of the subject matter which they depict.

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at 7 August 2020.

COMPANY WEBSITE

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred to in this Prospectus, is incorporated in this Prospectus by reference.

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 2001 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.

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KEY OFFER INFORMATION

IMPORTANT DATES

Lodgement of the Original Prospectus with ASIC	Friday, 7 August 2020
Lodgement of this Prospectus with ASIC	Friday, 21 August 2020
Offer period opens	Monday, 24 August 2020
Offer period closes	Friday, 4 September 2020
Settlement of the Offer	Friday, 11 September 2020
Issue of Shares under the Offer	Monday, 14 September 2020
Despatch of Shareholder statements	Tuesday, 15 September 2020
Expected commencement of trading on the ASX on a normal settlement basis	Friday, 18 September 2020

All dates and times above are in Australian Eastern Daylight Time. The above timetable is indicative only. The Company reserves the right to vary the dates and times set out above subject to the Corporations Act and other applicable law. In particular, the Company reserves the right to close the Offer early, extend the Closing Date or accept late Applications without notifying any recipients of this Prospectus or any Applicants. Investors who wish to submit an Application are encouraged to do so as soon as practicable after the Offer opens.

Company	SRJ Technologies Group plc
Proposed ASX Code for the Shares	SRJ
Securities offered	CDIs (each representing one Share)
Ratio of CDIs per Share	1 CDI: 1 Share
Number of Securities on issue as at the date of this Prospectus	84,029,369
Offer Price per CDI	A\$0.50
Number of CDIs available under the Offer	18,916,252
Gross proceeds from the Offer to the Company	A\$8,000,000
Gross proceeds from the sell down to SaleCo	A\$1,458,126
Gross proceeds from the Offer paid to Selling Shareholders (before costs)	A\$1,458,126
Total number of Securities on issue on completion of the Offer ^{1, 2}	119,015,369
Total number of Securities on issue on completion of the Offer (on a fully diluted basis) ^{1, 2, 3}	127,029,369
Indicative market capitalisation on completion of the Offer (on an undiluted basis) ^{1, 2, 3, 4}	A\$59,507,685
Indicative market capitalisation on completion of the Offer (on a fully diluted basis) ^{1, 2, 3, 5}	A\$63,514,685

Notes:

- 1 Assumes all Shares are held in the form of CDIs.
- 2 On completion of the Offer, in addition to the Securities available under the Offer, the Company will issue:
 - a) 17,500,000 CDIs on conversion of the convertible notes, at a deemed issue price of A\$0.40 per CDI;
 - b) 1,486,000 CDIs to advisers and consultants for services performed with respect to the pre-IPO fundraising and IPO. Refer to Section 11 for further details.
- 3 On completion of the Offer the Company will grant 8,014,000 Performance Rights to Directors, management, employees and consultants. Refer to Section 11 for further details.
- 4 Calculated as the total number of Securities on issue following the Offer multiplied by the Offer Price per CDI.
- 5 Calculated as the total number of Securities on issue following the Offer (on a fully diluted basis) multiplied by the Offer Price per CDI.

CHAIRMAN'S LETTER

Dear Investor,

On behalf of the Board of SRJ Technologies Group plc (**SRJ** or the **Company**), it gives me great pleasure to invite you to become an investor in the Company.

SRJ develops and distributes a range of weld-free coupling and leak containment solutions for pipeline and process pipework systems. SRJ products are designed primarily for pipe repair and the emergency replacement market, but can also be integrated into new pipeline builds.

SRJ's weld-free technology is positioned as a disruptor to flanges, the main pipe joint product used in pipeline and process pipework systems. As most permanent pipe joint repair processes require welding, they are time consuming, can be costly to complete, and expose personnel to welding-related safety issues.

By eliminating welding and associated testing requirements, SRJ installations take approximately four hours to complete compared to approximately 30 hours when using flanges installed by conventional means. Management believes that as the benefits of non-welded solutions become well understood by the market it can gain market share from the traditional flange with its weld-free coupling product. The global oil and gas flange market was estimated at US\$1.43 billion per year in 2018, which presents a substantial market to capture with a differentiated product.

SRJ also offers Asset Integrity Management (**AIM**) consulting services. Consulting services create a path to market for SRJ products in addition to generating a revenue stream.

SRJ has achieved the following milestones, providing a solid foundation to execute on its growth strategy:

- Developed an intellectual property portfolio including 28 granted patents across 7 patent families in 25 countries, with 10 additional patent applications pending;
- Completed years of research, development and testing to comply with oil and gas industry standards, and certification of its coupling products from Lloyds and American Bureau of Shipping, both prerequisites to adoption of SRJ technology by major operators;
- Successfully launched its weld-free coupling and leak containment system products to the market with EnerMech and SBM Offshore as top tier customers and strategic partners; and
- Established its outsourced manufacturing and distribution supply chain, and operations in Jersey, Australia and the United Kingdom.

The Board believe the available commercial opportunities in Australian and European oil and gas markets are substantial. Funding is being sought to provide capital to accelerate the Company's growth plan. Under this Prospectus, the Company will raise A\$8 million through the issue of 16 million CHESS Depositary Interests (**CDIs**). CDIs are units of beneficial ownership in Shares and trade in a manner similar to shares of Australian companies listed on the ASX. Certain Existing Holders will also be given the opportunity to sell down part of their holding by way of sale by SaleCo of 2,916,252 CDIs under the Offer.

Upon listing on the ASX, the Company will have a market capitalisation at the Offer Price of approximately A\$60 million.

This Prospectus contains important information about SRJ and the Offer. It also contains information about the range of potential risks of investing in the Company, which include uncertainty of revenue given the Company's stage of development, reliance on key customers and protection of intellectual property. Potential investors should consider that an investment in the Company is highly speculative. I encourage you to read this Prospectus carefully and in its entirety and consult with your professional advisers before deciding whether to apply for CDIs pursuant to this Prospectus.

On behalf of the Board, I look forward to welcoming you as an investor in the Company and in participating in our journey.

Yours faithfully,

Robin Pinchbeck
Chairman, SRJ Technologies Group plc
21 August 2020



1. INVESTMENT OVERVIEW

The information set out in this Section is intended to be a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. In deciding whether to apply for CDIs under the Offer, you should read this Prospectus carefully and in its entirety. If you are in doubt as to the course you should follow, please consult your professional advisers.

About the Company

Question	Answer	More Information
What is the Company?	SRJ Technologies Group plc (SRJ or the Company) is a limited liability company incorporated in Jersey, Channel Islands.	Section 3.2
What is the business of SRJ?	<p>SRJ develops and distributes a range of weld-free coupling and leak containment solutions for pipeline and process pipework systems and leak containment solutions. The products are designed primarily for pipe repair and the emergency replacement market but can also be integrated into new pipeline builds.</p> <p>The Company also offers Asset Integrity Management (AIM) consulting services to help asset owners to develop and implement an effective asset integrity strategy. These offerings have been paired to create a path to market for SRJ products from its consulting services.</p>	Sections 3.1 and 3.3
Who uses the SRJ products?	<p>SRJ targets customers with high value pipeline, process pipework system and specialised infrastructure assets. Deterioration in older assets or assets fabricated from unprotected steel require additional maintenance and require a comprehensive repair solution that can reduce plant downtime.</p> <p>The markets in the near term will primarily be asset owners in the oil and gas, LNG and mining markets.</p> <p>The SRJ products also have application for projects in power, shipping and petrochemicals.</p>	Section 2.1
Where does SRJ operate?	SRJ operates via offices in Australia and the United Kingdom and distributes products and services via its partners' global sales channels. The key target markets for products and services are the UK, Middle East and Australia (with the Company's current focus being on the UK and Australia).	Sections 3.2 and 3.8
What are SRJ's key products and services?	SRJ's key products offer both permanent and temporary pipe repair solutions for existing brownfield assets and for new greenfield pipeline and process pipework system infrastructure builds. SRJ also provides consulting services, which provides a path to market for SRJ products as well as generating revenues to the Company.	Section 3.3
What is the SRJ business model and how does it generate revenue?	<p>The business model centres around the provision of weld-free couplings and leak containment solutions for pipeline and process pipework systems and includes:</p> <ul style="list-style-type: none"> outsourced manufacturing to qualified, in-country regional manufacturing partners; blended distribution channels using both direct channels and in-country installation/service partners with existing contractual arrangements; and operational excellence in customer service through the provision of fast response times and engineering excellence. <p>SRJ's main revenue stream since launch has been sales of the SRJ products through strategic partners. In January 2020, SRJ sought to diversify its revenue model to include SRJ Consulting, which generates revenue for services on a daily rate or outcome driven basis.</p> <p>In the future, SRJ is planning leasing as an alternative pricing model for its BoltEx product offered through strategic partners alongside standard product sales. This will give SRJ the potential to generate ongoing, recurring revenues over a longer period of time than upfront sales. Leasing also smooths revenue over time.</p>	Sections 3.5 and 3.6

Question	Answer	More Information
What is the SRJ business model and how does it generate revenue? (cont'd)	There is also potential for SRJ to license its intellectual property to strategic partners. As SRJ demonstrates its capability by successfully completing installations, there is potential for new strategic partnerships to be created leading to licence deals.	Sections 3.5 and 3.6
Who owns the intellectual property behind SRJ products?	The Company wholly owns the intellectual property through its subsidiary Acorn Intellectual Properties Limited incorporated in Jersey, Channel Islands.	Sections 3.3.1 and 8
What is the SRJ growth strategy?	<p>SRJ is focused on both opex spend to repair existing pipelines and process pipework systems, as well as capex spend on new pipeline and process pipework system builds. Opex revenues are able to be generated near term with numerous repair projects initiated by customers. Capex revenues rely on the approval of large-scale projects, translating to a longer sales cycle, however any capex projects secured can potentially deliver substantial revenues.</p> <p>SRJ will initially target the oil and gas industries, in particular brownfield pipeline and processing facilities in Australia. Once the Company has established revenues and can demonstrate its capability via successful installations, it intends to target other sectors such as shipping, power and petrochemicals.</p> <p>SRJ intends to build its market presence and grow by delivering on a staged growth plan involving Australian growth, international expansion and innovation.</p>	Section 3.8
Who does SRJ compete with?	<p>Both pipe product segments and AIM consulting services are fragmented.</p> <p>The traditional flange joint represents the most significant competitive product. Other comparable products to SRJ's weld-free coupling and clamp products include leak sealing services and product providers, mechanical coupling providers and hot bolt clamp providers.</p> <p>AIM consulting services are provided by large global all-service consulting firms through to niche providers (for example, oilfield service companies, integrity consultants and inspection services).</p>	Section 2.6
What are the key highlights of the Offer?	<p>The key investment highlights of the Offer include the following:</p> <ul style="list-style-type: none"> • Opportunity to gain immediate exposure to the global oil and gas asset integrity and repair industry. • Clear growth strategy and opportunities to build revenue. • Well-established relationship with EnerMech, a global engineering services company specialising in critical asset support to the international energy sector. • Potential to grow multiple revenue streams from product sales, product leasing and engineering consulting services. • Highly experienced management team with an aligned focus on building customer and shareholder value. 	Sections 2 and 3
What are the key competitive advantages of the SRJ business?	<p>The competitive advantages of the SRJ business include the following:</p> <ul style="list-style-type: none"> • SRJ has completed testing and approval of its products over a number of years to obtain required industry certifications. Rigorous due diligence, testing and approvals are required before a new product is accepted. • SRJ can provide permanent repair solutions in place of alternative, temporary options. • SRJ's provides weld-free leak containment solutions, which can reduce asset downtime, safety issues and cost of repair. • SRJ has a highly experienced technical and management team focused on developing new products, building its customer base and maximising shareholder value. 	Sections 3.3 and 3.4

Question	Answer	More Information
What are the key risks associated with SRJ?	<p>Key risks involved with an investment in SRJ include the general and Company specific risks detailed in Section 4. A summary of the most significant risks is detailed below.</p> <ul style="list-style-type: none"> • 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. • 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. • 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. • 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. The Company made its first sales in 2017 and has generated most of its revenue through the EnerMech Collaboration Agreement since that time. 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. • Protection of intellectual property and risk of intellectual property claims: 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. There is also a risk that the Company is subject to intellectual property or other claims from time to time, which could result in disputes or litigation. Regardless of the merits or substance of a claim, intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. • 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 product more effective or economic than the product developed by the Company which would render the Company product uncompetitive. • 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 its CEO (Mr. Alexander Wood), Head of EMEA (Roger Smith) and Technical Director (Paul Eastwood) 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. 	Section 4.1

Question	Answer	More Information
What are the key risks associated with SRJ? (cont'd)	<ul style="list-style-type: none"> • Reliance on key personnel (cont'd): In particular, the Company 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. • 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. <p>Other general risks of an investment in SRJ and more detail on Company specific risks are set out in Section 4.</p>	Section 4.1
Who are the Directors and key management of SRJ?	<p>The Directors of the Company are:</p> <ul style="list-style-type: none"> • Robin Pinchbeck – Non-Executive Chairman • Alexander Wood – Chief Executive Officer and Director • Grant Mooney – Independent Non-Executive Director • Andrew Mitchell – Independent Non-Executive Director <p>See Section 5.1 for further details regarding the background of the Directors.</p> <p>The key management of the Company are:</p> <ul style="list-style-type: none"> • Alexander Wood – Chief Executive Officer • Roger Smith – Head of EMEA • Stefan McGreevy – Chief Financial Officer • Paul Eastwood – Technical Director <p>See Section 5.3 for further details of the qualifications and experience of the key management team.</p>	Sections 5.1 and 5.3
Will any related party have a significant interest in SRJ following completion of the Offer?	<p>No related party, as defined in the Corporations Act, will have a significant interest in SRJ following completion of the Offer.</p> <p>Alexander Wood (Chief Executive Officer and Director) holds 19% of the issued share capital in AVI Partners Limited (AVI Partners). AVI Partners is a Jersey-based investment company and historically provided SRJ with business development and consulting services to support the growth of the company. AVI Partners will hold 27,574,855 CDIs in SRJ at Listing representing 23.2% of the issued share capital on an undiluted basis and it currently rents office space to SRJ.</p> <p>Although it is not required under the Corporations Act, AVI Partners has agreed to lodge Substantial Shareholder notices in relation to its holding in SRJ to ensure market transparency. AVI Partners will also be subject to ASX escrow with respect to 24,601,938 of its securities and voluntary escrow with respect to 2,972,917 of its securities.</p>	Section 5.2

Question	Answer	More Information																				
Will any related party have a significant interest in SRJ following completion of the Offer? (cont'd)	<p>The interests of the Directors in the capital of the Company at Listing are set out in the table below:</p> <table><tr><th>Director</th><th>Securities</th><th>% (undiluted)</th><th>% (fully diluted)</th></tr><tr><td>Robin Pinchbeck¹</td><td>201,135 CDIs 380,000 Performance Rights</td><td>0.2%</td><td>0.5%</td></tr><tr><td>Alexander Wood²</td><td>206,250 CDIs 2,470,000 Performance Rights</td><td>0.2%</td><td>2.1%</td></tr><tr><td>Grant Mooney</td><td>Nil</td><td>0%</td><td>0%</td></tr><tr><td>Andrew Mitchell</td><td>Nil</td><td>0%</td><td>0%</td></tr></table> <p>¹ 201,135 CDIs and 380,000 Performance Rights will be held at Listing by Albola Investments Limited a company associated with Robin Pinchbeck.</p> <p>² In addition to CDIs held directly by Alexander Wood there are 27,574,855 CDIs held by AVI Partners a company in which Alexander Wood holds 19% of the shares.</p>	Director	Securities	% (undiluted)	% (fully diluted)	Robin Pinchbeck ¹	201,135 CDIs 380,000 Performance Rights	0.2%	0.5%	Alexander Wood ²	206,250 CDIs 2,470,000 Performance Rights	0.2%	2.1%	Grant Mooney	Nil	0%	0%	Andrew Mitchell	Nil	0%	0%	Section 5.2
Director	Securities	% (undiluted)	% (fully diluted)																			
Robin Pinchbeck ¹	201,135 CDIs 380,000 Performance Rights	0.2%	0.5%																			
Alexander Wood ²	206,250 CDIs 2,470,000 Performance Rights	0.2%	2.1%																			
Grant Mooney	Nil	0%	0%																			
Andrew Mitchell	Nil	0%	0%																			
Who are the Substantial Shareholders and what will their interests be following completion of the Offer?	<p>The interests of Substantial Shareholders in the capital of the Company at Listing are set out in the table below:</p> <table><tr><th>Existing Shareholders</th><th>Securities</th><th>% (undiluted)</th><th>% (fully diluted)</th></tr><tr><td>AVI Partners¹</td><td>27,574,855 CDIs</td><td>23.2%</td><td>21.7%</td></tr><tr><td>Solibay Capital Partners Inc²</td><td>9,858,048 CDIs</td><td>8.3%</td><td>7.8%</td></tr></table> <p>¹ Alexander Wood holds 19% of the issued share capital of AVI Partners.</p> <p>² Solibay Capital Partners holds 12,089,000 CDIs at the date of the Prospectus and intends to sell 2,230,952 CDIs as part of the Sell Down to SaleCo with 9,858,048 CDIs remaining.</p>	Existing Shareholders	Securities	% (undiluted)	% (fully diluted)	AVI Partners ¹	27,574,855 CDIs	23.2%	21.7%	Solibay Capital Partners Inc ²	9,858,048 CDIs	8.3%	7.8%	Section 9.11								
Existing Shareholders	Securities	% (undiluted)	% (fully diluted)																			
AVI Partners ¹	27,574,855 CDIs	23.2%	21.7%																			
Solibay Capital Partners Inc ²	9,858,048 CDIs	8.3%	7.8%																			
What are the SRJ material contracts?	<p>The Company's material contracts are:</p> <ul style="list-style-type: none">• Customer purchase orders• Third-party manufacturing agreements• Collaboration Agreement with EnerMech• Underwriting Agreement	Section 10																				
Will SRJ pay dividends?	<p>The Company plans to invest all cashflow into the business in order to maximise its growth. Accordingly, no dividends are expected to be paid in the near-term following the Company's Listing.</p>	Section 6.9																				

Question	Answer	More Information																																																
What will SRJ use the proceeds raised from the Offer for?	The sources and uses of the funds raised from the Offer is set out below:	Section 9.3																																																
	<table><tr><th>Sources of funds</th><th>A\$ ('000)</th><th>£ ('000)</th><th>% of funds</th></tr><tr><td>Estimated cash at IPO date</td><td>1,583</td><td>856</td><td>14.3%</td></tr><tr><td>Offer Proceeds from the issue of New CDIs</td><td>8,000</td><td>4,324</td><td>72.5%</td></tr><tr><td>Gross proceeds received by SaleCo from sale by existing Shareholders</td><td>1,458</td><td>788</td><td>13.2%</td></tr><tr><td>Total sources</td><td>11,041</td><td>5,968</td><td>100.0%</td></tr><tr><th>Use of funds</th><th>A\$ ('000)</th><th>£ ('000)</th><th>% of funds</th></tr><tr><td>Payment of proceeds by SaleCo to Selling Shareholders</td><td>1,458</td><td>788</td><td>13.2%</td></tr><tr><td>Sales and marketing</td><td>2,960</td><td>1,600</td><td>26.8%</td></tr><tr><td>Research and development</td><td>2,035</td><td>1,100</td><td>18.5%</td></tr><tr><td>Costs of the Offer</td><td>1,160</td><td>627</td><td>10.5%</td></tr><tr><td>Working capital¹</td><td>3,428</td><td>1,853</td><td>31.0%</td></tr><tr><td>Total uses</td><td>11,041</td><td>5,968</td><td>100.0%</td></tr></table>	Sources of funds	A\$ ('000)	£ ('000)	% of funds	Estimated cash at IPO date	1,583	856	14.3%	Offer Proceeds from the issue of New CDIs	8,000	4,324	72.5%	Gross proceeds received by SaleCo from sale by existing Shareholders	1,458	788	13.2%	Total sources	11,041	5,968	100.0%	Use of funds	A\$ ('000)	£ ('000)	% of funds	Payment of proceeds by SaleCo to Selling Shareholders	1,458	788	13.2%	Sales and marketing	2,960	1,600	26.8%	Research and development	2,035	1,100	18.5%	Costs of the Offer	1,160	627	10.5%	Working capital ¹	3,428	1,853	31.0%	Total uses	11,041	5,968	100.0%	
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¹ The Company will use working capital to pay for manufacturing of SRJ products by third party manufacturers ranging from A\$3,000 to A\$6,000 per SRJ product manufactured, establish new offices and engage approximately 15 - 20 new staff members to capitalise on sales opportunities, as described in Section 3.5. In addition, working capital includes administrative costs such as corporate administration, directors' fees, share registry fees, legal, audit, company secretarial, insurance and travel costs.																																																		
Who are the issuers of the CDIs under this Prospectus?	The Company is the issuer of the CDIs representing new Shares. SaleCo is transferring CDIs representing existing Shares being sold under the Offer. The Company and SaleCo are issuing this Prospectus for the offer of CDIs.	Section 11.10																																																
About the Offer																																																		
What is the Offer?	The Company is offering 16,000,000 New CDIs under the Offer to raise gross proceeds of A\$8,000,000. SaleCo is offering 2,916,252 Sale CDIs under the Offer for sale to raise gross proceeds of A\$1,458,126, which will be paid to Selling Shareholders (after deduction of the underwriting costs).	Section 9.1																																																
What is SaleCo?	SaleCo is a company which has been incorporated to facilitate the sell down of Shares by the Selling Shareholders into the Offer.	Section 11.5																																																
Who are the Selling Shareholders?	The Selling Shareholders are certain existing Shareholders of the Company who have elected to sell some or all of their shareholding into the Offer. None of the Directors or employees are selling any Shares into the Offer.	Section 11.5																																																
What is the amount to be raised by the Company under the Offer?	A\$8,000,000.	Section 9.1																																																
Is there a minimum amount to be raised under the Offer?	No, the Offer is fully underwritten by the Lead Manager.	Section 9.2																																																

Question	Answer	More Information												
What do Applicants pay when applying under the Offer?	All Applicants under the Offer will pay A\$0.50 per CDI. The Company will retain any interest earned on an Applicant's Application Monies.	Sections 9.4 and 9.5												
Who is the Lead Manager to the Offer?	Morgans Corporate Limited (AFSL 235407)	Section 11												
What is the purpose of the Offer?	The Offer is being conducted to: <ul style="list-style-type: none"> • fund and accelerate SRJ's global growth strategy; • fund the development and launch of new products in order to sell to existing customers; and • fund working capital requirements. 	Section 9.3												
What is the current capital structure and what will the capital structure of the Company be following completion of the Offer?	<table> <tr> <th>Security</th><th>Prospectus Date</th><th>On completion of the Offer</th></tr> <tr> <td>Shares/CDIs</td><td>84,029,369</td><td>119,015,369¹</td></tr> <tr> <td>Convertible notes</td><td>70,000 notes</td><td>Nil</td></tr> <tr> <td>Performance Rights</td><td>Nil</td><td>8,014,000²</td></tr> </table> <p>¹ Includes 1,486,000 CDIs issued to advisers and consultants for services performed and 17,500,000 CDIs issued on conversion of the convertible notes, at a deemed issue price of A\$0.40 per CDI.</p> <p>² 8,014,000 Performance Rights issued to Directors, management, employees and consultants.</p>	Security	Prospectus Date	On completion of the Offer	Shares/CDIs	84,029,369	119,015,369 ¹	Convertible notes	70,000 notes	Nil	Performance Rights	Nil	8,014,000 ²	Sections 11.3 and 11.4
Security	Prospectus Date	On completion of the Offer												
Shares/CDIs	84,029,369	119,015,369 ¹												
Convertible notes	70,000 notes	Nil												
Performance Rights	Nil	8,014,000 ²												
Will any Existing Holders be subject to escrow arrangements?	Certain existing Shareholders have entered into escrow arrangements under which they will be restricted from dealing with the escrowed securities they will hold on completion of the Offer until expiration of the relevant escrow period. These restrictions are either imposed by the ASX or have been agreed to voluntarily.	Section 11.8												
Who can participate in the Offer?	Investors that have a registered address in Australia can participate in the Offer. The Broker Firm Offer is open to Australian resident Retail Investors who have received a firm allocation from their broker. The Institutional Offer is open to certain Institutional Investors in Australia and a number of other authorised jurisdictions. The Lead Manager has separately advised Institutional Investors of the application procedures for the Institutional Offer. The Chairman's List Offer is open to persons in Australia, the United Kingdom and Jersey who have received a Chairman's List invitation from the Company.	Section 9.1												
What are CDIs?	The ASX uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. SRJ is a Jersey company incorporated under the Companies (Jersey) Law 1991, which does not recognise the CHESS system of holding securities. Accordingly, to enable companies such as SRJ to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. CDIs represent the beneficial interest in the underlying shares in a foreign company such as SRJ and are traded in a manner similar to shares of Australian companies listed on the ASX. Each one CDI will represent an interest in one Share of SRJ.	Section 11.10												

Question	Answer	More Information
What law governs 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 <i>Corporations Act 2001</i> (Cth) or by the Australian Securities and Investments Commission but instead are regulated by the Companies (Jersey) Law 1991 and applicable Jersey law, including in relation to laws and regulations relating to takeovers. Further information about the differences between the laws governing the Company as a Jersey company and the laws governing Australian publicly listed companies can be found in Section 11.9.	Section 11.9
What rights and liabilities attach to the CDIs being offered?	The Shares underlying the CDIs will rank equally with the Shares currently on issue in the Company. There are certain differences between the Shares and ordinary shares which are typically issued by Australian incorporated public companies. A description of the CDIs and the underlying Shares, including the rights and liabilities attaching to them, is set out in Sections 11.9 and 11.10.	Sections 11.9 and 11.10
Will the CDIs be quoted on the ASX?	The Company will apply to ASX within seven days of the date of this Prospectus for quotation of all CDIs on the ASX under the ticker code SRJ.	Section 9.12
How do I apply for CDIs under the Offer?	The process for applying for CDIs in the Company is set out in Section 9.5. Retail Applicants under the Broker Firm Offer should contact their Broker for instructions on how to complete the Broker Firm Offer Application Form accompanying this Prospectus. The Lead Manager may seek to obtain identification information from Applicants. The Company reserves the right to reject an Application if that information is not provided.	Section 9.5
What are the fees and costs of the Offer?	The Company will pay the Lead Manager a fee equal to 5% (excluding GST) of the total amount raised by the issue of New CDIs by the Company under the Offer. The Selling Shareholders (via SaleCo) will pay the Lead Manager a fee equal to 3.5% of the total amount received by SaleCo with respect to the amount raised from the sale of the Sale CDIs under the Offer.	Section 11.13
Is the Offer underwritten?	The Offer is fully underwritten by the Lead Manager. A summary of the Underwriting Agreement, including the events which would entitle the Lead Manager to terminate the Underwriting Agreement, is set out in Section 10.3.	Section 9.2 and 10.3
Is there a minimum amount of CDIs which I must apply for under the Offer?	Applications must be for a minimum of 4,000 CDIs and in multiples of 1,000 CDIs thereafter.	Section 9.4
Is there a cooling-off period?	No.	
How can I obtain further information?	If you would like more information or have any questions relating to the Offer, you can contact +61 7 3334 4851 between 8.30am and 5.00pm AEST, Monday to Friday (excluding public holidays). If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.	Section 9.5

Key Financial Information

Question	Answer	More Information																																																																																								
What is the key financial information I need to know about the Company's financial position, performance and prospects?	Historical consolidated statement of profit and loss and other comprehensive income	Section 6																																																																																								
	<p>The table below presents the summary audited/reviewed historical consolidated statement of profit and loss and other comprehensive income for FY2018, FY2019, 1HY2020 and 1HY2019. Further discussion regarding the summarised historical statement of profit and loss and other comprehensive income is set out in Section 6.</p> <table><tr><th></th><th>Audited</th><th>Audited</th><th>Reviewed</th><th>Reviewed</th></tr><tr><th></th><th>Year ended</th><th>Year ended</th><th>Six months ended</th><th>Six months ended</th></tr><tr><th>£'000</th><th>31 Dec 2018</th><th>31 Dec 2019</th><th>30 Jun 2020</th><th>30 Jun 2019</th></tr><tr><td>Revenue</td><td>84</td><td>552</td><td>89</td><td>438</td></tr><tr><td>Cost of sales</td><td>(7)</td><td>(215)</td><td>(44)</td><td>(224)</td></tr><tr><td>Gross profit</td><td>77</td><td>337</td><td>45</td><td>214</td></tr><tr><td>Other operating expenses</td><td>(967)</td><td>(1,405)</td><td>(1,438)</td><td>(508)</td></tr><tr><td>Other income</td><td>1</td><td>396</td><td>58</td><td>197</td></tr><tr><td>EBITDA</td><td>(889)</td><td>(672)</td><td>(1,335)</td><td>(97)</td></tr><tr><td>Depreciation & amortisation</td><td>(85)</td><td>(95)</td><td>(53)</td><td>(43)</td></tr><tr><td>Impairment</td><td>(49)</td><td>-</td><td>-</td><td>-</td></tr><tr><td>EBIT</td><td>(1,023)</td><td>(767)</td><td>(1,388)</td><td>(140)</td></tr><tr><td>Interest expense</td><td>(26)</td><td>(15)</td><td>-</td><td>(9)</td></tr><tr><td>Profit/(loss) before tax</td><td>(1,049)</td><td>(782)</td><td>(1,388)</td><td>(149)</td></tr><tr><td>Income tax expense</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Profit/(loss) after tax</td><td>(1,049)</td><td>(782)</td><td>(1,388)</td><td>(149)</td></tr><tr><td>Loss on translation of foreign subsidiary</td><td>-</td><td>-</td><td>(8)</td><td>-</td></tr><tr><td>Loss for the period</td><td>(1,049)</td><td>(782)</td><td>(1,396)</td><td>(149)</td></tr></table>			Audited	Audited	Reviewed	Reviewed		Year ended	Year ended	Six months ended	Six months ended	£'000	31 Dec 2018	31 Dec 2019	30 Jun 2020	30 Jun 2019	Revenue	84	552	89	438	Cost of sales	(7)	(215)	(44)	(224)	Gross profit	77	337	45	214	Other operating expenses	(967)	(1,405)	(1,438)	(508)	Other income	1	396	58	197	EBITDA	(889)	(672)	(1,335)	(97)	Depreciation & amortisation	(85)	(95)	(53)	(43)	Impairment	(49)	-	-	-	EBIT	(1,023)	(767)	(1,388)	(140)	Interest expense	(26)	(15)	-	(9)	Profit/(loss) before tax	(1,049)	(782)	(1,388)	(149)	Income tax expense	-	-	-	-	Profit/(loss) after tax	(1,049)	(782)	(1,388)	(149)	Loss on translation of foreign subsidiary	-	-	(8)	-	Loss for the period	(1,049)	(782)
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Loss for the period	(1,049)	(782)	(1,396)	(149)																																																																																						
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	<p>The table below sets out the summarised reviewed historical and pro forma consolidated statement of financial position as at 30 June 2020. Details of the pro forma consolidated statement of financial position, including the pro forma adjustments are set out in Section 6.</p> <table><tr><th>As at 30 June 2020</th><th>Reviewed £'000</th><th>Pro forma £'000</th><th>Pro forma A\$'000</th></tr><tr><td>Total current assets</td><td>1,851</td><td>5,548</td><td>10,264</td></tr><tr><td>Total non current assets</td><td>948</td><td>948</td><td>1,755</td></tr><tr><td>Total assets</td><td>2,799</td><td>6,496</td><td>12,019</td></tr><tr><td>Total current liabilities</td><td>4,320</td><td>325</td><td>602</td></tr><tr><td>Total liabilities</td><td>4,320</td><td>325</td><td>602</td></tr><tr><td>Net assets</td><td>(1,521)</td><td>6,171</td><td>11,417</td></tr><tr><td>Total equity</td><td>(1,521)</td><td>6,171</td><td>11,417</td></tr></table>	As at 30 June 2020	Reviewed £'000	Pro forma £'000	Pro forma A\$'000	Total current assets	1,851	5,548	10,264	Total non current assets	948	948	1,755	Total assets	2,799	6,496	12,019	Total current liabilities	4,320	325	602	Total liabilities	4,320	325	602	Net assets	(1,521)	6,171	11,417	Total equity	(1,521)	6,171	11,417																																																									
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On what basis has the financial information been prepared?

The financial information has been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (**UK GAAP**) and has been audited under International Auditing Standards.

Section 6 and Appendix A

2. INDUSTRY OVERVIEW

2.1 SRJ IN THE INDUSTRY CONTEXT

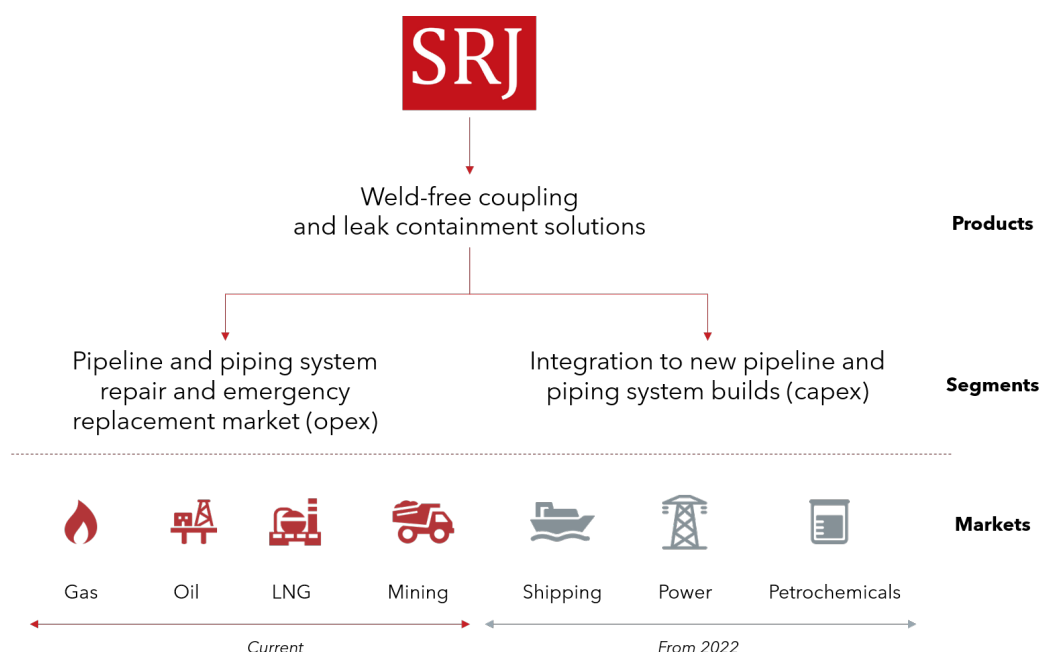
SRJ Technologies Group plc (**SRJ** or the **Company**) develops and distributes a range of weld-free coupling and leak containment solutions for pipeline and process pipework systems. The products are designed primarily for pipe repair and the emergency replacement market, but can also be integrated into new pipeline builds.

SRJ also offers Asset Integrity Management (**AIM**) consulting services. These offerings have been paired to create a path to market for SRJ products from its consulting services.

SRJ targets customers with high value pipeline, process pipework system and specialised infrastructure assets. In the near term, this will primarily be asset owners in the oil and gas, LNG and mining markets. Deterioration in older assets or assets fabricated from unprotected steel require additional maintenance and require a comprehensive repair solution that can reduce plant downtime.

SRJ's weld-free technology is positioned as a disruptor to flanges, the main pipe joint product used in pipeline and process pipework systems. In 2018, the global oil and gas flange market¹ was estimated at US\$1.43 billion per year, which presents a substantial market to capture with a differentiated product. SRJ products can also be utilised for projects in other markets including mining, shipping and power.

Figure 1: SRJ Industry Positioning



2.2 PIPELINES AND PROCESS PIPEWORK SYSTEMS OVERVIEW

Pipelines and process pipework systems play a vital role in transporting fuels used by consumers and industry. This requires the transportation of very large volumes of oil and gas over typically long distances from and between extraction, processing, and export or consumption points.

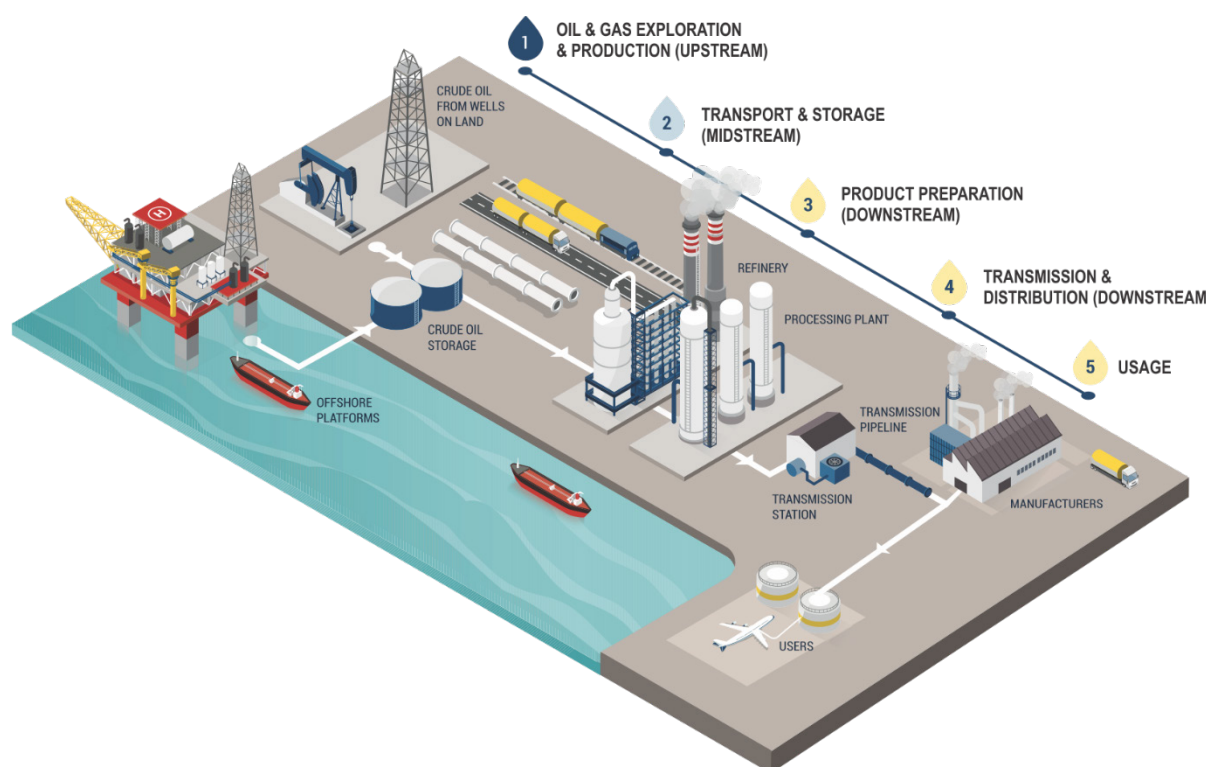
Oil and gas can be economically transported over land and underground by pipelines. The various stages of the oil and gas transportation supply chain are categorised as follows:

- **Upstream:** The exploration for underground or underwater crude oil and natural gas fields, drilling of exploratory wells, and subsequently drilling and operating the wells that recover and pipe the crude oil and/or raw natural gas to the surface.
- **Midstream:** The transportation and storage of crude oil and natural gas. Midstream pipelines move crude oil from production sites to refineries. Natural gas pipeline networks aggregate gas to natural gas purification plants.
- **Downstream:** The refining of petroleum crude oil and processing and purifying of raw natural gas and final distribution to consumers through products such as petrol, aviation fuel, diesel, liquefied petroleum gas, lubricants and petrochemicals.

¹ Global Market Insights, June 2019 - <https://www.gminsights.com/industry-analysis/flanges-market>

SRJ provides weld-free coupling and leak containment solutions to asset managers and operators at all three stages of the oil and gas supply chain.

Figure 2: Illustration of the Oil and Gas Supply Chain



At each extraction, storage and processing facility there are also highly complex process pipework systems to facilitate the movement and storage of raw and processed oil and gas. The relative complexity and attributes of these systems can accelerate degradation compared to transport pipelines. Therefore, repairs and maintenance requirements for process pipework systems are more frequent.

Facility interruptions caused by general maintenance or repairs outside the ordinary course of business (for example leaks or piping integrity issues) can be extremely costly for asset owners. As a result, asset owners maintain a high degree of focus on minimising facility interruptions and shutdowns.

2.2.1 EXISTING PIPELINE NETWORKS (BROWNFIELD)

Global

The global oil and gas network is connected by more than 3.5 million kilometres of pipelines². A significant amount of this infrastructure is ageing, requiring additional ongoing maintenance. For instance, 50% of natural gas transmission pipelines in the US were constructed before 1970³, and in Australia the 440km Roma to Brisbane pipeline came into operation in 1969 and is still in use⁴. Threats to pipeline integrity include corrosion (internal and external), manufacturing or welding defects and mechanical damage. The high cost and time required to replace assets means many facilities operators must actively manage asset integrity issues.

Australia

Australia currently has more than 39,000 km of high-pressure gas transmission pipelines⁵. The length of Australia's low-pressure local gas distribution network is more than 75,000 km⁶.

Major pipelines connect the gas resources of the Cooper Basin, and offshore Gippsland and Otway basins to the major population and industrial centres on the eastern seaboard (Brisbane, Sydney, Melbourne and Adelaide), as well as Mount Isa, Queensland. The coal seam gas production from the Bowen and Surat basins also feeds into this network. The gas resources off the north-west coast of Western Australia are distributed to the mining and urban centres of Western Australia via the Dampier-Bunbury, Pilbara and Esperance pipelines. Another pipeline system transports gas from the onshore Amadeus and offshore Bonaparte basins to service the northern gas market.

² U.S. Central Intelligence Agency, "Field Listing: Pipelines", 2013 - <https://www.cia.gov/library/publications/the-world-factbook/fields/2117.html>

³ U.S. Pipeline and Hazardous Materials Safety Administration, "Miles by Decade Gas Transmission", May 4, 2016

⁴ Australian Gas Pipeline Association - <https://www.apga.org.au/pipeline-facts-and-figures> and APA - <https://www.apa.com.au/our-services/gas-transmission/east-coast-grid/roma-brisbane-pipeline/>

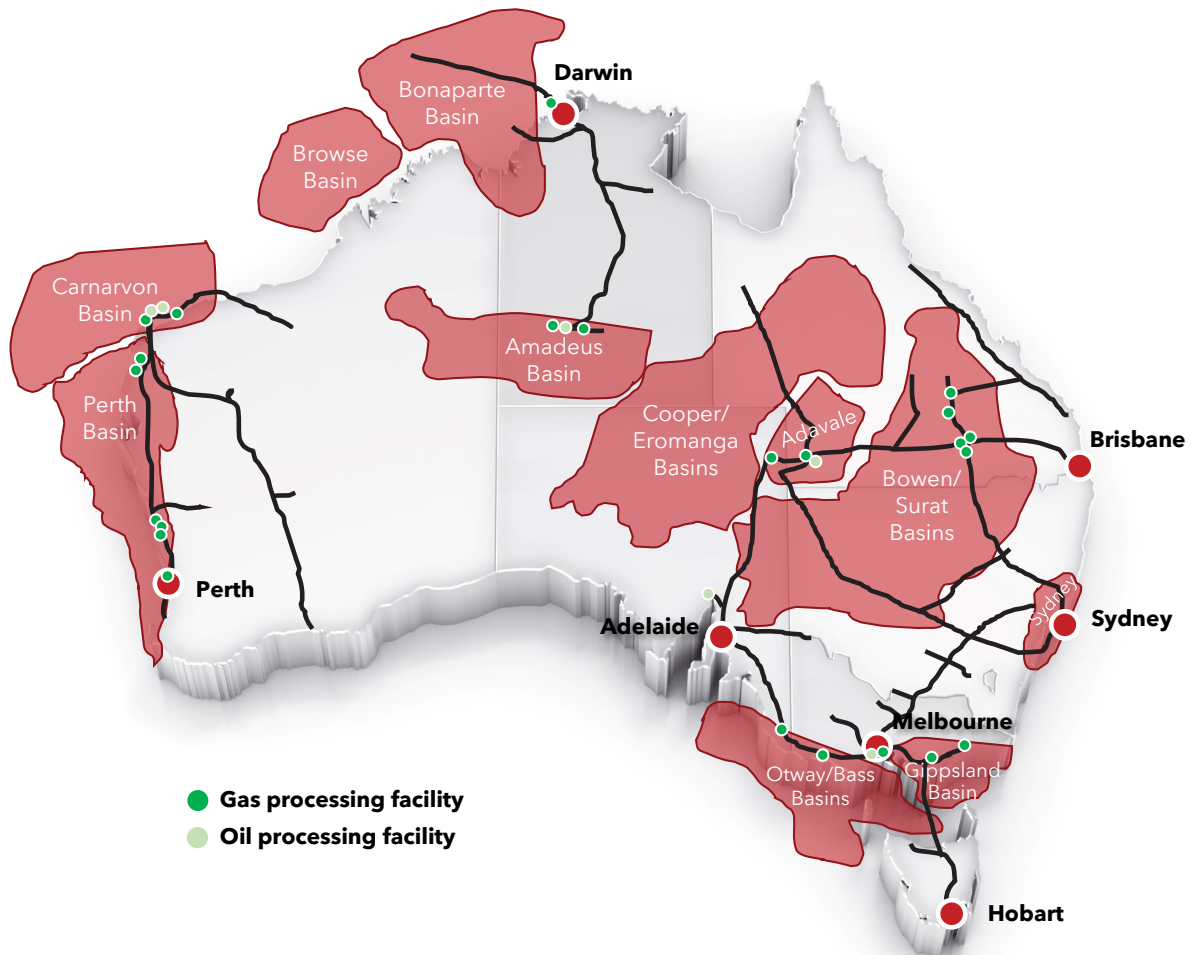
⁵ Australian Gas Pipeline Association - <https://www.apga.org.au/pipeline-facts-and-figures>

⁶ Geoscience Australia, Australian Energy Resources Assessment - <https://aera.ga.gov.au/#/energy-resources-and-market>

Along these pipelines, major oil and gas processing facilities exist that involve significant, complex process pipework systems. In Figure 3, 29 major oil and gas processing facilities have been identified as well as pipeline endpoints.

Oil resources in Australia are mainly found offshore. A limited number of oil pipelines connect these offshore resources to the Australian mainland. Instead, numerous Floating Production, Storage and Offloading (**FPSO**) facilities are in operation. An FPSO is a floating vessel that acts as a mobile offshore production and storage facility equipped with processing equipment for the separation, storage and offloading of oil and gas produced by sub-sea oil wells or platforms. These FPSO facilities are not pictured in Figure 3 but provide additional process pipework systems operational in the Australian market.

Figure 3: Existing Australian Pipelines Connecting Resources to Markets⁷



Source: Geoscience Australia, 2019

Recently completed major pipelines (not pictured in Figure 3 above) include:

- **Northern Gas Pipeline:** 622km from Tennant Creek in the Northern Territory to Mount Isa in Queensland at an estimated total cost of A\$800 million⁸.
- **Tanami Gas Pipeline:** 450km in the Northern Territory at an estimated total cost of A\$245 million⁹.
- **Yamarna Gas Pipeline:** 198km pipeline in Western Australia at an estimated total cost of A\$180 million¹⁰.

With the cost of new pipeline for the above projects ranging from approximately A\$0.5 million to A\$1.2 million per kilometre, the cost of wholesale replacements of pipeline becomes unfeasible. Asset owners therefore seek to maintain and repair pipelines as required and undertake small-scale upgrade projects to meet any demand increases for oil or gas. SRJ is primarily targeting operating expenditure (opex) brownfield projects for existing assets that are ageing and require replacement or upgrade.

⁷ Geoscience Australia - https://www.ga.gov.au/__data/assets/image/0005/12767/GA18782.jpg

⁸ Jemena - <https://jemena.com.au/pipelines/northern-gas-pipeline>

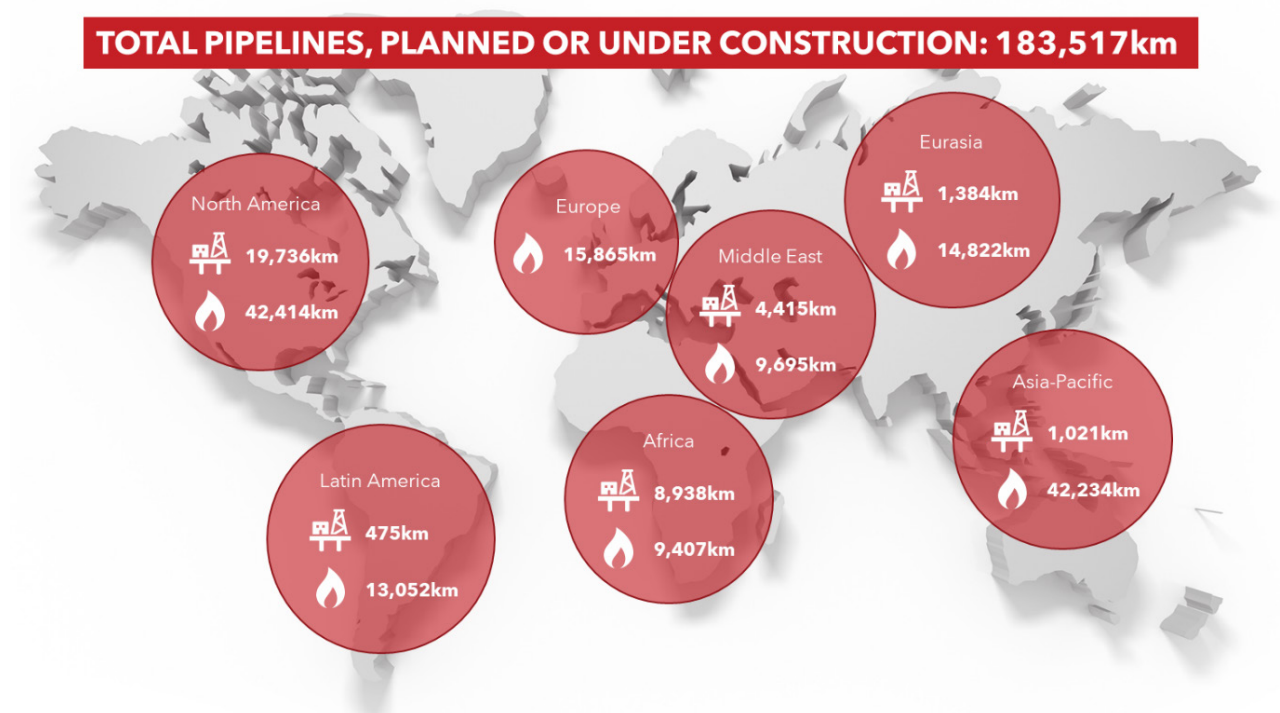
⁹ Oakley Greenwood - http://oakleygreenwood.com.au/wp-content/uploads/2020/03/Australia_TF2-Case-Study_Tanami-Pipeline-Report.pdf

¹⁰ Nacap - <https://www.nacap.com.au/projects/yamarna-gas-pipeline/>

2.2.2 NEW CONSTRUCTION (GREENFIELD)

The global pipeline network added an average of 25 new pipelines a year from 2009 to 2018¹¹. Globally, there are 302 new pipelines under development. If built, these projects will increase the number of global pipelines by 29%. The estimated investment of these new pipelines under development is US\$632 billion¹².

Figure 4: Global Oil and Gas Pipelines, Planned or Under Construction



Source: Global Fossil Infrastructure Tracker, 2019

In Australia, there continues to be significant investment into new pipeline infrastructure with 11 new pipelines in development¹³. Notable major export-oriented pipelines planned include:

- **Arrow Bowen Pipeline:** 450km project in Queensland to deliver coal seam gas from Moranbah in the Bowen Basin to the Gladstone LNG plants (scheduled for 2021)¹⁴.
- **West-East Gas Pipeline:** 2,900km pipeline connecting the Pilbara gas fields in Western Australia to the east coast markets (planned for 2022)¹⁵.
- **Barossa Project:** Project in the Timor Sea that involves installing a FPSO facility and the construction of 260km of export gas pipeline to feed the Darwin LNG plant (scheduled for 2023)¹⁶.
- **Browse Upstream Development:** 900km project in Western Australia connecting oil fields in the Browse Basin to north shelf infrastructure (planned for 2023)¹⁷.

In addition to opex projects, SRJ is targeting capital expenditure (capex) greenfield projects for new assets and upgrades to existing assets, by providing solutions that form part of the process pipework system infrastructure. This primarily includes coupling and leak containment solutions but can also include asset integrity management, predictive analytics and digital solutions offered from its consulting division. Ensuring the correct piping infrastructure and appropriate asset management systems are in place can reduce integrity issues during the build of a pipeline or a process pipework system.

¹¹ Global Energy Monitor, April 2019 - https://globalenergymonitor.org/wp-content/uploads/2019/04/GFITPipelineBubble_2019_v6.pdf

¹² Global Energy Monitor, April 2019 - https://globalenergymonitor.org/wp-content/uploads/2019/04/GFITPipelineBubble_2019_v6.pdf

¹³ Global Gas and Oil Network - <http://ggon.org/fossil-tracker/>

¹⁴ QLD Government - <https://www.qld.gov.au/environment/pollution/management/eis-process/projects/completed/arrow-bowen-pipeline-project>

¹⁵ Fircroft - <https://www.fircroft.com/blogs/10-biggest-upcoming-oil-and-gas-developments-in-australia-99991633328>

¹⁶ Fircroft - <https://www.fircroft.com/blogs/10-biggest-upcoming-oil-and-gas-developments-in-australia-99991633328>

¹⁷ Fircroft - <https://www.fircroft.com/blogs/10-biggest-upcoming-oil-and-gas-developments-in-australia-99991633328>

2.3 COST OF PIPELINE REPAIR AND FAILURE

Pipes made prior to the early 1970s are considered as aged or old pipelines. Their metallurgical constituents and external corrosion coating effectiveness are of lower standard compared to modern pipes. Pipelines, including those that are not aged, are often exposed to harsh, corroding environments such as desert sand or salt water which can exacerbate failure.

Pipe structures can fail for a variety of reasons:

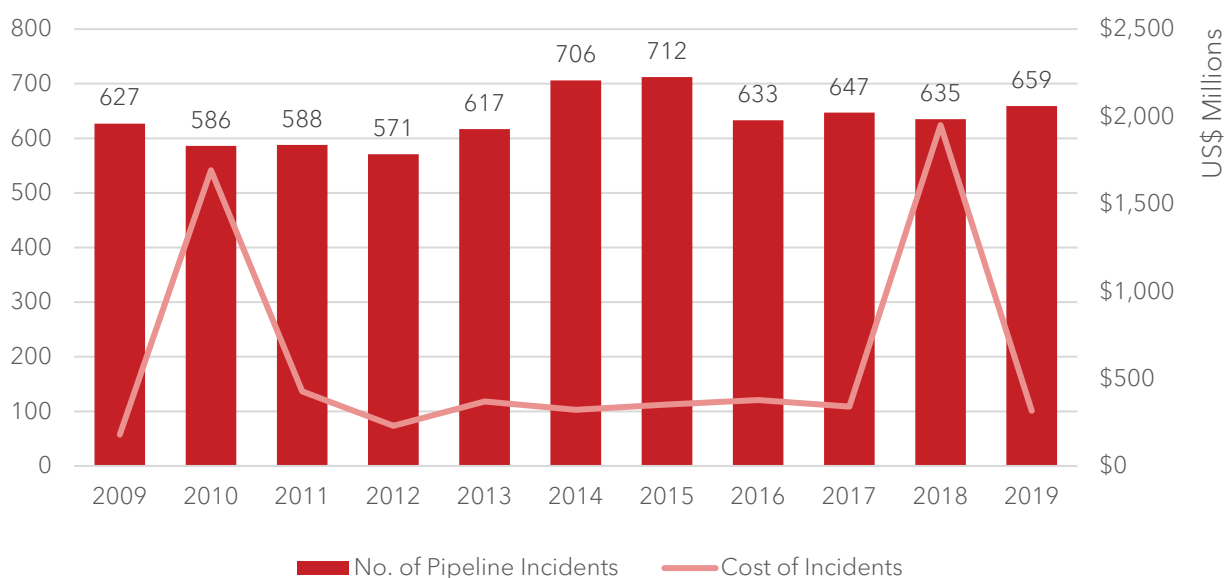
- The load on the structure;
- Any design or material defect in the structure;
- The properties of materials used (for example, strength and shape);
- Length of time of operation causing structural fatigue; and
- Environmental issues (for example, temperatures or corrosion).

With pipes manufactured in lengths of approximately 15 metres and thousands of kilometres of pipeline in operation, there are millions of seams and weld points that are prone to failure.

Incidence of pipe and weld material failure is not well documented in Australia. The Pipeline and Hazardous Materials Safety Administration (PHMSA) in the US has tracked pipeline incidents, costs, injuries and fatalities. Data from the US presented in the remainder of this Section is to illustrate the cost of pipeline failure.

In the ten years from 2009 to 2019, there have been 6,979 pipeline incidents in the US costing US\$7.1 billion¹⁸. Costs outlined in Figure 5 include damage to the pipeline system, emergency response, cost of lost product, and reimbursement to public sector for public costs incurred (including punitive fines and compensation claims, downtime, environmental damage, and costs related to injuries and fatalities). Pipe and weld material failure represented 43% of all pipeline incidents in 2019¹⁹. This can affect reputation, revenue and potential profit for asset operators.

Figure 5: Cost and Number of Pipeline Incidents in the US²⁰



Source: US Department of Transportation. Pipeline & Hazardous Materials Safety Administration, 2020

At the current pace of replacement, it will take 30 years or longer for operators to replace “leak-prone” infrastructure²¹. The PHMSA formed new compliance requirements in the US for asset operators and owners seeking pipe integrity and preventing leak accidents.

In Australia, asset compliance is governed by the Australian Energy Regulator in all states with the exception of Western Australia, which is regulated by the Economic Regulation Authority (see Section 2.8 for more detail).

¹⁸ U.S. Department of Transportation. Pipeline & Hazardous Materials Safety Administration - <https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends>

¹⁹ U.S. Department of Transportation. Pipeline & Hazardous Materials Safety Administration - <https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends>

²⁰ U.S. Department of Transportation. Pipeline & Hazardous Materials Safety Administration - <https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends>

²¹ American Gas Foundation - <https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/07-2012%20Gas%20Distribution%20Infrastructure%20-%20Pipeline%20Replacement%20and%20Upgrades.pdf>

2.4 MANAGING PIPELINE AND PROCESS PIPEWORK SYSTEM ASSETS

Asset Integrity Management (**AIM**) seeks to maintain an asset in a fit-for-service condition while extending its remaining life in the most reliable, safe, and cost-effective manner. Key business drivers for an effective AIM approach include:

- Supporting cost effective management of physical assets – by providing information and tools to assess and determine the optimal time to replace an asset rather than continuing to maintain it;
- Improving customer service outcomes – by providing high quality accurate data to assist with improved response times to network events;
- Improving the management of maintenance performance – including the ability to report accurately on planned maintenance activities outstanding; and
- Improved data management and analysis – to provide process improvements.

Ageing assets, the high cost and time required to replace these assets, together with the corporate requirement for asset optimisation makes AIM a core principle of oil and gas operations.

The global AIM market for oil and gas, mining and power is estimated to grow to US\$31.7 billion by 2023, growing by 8.7% per year²². AIM encompasses:

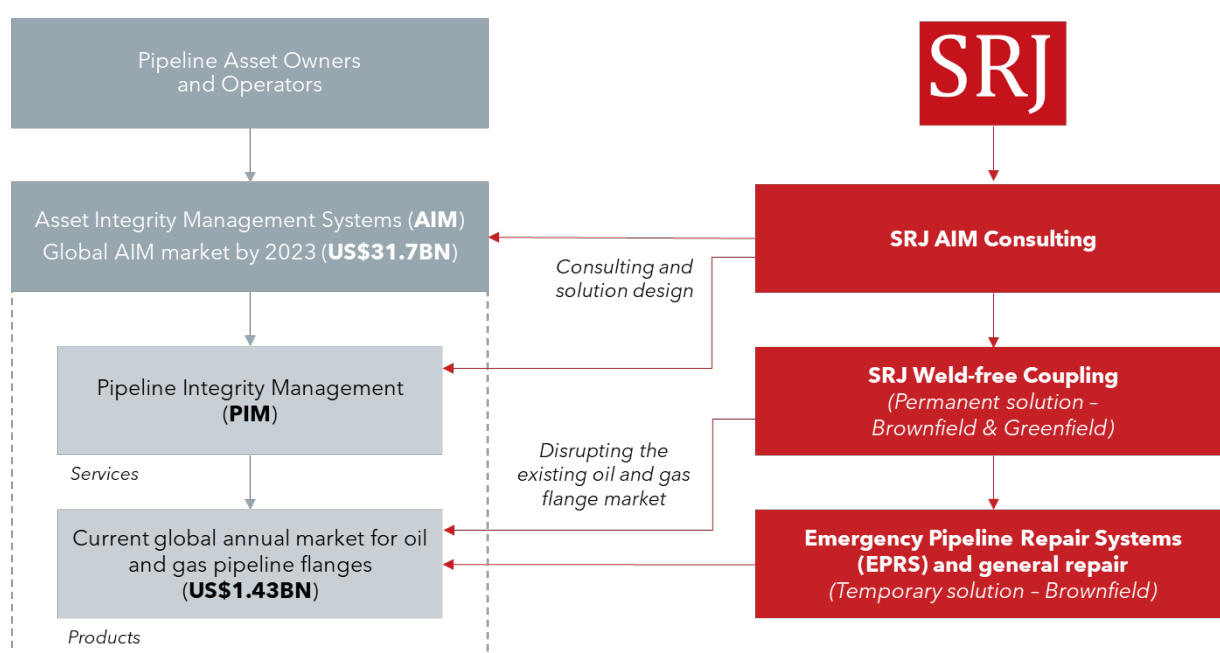
- Services including risk-based inspections, corrosion management, hazard identification, structural integrity management and pipeline integrity management;
- Products utilised in the provision of AIM services, for example flanges; and
- Labour to implement AIM services and complete product installation.

Part of the AIM market is Pipeline Integrity Management (**PIM**). PIM is an approach used by pipeline owners and operators to ensure consistent pipeline management from its commission to its retirement. PIM addresses health, safety, environment, engineering, inspection and maintenance. SRJ is able to provide consulting services and its permanent weld-free coupling product for greenfield pipelines and process pipework systems.

Within PIM, Emergency Pipeline Repair System (**EPRS**) can improve management of an incident and mitigate its impacts. SRJ's temporary products can be utilised in an EPRS solution for brownfield operations.

The global oil and gas market for flanges, the main pipe joint product used in pipeline and process pipework systems, was estimated at US\$1.43 billion in 2018 and was forecast to grow at a CAGR of 5.5%²³. Flanges are a commoditised product and SRJ's permanent weld-free coupling, together with its other leak containment solutions, is seeking to disrupt this market.

Figure 6: SRJ Market & Addressable Market



²² Markets and Markets - <https://www.marketsandmarkets.com/Market-Reports/asset-integrity-management-market-7798221.html>

²³ Global Market Insights, June 2019 - <https://www.gminsights.com/industry-analysis/flanges-market>

2.5 DRIVERS FOR ADOPTION

2.5.1 GREENFIELD

New pipeline builds feature modular sections combined by welded modular connections. As the pipes themselves must conform to materials and strength standards, they must undergo hydrotesting, break testing and load tests. The flange welds that 'tie-in' these modular connections cannot undergo these tests as that could jeopardise weld integrity prior to commissioning.

For this reason, these tie-in welds (also known as 'golden welds' or 'golden joints') have no tangible proof of strength and are required to undergo non-destructive testing and inspection.

The golden weld inspection process needs to follow a strict construction procedure, as well as the requirement of having at least two inspectors for field welding inspection and verification. Weld cracking appears up to 48 hours after welding is completed so inspection is required throughout this period. Any evidence of welding cracks or faults will typically require a new golden weld to be completed and the inspection process repeated. This process must be completed for every major modular connection joint.

The Australian Gas Pipeline Association (**AGPA**) code of practice released in August 2019 recommends that:

- Golden welds within greenfield developments shall be avoided and designed out; and
- Golden welds within existing brownfield developments may be used, subject to an approved risk assessment.

The SRJ weld-free coupling eliminates the requirement for golden welds along with their associated time and cost of completion and improves integrity assurance.

2.5.2 BROWNFIELD

If asset owners are seeking a permanent repair for an identified integrity issue or process pipework system leak, conventional flange connections must typically be utilised. This involves:

- 1 Shutting down the flow of fluid or gas through the pipe (and all reliant systems);
- 2 Cutting out the compromised portion of pipe;
- 3 Welding flanges on to the remaining pipe ends; and
- 4 Fitting a replacement portion between those flanges to be fixed in with bolts.

This is a time consuming and costly process, not only due to the highly skilled engineering team required to conduct the work, but also the lost production or transportation time caused by the shutdown of a pipeline, extraction facility or processing facility. This also causes issues associated with exposing very highly flammable liquids or gasses to extreme heat, sparks and open flames during the cutting and welding process, exposing asset owners to a high level of risk and increased safety issues.

As SRJ solutions are weld-free this eliminates all welding risks, and decreases the costs and labour associated with pipeline repair.

2.5.3 MANAGEMENT

In addition to practical considerations, Figure 7 below outlines management considerations that can apply when determining asset integrity management processes.

Figure 7: Management Considerations for Asset Integrity Management



2.6 COMPETITIVE LANDSCAPE

Both AIM consulting services and pipe products segments are fragmented.

AIM consulting services are provided by large global all-service consulting firms through to niche providers (for example, oilfield service companies, integrity consultants and inspection services). SRJ is predominantly providing these services as part of its distribution strategy for its weld-free coupling and leak containment solutions. As AIM consulting providers are able to use SRJ products as part of a recommended solution, the Company views this group as potential customers more than competitors.

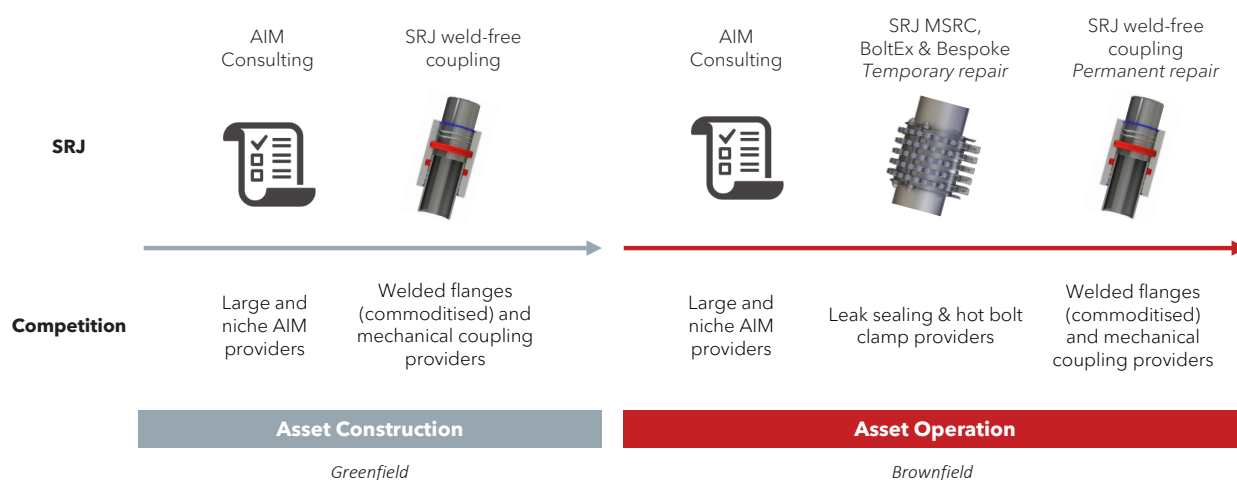
Management estimates that the large majority of pipe and process pipework system replacements utilise the traditional welded flange joint. The traditional flange joint is globally accepted, widely manufactured, commoditised, and offered in a range of qualities by thousands of distributors worldwide for most applications.

Flanges can be installed by a large population of engineering services providers. Some asset owners have the ability to install these products themselves. The Company does not intend to compete with engineering service providers installing these products.

The traditional flange joint represents the most significant competitive product. Other comparable products to SRJ's weld-free coupling and clamp products include leak sealing services and product providers, mechanical coupling providers and hot bolt clamp providers.

SRJ has designed its product suite for a wide range of applications for asset owners and engineering services providers.

Figure 8: Competitive Landscape



2.7 REGULATORY ENVIRONMENT

Global

The oil and gas industry is highly regulated. In each territory, operators are required to meet government regulations at multiple levels (for example, country, state and local government levels). Industry participants must also comply with a range of safety, environmental, emissions and material standards.

In addition to regulatory guidelines, asset owners also have their own guidelines and approval processes which service and product providers such as SRJ are required to meet.

The oil and gas regulatory environment can create a substantial compliance hurdle for new oil and gas infrastructure operator entrants and for existing infrastructure operators seeking to develop and expand their infrastructure.

Australia

The oil and gas sector in Australia is extensively regulated. Below is a high level summary of the regulatory framework that operators of oil and gas production facilities and pipelines need to comply with in Australia. Any pipe or pipeline construction and maintenance work undertaken for these operators (and any technical solutions used by them) will need to meet the requirements imposed on these operators under this framework, for example in relation to relevant technical and safety standards.

Oil and gas sector specific legislation

At the upstream oil and gas production level:

- Each Australian State and Territory has its own extensive (conceptually similar) legislation governing:
 - onshore and offshore (coastal waters) exploration licensing/permitting, as well as production leases/licences;
 - pipeline licenses, authorising the construction, operation and maintenance of pipelines for both onshore and offshore (coastal waters) pipelines associated with production facilities.
- There is also Federal Legislation governing the same subject matter (in a similar way) for offshore waters beyond the 3 mile limit of State coastal waters. This federal legislation also has its own extensive regulations.

At the mid and downstream level, each Australian State and Territory has its own extensive (conceptually similar) legislation governing:

- pipeline licensing, dealing with (among other things) the construction, operation and maintenance of pipelines; and
- gas distribution network operation licensing/authorisation and LPG distribution, dealing with (among other things) similar subject matter.

For example, clause 10 of the Pipelines Regulation 2013 provides that a pipeline licensee:

“must ensure that the design, construction, operation and maintenance of any pipeline operated under the licence are in accordance with the relevant provisions of:

- (a) in the case of pipelines for high-pressure gas and liquid petroleum—AS 2885, or
- (b) in any other case—AS 2885 or a standard in respect of which an approval is in force under this clause in relation to the licensee concerned.”

Third party access legislation for gas pipelines

The National Gas Law and National Gas Rules establish (among other things):

- for full regulation pipelines: a requirement for a full third party Access Arrangement (covering regulated revenues and pricing, as well as terms of service for standard services) to be approved periodically by the Australian Energy Regulator (AER) (or the Economic Regulation Authority in Western Australia);
- for light regulation pipelines: a requirement for publication of terms, conditions and pricing, backed by a negotiation and arbitration rights for third party users and with the possibility of an AER approved limited access arrangement (as to terms, but not price);
- for other (“non-scheme”) pipelines: a simplified negotiation and arbitration regime for third party users, backed by information giving requirements.

Other legislation

A broad range of Federal, State (or Territory) and Local Government legislation covering the following areas of regulation will also apply to the development, construction, operation and maintenance of oil and gas production facilities and pipelines:

- environmental protection;
- environment and planning approvals and permits;
- work health and safety;
- native title and aboriginal heritage/permitting.

3. COMPANY OVERVIEW

3.1 COMPANY BACKGROUND AND STATUS

SRJ develops and distributes a range of weld-free coupling and leak containment solutions for pipeline and process pipework systems. The products are designed primarily for pipe repair and the emergency replacement market but can also be integrated into new pipeline builds.

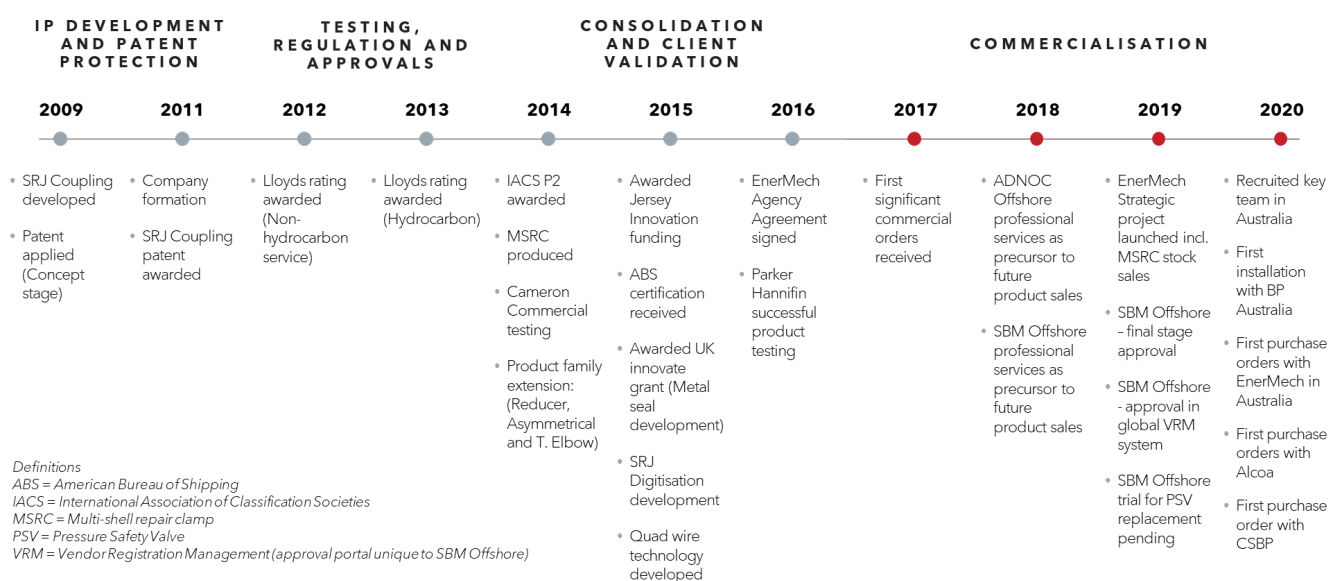
The Company's primary focus is the oil and gas market, where the SRJ weld-free coupling is a potential disruptor to the traditional welded flange, the main product used in pipeline and process pipework system repair. In 2018, the global oil and gas flange market was estimated at US\$1.43 billion per year and was estimated to be growing at a CAGR of 5.5%²⁴.

Since commencing its operations in 2011, SRJ has reached the following milestones that position the Company for future expansion:

- Raised approximately A\$19.7m (GBP 10.4m) to fund the design, development and commercialisation of its weld-free technologies targeting the global oil and gas market.
- Sought to protect its intellectual property through 7 patent families, totalling 38 applications, of which 28 are now granted patents across 25 countries.
- Completed years of research, development and testing to comply with industry standards, and certification of its coupling products from Lloyds and American Bureau of Shipping, both prerequisites to adoption of SRJ technology by major operators.
- Successfully launched its weld-free coupling and leak containment system products to the market in 2017.
- Generated A\$1.04m revenue for year ended 31 December 2019 (audited) through strategic partners e.g. EnerMech.
- Established supply chain and offices in Jersey, Australia and the United Kingdom.

SRJ has made significant progress since launching its products to market and this Offer will provide funds to accelerate the Company's growth strategy.

Figure 9: SRJ Key Milestones

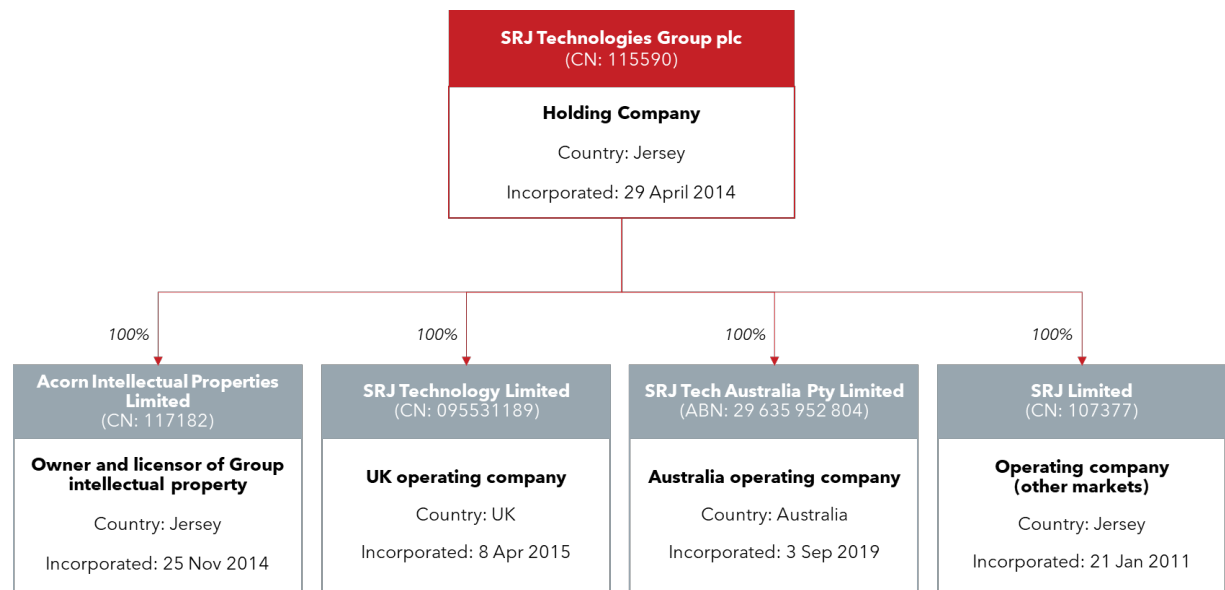


²⁴ Global Market Insights, June 2019 - <https://www.gminsights.com/industry-analysis/flanges-market>

3.2 CORPORATE STRUCTURE

The corporate group structure of SRJ comprises SRJ Technologies Group plc, a holding company incorporated in Jersey, and four wholly owned subsidiaries as per the structure below:

Figure 10: SRJ Corporate Structure

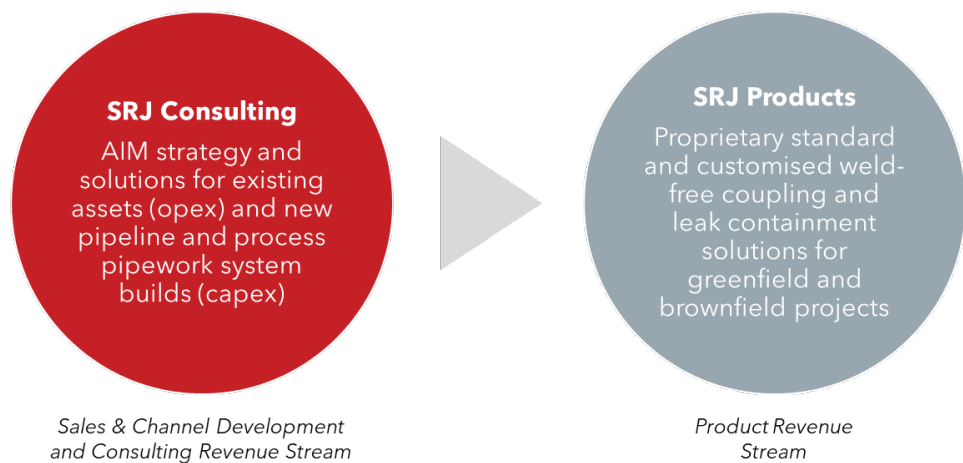


SRJ established operating entities in the UK and Australia as major markets for oil and gas that offer the most immediate opportunities. SRJ expects to add operating entities for each additional operating territory as required, for example in the Middle East and the US.

3.3 PRODUCTS AND SERVICES

SRJ operates two business units - “SRJ Products” - which offers both permanent and temporary pipe repair solutions for existing brownfield assets (opex) and for new greenfield pipeline and process pipework system infrastructure builds (capex); and “SRJ Consulting” which provides a path to market for SRJ’s products by offering AIM consulting services that also generate revenues for the Company.

Figure 11: SRJ Solution Mix



3.3.1 SRJ PRODUCTS

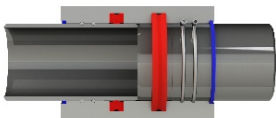



SRJ provides a wide range of innovative pipeline and process pipework system repair technologies. SRJ has spent nine years developing its technologies:

- undertaking research and development;
- completing testing and qualification processes; and
- meeting the requisite industry and regulatory standards.

These activities have enabled SRJ to effectively enter the oil and gas markets which are traditionally subject to high barriers to entry.

SRJ's permanent weld-free coupling seeks to replace traditional welded flanges and, in some applications, 'golden welds'. SRJ also offers a number of temporary repair products which provide optionality to asset owners and operators.

Figure 12: SRJ Products

Product	Description	Standards / Approvals
 <p>SRJ Weld-Free Mechanical Couplings</p>	Weld-free and bolt free permanent pipe connector for use in pipeline and process pipework systems.	Designed to ASME B31.3 standard, has been tested for a range of applications and sizes and has been granted both Lloyds Register and ABS PDA Approval.
 <p>Multi-Shell Repair Clamp (MSRC)</p>	Rapid deployment emergency repair solution to encapsulate localised leaks or to reinforce sections of weakened or damaged pipe - restoring integrity until a permanent repair can be planned and implemented.	Designed to ASME B31.3 standard and has been tested for a range of applications and sizes.
 <p>BoltEx</p>	Clamp unit designed to facilitate safe flange bolt replacement during normal operations without compromising the integrity of the flange gasket. BoltEx can also give assurance in cases of degraded flange connections by providing flange reinforcement for extended periods.	Designed to accommodate flange and bolt loads conforming to ASME PCC-2, ASME VIII Div.1, ASME B31.3, and flange dimensions conforming to ASME B16.5 standard and has been tested successfully.
 <p>Bespoke Enclosure Repair units</p>	Designed to seal leaks in complex pipework geometries, and from flanges and valves.	Designed in accordance with AS1210 and ASME VIII pressure vessel standards.

SRJ intends to leverage its existing intellectual property and to continue developing innovative products in response to market demands. An example of this continuing product development is SRJ's Smart-Coupling with sensors incorporated into the standard weld-free mechanical coupling.

Intellectual Property

SRJ has sought to protect the intellectual property in individual components of the SRJ product range. Through its Acorn Intellectual Properties Limited subsidiary, SRJ holds 7 patent families with 28 applications now granted patents across 25 countries.

The Company has adopted a strategic balance between cost and benefit of patenting its products. SRJ conducts continual research and development activities. This pool of knowledge and 'know how' is retained internally and protected via confidentiality agreements with employees and service providers.

A register of existing patents and patent applications is maintained by Hutchinson IP Ltd, who act as SRJ's patent attorney. A summary of the registered intellectual property held by SRJ is summarised in the Intellectual Property Report in Section 8.

3.3.2 SRJ CONSULTING

SRJ Consulting helps asset owners to develop and implement an effective asset integrity strategy. New assets are becoming increasingly complex and need to meet more stringent regulations. Existing assets often operate for longer periods than originally intended, meaning they require continuous surveillance to maintain integrity-related risks at acceptable levels.

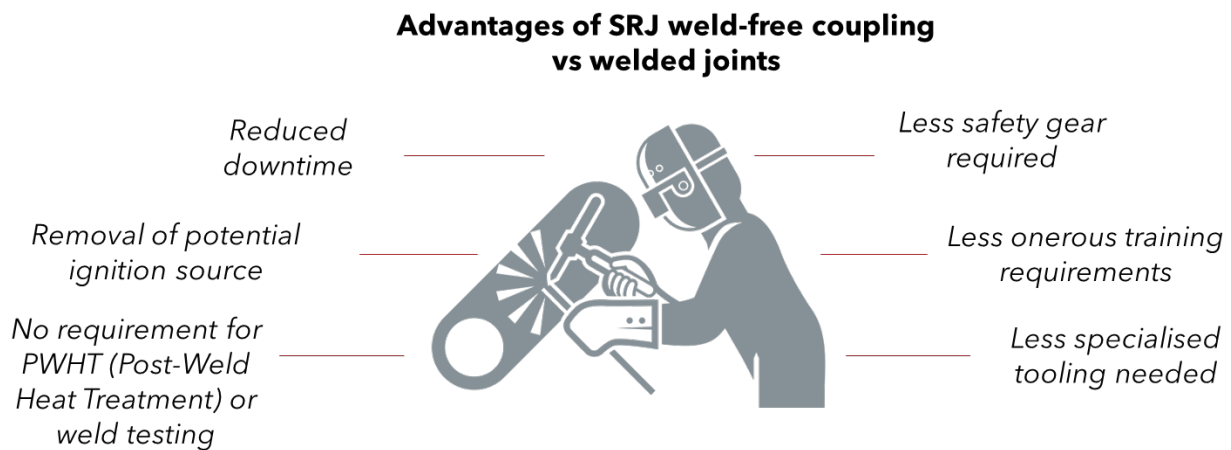
SRJ has invested in a core team of industry experts and highly experienced engineers specialising in asset integrity management to address the growing demand for AIM consultancy services. This is expected to continue to be a key sales channel for the SRJ products.

SRJ can demonstrate a practical understanding of customer needs in containment management. SRJ has delivered consulting services to Petrofac and SBM Offshore since formally initiating this business unit in January 2020.

3.4 VALUE PROPOSITION

The traditional welded flange is the favoured pipe joint solution in the oil and gas market. Welded pipe joints, especially 'golden welds', are time consuming and can be costly to complete. Management believes that as the benefits of non-welded solutions are better understood by the market it can gain market share from traditional solutions with its weld-free coupling product.

Figure 13: SRJ weld-free couplings vs welded joints



SRJ's weld-free coupling offers customers a significant reduction in installation costs when compared with welded solutions. By eliminating welding and associated testing requirements the SRJ coupling enables successful make-up of a joint in approximately 4 hours compared to approximately 30 hours when using welded flanges. This reduction in time not only saves the costs associated with the team of highly skilled engineers required to conduct the work, but also reduces downtime and potential for lost oil and gas transportation during repair.

Figure 14: Value proposition of SRJ weld-free coupling vs welded joint

	 Traditional welded flanges	 SRJ weld-free coupling
Approximate hours for joint make-up and testing	30 hours	4 hours
Welding (and associated risks)	Yes	No
Reduced asset downtime	No	Yes
Weight	Heavier	Lighter

Welding (and associated risks)

The nature of risks associated with welding will depend upon the welding technique that is used and may consist of any combination of the following:

- welding gases can displace air inside enclosed spaces and increase risk of lack of oxygen and danger to the installer;
- heat, sparks, and drips of metal and slag provide risk of fire or ignition of gas;
- arc welding requires a live electrical circuit introducing risk of electrical shock or electrical burns; and
- post-weld heat treatment will also require electrical apparatus introducing similar electrical-related risks to above.

Some of these risks can be mitigated by utilising a welding “habitat”, but such a habitat requires mobilisation of a specialist subcontractor and takes time to install and test before use. The SRJ weld-free coupling eliminates the need for welding and its associated risks.

Reduced asset downtime

For both traditional welded flange joints and the SRJ weld-free coupling, installation will need to take place under local isolation of the subject piping system. If the relevant piping system is critical to operations, asset production must be stopped (i.e. production downtime will be incurred). By using SRJ’s weld-free coupling solutions, this downtime is reduced.

Weight

SRJ’s weld-free coupling equipment is lighter than traditional welded flanges. By way of a comparative example, for an 8 inch Schedule 160 piping system, the comparative weights are as follows:

- traditional ASME #1500 flanged joint - 550lbs (excluding fasteners); and
- SRJ coupling - 165 lbs.

3.5 BUSINESS MODEL

The SRJ business model is based on the following fundamentals:

Figure 15: SRJ Business Fundamentals

		
Outsourced Manufacturing	Blended Distribution Approach	Operations deliver superior customer service
Local, in-country manufacturing partners (qualified by SRJ and certified to ISO 9001:2015) - no SRJ manufacturing overhead	Direct to customers or through local, in-country installation partners with existing contractual agreements - no SRJ overhead	Strong focus on customer service, short response time and quality engineering

The SRJ business model is therefore based on low overheads and is agile to customer needs. This can lead to higher margin generation to ensure the business can remain robust.

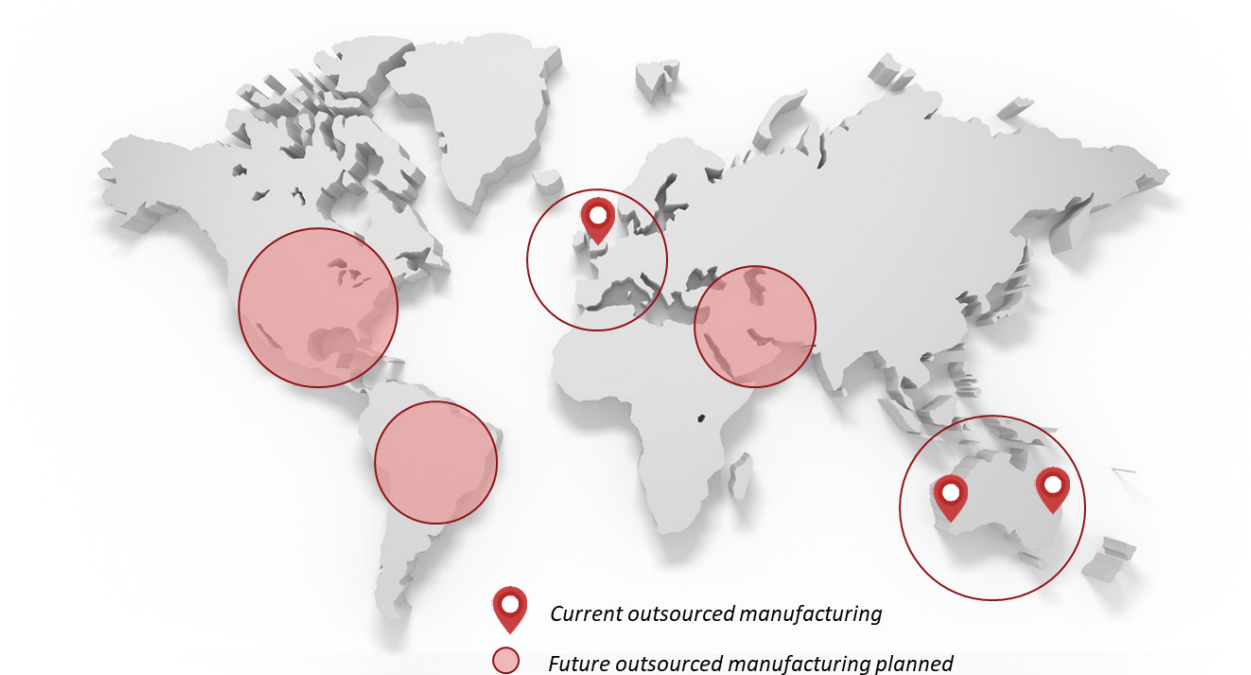
3.5.1 OUTSOURCED MANUFACTURING

SRJ outsources the manufacturing of its products. Outsourcing the manufacturing allows the Company to focus on its core competency of product design and development. This also aligns SRJ with the ‘local content’ model when structuring agreements with partners in various territories.

All manufacturers will be subject to due diligence prior to becoming an approved product supplier and will be subject to SRJ’s quality assurance and control requirements. They will be required to adhere to SRJ’s detailed technical drawings and engineering specifications but must also be ISO 9001:2015 compliant and provide full raw material traceability.

SRJ has pre-qualified two manufacturers in Australia and one in the UK to service markets in Australia and Europe with a further two currently undergoing due diligence. Discussions with manufacturers in other regions have also commenced in preparation for SRJ's entry into those markets.

Figure 16: SRJ Outsourced Manufacturing



3.5.2 DISTRIBUTION

SRJ has optionality for distribution with a combination of direct sales and through key strategic partners. The following distribution channels have been developed:

Direct	<ul style="list-style-type: none"> • Direct sales to facility owners and operators, engineering, procurement and construction and services entities. An example of a customer through this channel is SBM Offshore • SRJ AIM consulting assignment leads
Indirect	<ul style="list-style-type: none"> • Collaboration partner sales through companies that offer the SRJ product into their service offerings. An example of a customer through this channel is EnerMech • Strategic partner sales where product sales can be made to the strategic partner itself, through its investee network and its clients. An example of an enabling partner is Mitsui • Agent sales

The aim is for SRJ to align itself with key partners for optimal entry into each target territory. This will allow the Company to gain market exposure through partners that have dominant or highly regarded positions in those territories.

As at the date of this Prospectus, SRJ has formed the following distribution relationships:

- **EnerMech:** SRJ signed a global collaboration agreement with EnerMech for the development, marketing and installation of SRJ products to customers in Australia, Europe, North America, UAE and Korea. EnerMech is a global business providing mechanical, electrical and instrumentation services to the oil and gas industry. Minimum sales targets in place to ensure jurisdictional exclusivity;
- **Mitsui:** Mitsui has a significant presence in Australia having invested A\$15 billion in the country in the last 10 years in Oil & Gas, Mining and Power Generation assets. Mitsui has a strategic shareholding in the Company and currently holds 0.84% of the issued share capital of the Company on an undiluted basis. Mitsui have made several senior management introductions to SRJ on existing assets including, but not limited to, Mitsui E&P Australia (100% owned by Mitsui), Modec (minority owned by Mitsui), Intercontinental Terminals Company (100% owned by Mitsui) and Kepple Corporation. Mitsui are actively promoting SRJ products in Australia and with its minority owned FPSO operator, Modec. Provision of sales quotes for these opportunities has commenced; and

- **John Crane:** John Crane, a subsidiary of Smith Group plc, is currently negotiating a collaboration agreement with SRJ to deliver an integrated 'detect, analyse and mitigate' service for fugitive gas emissions.

It should be noted that the Company does not currently have any formal written contracts in place with Mitsui or John Crane. There is no certainty that the Company will receive revenue under any of these distribution relationships, as described in Section 4.1.1.

SRJ is installation partner agnostic. Distribution partners are typically responsible for installation, but SRJ can enable asset owners to install SRJ products themselves if this is their preference. SRJ has developed a relationship with a training organisation to facilitate this. Being partner agnostic also means that SRJ can scale as necessary at low overhead.

Key partner arrangements differ and the material agreements are outlined in Section 10.

3.5.3 OPERATIONS

The operations of SRJ are conducted from its office in Jersey, its engineering centres in Southampton and Aberdeen, United Kingdom and its Perth, Australia office which manages Australian operations.

The Australian office is located in Perth which is home to oil and gas majors such as Woodside, BP and Chevron who are all major operators on the North West Shelf. Operations in the UK are focused on the strong oil and gas industry associated with North Sea operators such as BP, Chrysaor, Apache, Repsol, Enquest, Ithaca Energy, Perenco and Total.

SRJ currently has 13 full-time employees and consultants (**FTEs**) across its primary business locations. In line with the focus on developing Australian revenues, it is expected that staffing levels in Australia will increase by 15 to 20 FTEs in order to execute on identified sales opportunities in the region.

SRJ has access to several local manufacturing partners situated close to its customer and target base as well as over 2,000 engineering support staff in partner companies. The low overhead model is intended to be replicated in key geographies around the world.

A centralised SRJ engineering team ensures quality and consistency and drives technical developments and innovation across all the regions.

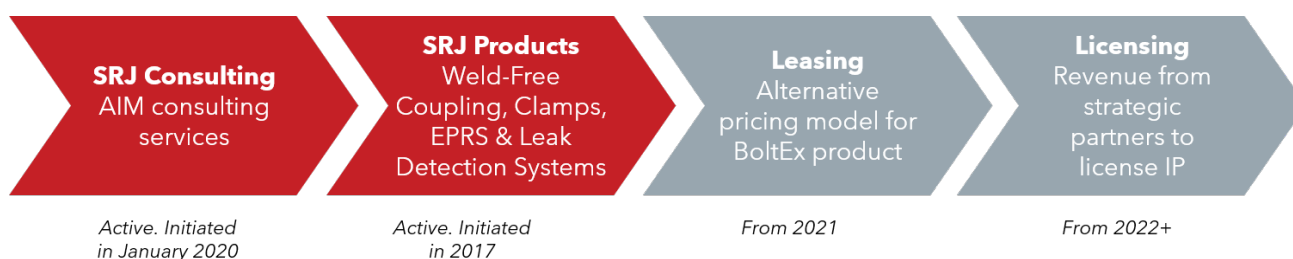
3.6 REVENUE STREAMS

SRJ's main revenue stream since launch has been sales of the SRJ products through strategic partners. In January 2020, SRJ sought to diversify its revenue model to include SRJ Consulting, which generates revenue by providing services on a daily rate or outcome driven basis. However, SRJ Consulting is primarily a sales channel and support division for the SRJ product range.

In the future, SRJ is planning leasing as an alternative pricing model for its BoltEx product offered through strategic partners alongside standard product sales. This gives SRJ the potential to generate ongoing, recurring revenues over a longer period of time than upfront sales. Leasing also smooths revenue over time.

There is also potential for SRJ to license its intellectual property to strategic partners. As SRJ demonstrates its capability by successfully completing installations, there is potential for new strategic partnerships to be created leading to licence deals.

Figure 17: SRJ Revenue Streams

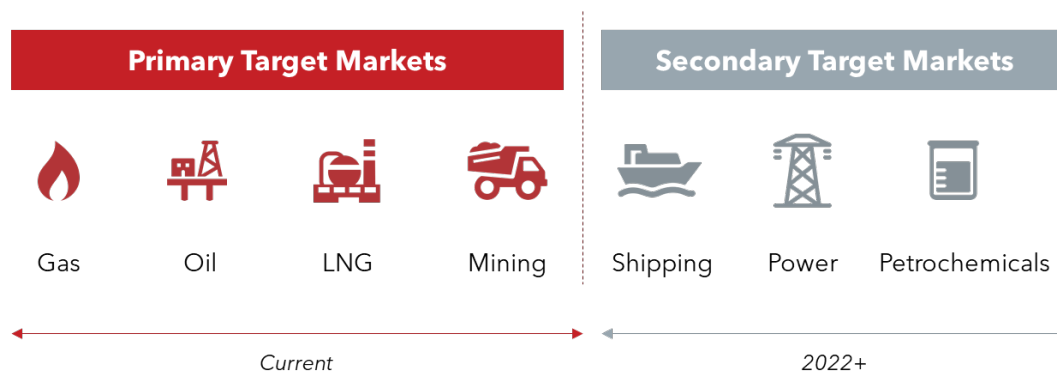


3.7 TARGET MARKETS

SRJ's products have relevance across a range of industries. The initial focus is the oil and gas industry as it is anticipated that significant growth in brownfield (opex) and greenfield (capex) opportunities are available across the entire (upstream, midstream and downstream) supply chain.

It is anticipated that significant opportunities will arise in other industries as SRJ builds out both its resources and proves its product efficacy in various territories.

Figure 18: SRJ Target Markets



The oil and gas markets are characterised by the following attributes which SRJ seeks to address:

Figure 19: SRJ response to market situation

Situation and Status		SRJ Response	
Market Attributes	Conventional welding and jointing	Weld-free solutions	
	<ul style="list-style-type: none"> Lengthy repair and installation times. High cost of repair. Welding exposes operators to weld related safety issues. 	<ul style="list-style-type: none"> Quick turnaround, reduced asset downtime. Competitive cost. No welds eliminates weld-related safety issues. 	
Barriers to Entry	Difficult for new entrants	Successfully entered market	
	<ul style="list-style-type: none"> Rigorous due diligence, testing and approvals are required before product acceptance. 	<ul style="list-style-type: none"> Approval for products and certification for the SRJ Coupling available to the market with product distribution partners in place. 	
Barriers to Entry	High levels of regulatory compliance	Meets regulatory requirements	
	<ul style="list-style-type: none"> Governments in major countries have formulated guidelines and regulations making maintenance and deployment of leak detection systems mandatory. 	<ul style="list-style-type: none"> Products meet emerging regulatory requirements . 	

SRJ will seek to target Australia, Europe and the Middle East in the near term due to the significant growth potential for SRJ in these regions and SRJ's ability to leverage its existing relationship network to expedite sales. SRJ will remain alert to opportunities with its global collaboration partners and customers as they arise.

3.8 GROWTH STRATEGY

SRJ is focused on both opex spend to repair existing pipelines and process pipework systems, as well as capex spend on new pipeline and process pipework system builds. Opex revenues are able to be generated near term with numerous repair projects initiated by customers. Capex revenues rely on the approval of large-scale projects, translating to a longer sales cycle, however any capex projects secured can potentially deliver substantial revenues.

SRJ will initially target the oil and gas industries, in particular brownfield pipeline and processing facilities in Australia as illustrated in Section 2.2.1. Once the Company has established revenues and can demonstrate its capability via successful installations, it intends to target other sectors such as shipping, power and petrochemicals. SRJ intends to build its market presence and grow by delivering on the following staged growth plan:

Figure 20: SRJ Growth Plan

Australian Growth	International Expansion	Innovation
2020-21	2021-22	2022+
<ul style="list-style-type: none"> Establish regional Australian partnerships for manufacturing and installation (commenced) Build customer relationships in oil and gas sectors (commenced) Increase awareness of SRJ solutions in readiness for upcoming pipeline capex rollouts Roll-out additional products 	<ul style="list-style-type: none"> Build UK/Europe and Middle East sales organisation Remain alert for other available opportunities in other regions Embed further with key strategic partners to leverage their existing customer base in Australia and internationally Pursue and gain vendor approval and preferred supplier status with key global customers to grow market share 	<ul style="list-style-type: none"> Continuous product design and service innovation Convert previously developed bespoke solutions into new product lines Commence sales in additional industries such as shipping, power and petrochemicals Seek opportunities to develop or acquire adjacent technologies for systems integration

SRJ aims to elevate a client's asset integrity by assisting them to transition from a reactive to a proactive approach. As a result, SRJ looks to commercialise market pull opportunities driven by client requirements including:

- the development of an analytics and visualisation platform to assist in asset integrity monitoring; and
- incorporation of sensor technology into its weld-free coupling.

3.9 IMPACTS OF COVID-19 ON THE COMPANY

SRJ has reviewed its business and its strategies in light of the COVID-19 pandemic. In summary, the SRJ management team has concluded the following:

Figure 21: COVID-19 impacts and opportunities table

COVID-19 Impact	SRJ Position & Opportunity
Asset owners and oil and gas operators are facing significant challenges with their workforces and access to service providers	The provision of containment solutions to the energy sector remains an essential service and SRJ is able to continue servicing customers in target territories.
Ability for international flange product suppliers to service the Australian market in a timely manner is affected by COVID-19	With a local presence, SRJ is positioned to respond to Australian projects in a timely manner. This has led to an increase in sales leads and provides a foundation for future customer relations and potential revenues.
International territories including UK, Europe and in the Middle East are impacted by COVID-19	SRJ remains impacted by restrictions particularly in the UK. The launch of a business continuity emergency containment management service has resulted in significant enquiries and invitations to tender, which may deliver midterm revenues.

COVID-19 Impact	SRJ Position & Opportunity
Delays to pipeline maintenance necessitates an increased opex spend	Delayed maintenance may result in additional demand for SRJ products and services in 2021 as critical maintenance deferred from 2020 will still need to be completed.
Delays to new capex pipeline investments	Asset owners may defer or cancel pipeline investments. SRJ currently primarily generates revenue from opex maintenance projects.

The volatility created by COVID-19 is undoubtedly changing business practices in the industry the Company operates in, which the Company anticipates will see clients and target clients operating in different ways to the norm. The Company believes it is well placed to take advantage of this given the Company is not a labour intensive company requiring the use of staff to manufacture and install its products. The Company also offers a region specific solution, thus removing issues with importing goods. It is acknowledged that should there be an outbreak of COVID-19 infections at one of the Company's manufacturers, it is likely to delay provision of SRJ products to clients.

SRJ has experienced delays in the provision of consulting work as clients delay project scopes and defer campaigns until 2021. With many client staff working from home this has also impacted SRJs ability to deliver on existing consulting solutions.

The Company will ensure it has adequate plans to address these issues should an outbreak occur. The Company also refers to the COVID-19 risks set out in risk Section 4.1.9.

3.10 RISK MITIGATION

SRJ provides a 12 month warranty on its products and holds public and products liability insurance. Manufacturing and installation risks are borne by the contractor allocated that task.

Design

The SRJ weld-free coupling has been certified by Lloyds and American Bureau of Shipping so should any failure of product be attributable to the product design, SRJ would have significant protection as a result of these certifications. The temporary leak containment solutions (MSRC, BoltEx and Enclosure units) all meet the relevant American Society of Mechanical Engineers (ASME) accepted industry standards as outlined in Section 3.3.1. In these circumstances the client is already 'on-risk' as they have a leak containment issue and SRJ will be engaged to provide a temporary solution until a permanent solution can be installed. Any recourse here would be limited and is likely to be limited to providing an alternative temporary solution.

Manufacturing

SRJ product manufacturing is outsourced to ISO9001 compliant manufacturers in the region where the products are being sold. Non-disclosure agreements are signed with these parties and manufacturing drawings are provided. A memorandum of understanding is then signed with each manufacturer that includes protections surrounding intellectual property, confidentiality and liability. In addition to this, any purchase order issued to a manufacturer is subject to SRJ's terms and conditions of purchase and include the references to the specific manufacturing drawing. SRJ also requires full material traceability so that in the event of a failure of the raw materials used, a right of recourse would exist with the supplier of this material.

Installation

SRJ does not install product. Accordingly, installation risks will rest with either a specific installer or with the facility operators. To date no facility operators have installed product. Should they wish to install product SRJ will engage a third-party provider to provide training on the installation requirements which will ensure the liability for incorrect installation is passed on to the installer.

4. RISK FACTORS

This Section describes some of the potential material risks associated with SRJ's business, the industry in which SRJ operates and the risks associated with an investment in the CDIs. SRJ is subject to a number of risks, both specific to the Company's business activities and of a general nature, which may either individually or in combination adversely impact SRJ's future operating and financial performance, investment returns and the value of SRJ's CDIs. The occurrence or consequences of some of the risks described here are partially or completely outside of SRJ's control, or the control of SRJ's Directors and Management.

There are risks that are common to all investments in equity securities and which are not specific to an investment in SRJ – for example, risks associated with other external events which are not related directly to the Company.

This Section does not purport to list every risk that may be associated with SRJ's business or the industry in which SRJ operates, or an investment in the CDIs, now or in the future. The selection of risks has been based on an assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of the Directors as at the Prospectus Date, but there is no guarantee or assurance that the risks will not change or that other risks or matters that may adversely affect SRJ will not emerge.

Any of these risks, or any other risks or other matters, may emerge and may have a material adverse effect on the business and its financial position and performance. There can be no guarantee that SRJ will achieve its stated objectives, deliver on its business strategy, or that 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 CDIs, 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 CDIs.

4.1 RISKS SPECIFIC TO AN INVESTMENT IN THE COMPANY

4.1.1 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 in 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.

4.1.2 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 (refer to Section 10.1 for more information on this arrangement). Sales under the EnerMech Collaboration Agreement represented approximately 48% and 86% of revenues in each of 2019 and 1HY20 respectively. The Company expects that the overall revenue contribution of the Company's largest customer will comprise less than 50% in 2020. The revenue from the Company's top two customers represented 100% of revenue in 2019, which is expected to decrease to 65% in 2020. While the Company is reliant on a small number of large customers, management are of the opinion that this will reduce as more SRJ products are installed thereby increasing asset reference points.

The Company may be subject to the termination of the EnerMech Collaboration Agreement which could adversely impact the future sales for the Company and the ability for the Company to access the global sales market in which EnerMech distributes the Company's products. The termination of this agreement may adversely impact the Company's operating and financial performance.

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.

4.1.3 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.

4.1.4 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. The Company made its first sales in 2017 and has generated most of its revenue through the EnerMech Collaboration Agreement since that time. 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 is only at 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:

- Progress the commercialisation of its products and services and implement its growth strategy;
- Increase awareness of its brand and market acceptance of its products;
- Obtain any required future certifications or approvals for new products and maintain existing certifications and approvals;
- Manage expanding operations effectively; and
- Respond effectively to competitive pressures and development.

4.1.5 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:

- 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 applied to register one trademark and 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.

4.1.6 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:

- existing competitors could increase their market share through aggressive sales and marketing campaigns, product research and development or price discounting;
- existing and potential competitors, who may have significantly more resources, develop new or superior products or improve existing products to compete with the Company;
- the Company may fail to increase adoption and usage of its products or introduce new products;
- the Company may fail to anticipate and respond to changing opportunities, technology, or customer requirements as quickly as its competitors;
- the Company's competitors may enhance their product offering to improve their competitive positioning relative to the Company;
- new market entrants into the pipeline repair and emergency pipeline replacement market could develop products which compete with the Company's products; and
- 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.

4.1.7 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), Roger Smith (Head of EMEA) and 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. In particular, the Company 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.

Agreements between the Company and its Key Executives provide that in the event of a voluntary termination of employment by the Key Executive, such Key Executive must provide the Company with at least 6 months' (for the CEO) or 3 months' (for other Key Executives) advance written notice. The Company must also provide 6 months' or 3 months' notice of termination to the CEO and Key Executives respectively or may otherwise elect to make a payment in lieu of that notice.

Further, the Key Executives may not, within the 12 month period following the end of their employment, compete with the Company, either directly or indirectly, to solicit any of the Company's employees to leave their employment, or any consultants, customers, clients, or other entities to terminate their relationship with the Company, or attempt to solicit, induce, or recruit employees, consultants, customers, or clients of the Group, either for such Key Executive's personal benefit or for that of any other person or entity. However, there is always a risk that restraints such as these may be unenforceable or read down. Further to these restraints, the agreements provide that the CEO and Key Executives (indefinitely) cannot use or disclose the Company's trade secrets, intellectual property or confidential information, after the termination of their employment.

4.1.8 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 set out in Sections 3.5 and 3.8 assumes the adoption of SRJ's existing products and the successful launch and adoption of new products. If for any reason the adoption of SRJ'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.

4.1.9 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 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.

In light of the challenging macroeconomic conditions and resultant market uncertainty caused by COVID-19, there is insufficient knowledge and insight to predict with certainty the impact of COVID-19 on the Company's business or future financial or other performance. As such, actual events and their impacts on the Company's business and performance may be significantly different to those expressed in Section 3.9.

4.1.10 PROLONGED OIL PRICE DROP

If the drop in global oil demand and the associated drop in oil price, exacerbated by the government imposed lockdowns and restrictions imposed to contain the spread of COVID-19, were to continue for a prolonged period of time, this may result in certain oil and gas operators shutting down some existing and planned operations, reducing the spending by these operators on upgrading and maintaining their operations. As a result, this may reduce demand for the Company's products which in turn would adversely impact the revenues and financial performance of the Company.

4.1.11 GLOBAL AND JURISDICTION RISK

The Company has operations in Australia and the United Kingdom and corporate and head office functions in Jersey. As at the Prospectus Date, the Company derives revenue from operations in foreign countries. 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.

4.1.12 COUNTERPARTY CREDIT RISK

The Company is dependent on the credit worthiness of its key customers EnerMech and SBM Offshore, and on new customers which it expects to develop in the near term. The Company does not require deposits from its customers when they place a purchase order and is not in the practice of conducting credit history checks on its customers. A default by either of its key customers or any other counterparty of the Company on its payment obligations may expose the Company to a significant financial loss and as a result may have a material adverse effect on the Company's business, financial condition and operating and financial performance.

4.1.13 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. This is particularly the case given (i) the agreements between the Company and its third party manufacturers and suppliers do not always include provisions that limit the Company's liability in relation to such defects or specify that the third party manufacturer or supplier is responsible for such defects, (ii) the Company's standard terms and conditions on which customers purchase products may not apply in certain jurisdictions given the Company's terms and conditions are not specific for each jurisdiction in which products are supplied (iii) the Company's insurance may not cover such loss, or coverage may be denied in connection with a loss that exceeds the Company's insured limits.

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.

4.1.14 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.

4.1.15 FAILURE TO EFFECTIVELY MANAGE GROWTH

It is expected that the Company will need to continue to expand its manufacturing capacity, including additional contract manufacturing capacity, and invest in systems and processes to support the development of the business if the Company gains significant market share over and above its current short-term expectations. If this is not done in a timely, robust and efficient way to handle projected growth it may negatively impact on the Company's financial performance.

4.1.16 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 Group, 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.

4.1.17 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.

4.1.18 INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

The ability of the Company to maintain protection of its proprietary intellectual property and 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. The Company may be subject to intellectual property or other claims from time to time, which could result in disputes or litigation which are costly to defend, could result in significant damage awards, and could limit its ability to use certain technologies in the future which could cause delays and increases in costs. As disclosed in the Intellectual Property Report at Section 8, Hydratight Ltd has claimed that the Company has infringed a registered design by manufacturing or importing the BoltEx product into the United Kingdom. Whilst the Company rebuts these allegations and has responded to Hydratight denying the infringement, regardless of the merits of the Hydratight claim or any future claims, intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. Such intellectual property infringement claims may have an adverse effect on the Company's operating and financial performance.

4.1.19 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:

- Unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements;
- Less sophisticated technology standards;
- Difficulties engaging local resources; and
- 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 Company 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.

4.1.20 JERSEY TAX RISKS

As the Company's operations are moving towards an Australian 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 an Australian focus, the Company will become tax resident in Australia and not tax resident in Jersey which would give rise to a corporate income tax rate of 30% rather than 0%.

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:

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

There is a risk that, should the Company remain Jersey tax resident but with an additional focus in Australia, 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 RISKS RELATED TO THE OFFER AND AN INVESTMENT IN THE CDIS

4.2.1 EXPOSURE TO GENERAL ECONOMIC AND FINANCIAL MARKET CONDITIONS

General domestic and global economic conditions may adversely impact the price of the CDIs 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 their Offer Price 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:

- changes in Government policies, taxation and other laws;
- future demand for pipeline repair and emergency pipeline replacement products and services;
- the strength of the equity and share markets in Australia and throughout the world;
- changes in investor sentiment toward particular market sectors;
- movement in, or outlook on, exchange rates, interest rates and inflation rates;
- industrial disputes in regions in which the Group operates;
- financial failure or default by an entity with which the Company may become involved in a contractual relationship;
- natural disasters, social upheaval or war; and
- 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.

4.2.2 PRICE OF CDIS

Once the Company becomes a publicly listed company on the ASX, the Company will become 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 Offer Price. 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. In particular it should be noted that the events relating to COVID-19 have recently resulted in significant market falls including in the prices of securities trading on the ASX and other share markets.

4.2.3 FOREIGN EXCHANGE RISK

The proceeds of the Offer 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 Offer and the closing of the Offer.

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.

4.2.4 LIQUIDITY RISK

In accordance with the escrow requirements in Chapter 9 of the ASX Listing Rules, at completion of the Offer approximately 80% of the Shares/CDIs on issue will not be able to be traded for a period after the date of Listing (see Section 11.8). Given the number of Shares/CDIs restricted from trading, there will only be liquidity with respect to approximately 20% of the Shares/CDIs on issue at completion of the Offer until such time as applicable escrow periods end. The CDIs issued under the Offer 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.

4.2.5 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.

4.2.6 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 will be 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.

4.2.7 RISK OF SHAREHOLDER DILUTION

The Company in the future may elect to issue further CDIs or other securities or engage in capital raisings to fund ongoing working capital requirements of the Company or acquisitions that the Company may decide to make (although none are contemplated in the short-term). While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Securityholders at the time may be diluted as a result of such issues of securities and capital raisings.

4.2.8 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.

4.2.9 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.

4.2.10 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.

4.2.11 FORCE MAJEURE EVENTS

Acts of terrorism, an outbreak 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.

4.2.12 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 Offer 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 CDIs under the Offer.

5. BOARD, MANAGEMENT AND GOVERNANCE

5.1 BOARD OF DIRECTORS

The Board currently comprises four members – one Non-Executive Chair, two Non-Executive Directors, and one Executive Director. The Board has a broad range of experience in both the energy and technology sector.

The following table provides information regarding the Directors and positions:

Table 5.1: Board of Directors

Name	Position	Independence	Listed entity experience
Robin Pinchbeck	Non-Executive Chair	Yes	Yes
Alexander Wood	Executive Director and Chief Executive Officer	No	No
Grant Mooney	Non-Executive Director	Yes	Yes
Andrew Mitchell	Non-Executive Director	Yes	Yes

Note: The Company has assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles.



Robin Pinchbeck, Non-Executive Chair

Mr. Pinchbeck has more than 40 years of experience in the oil and gas industry, principally at BP and Petrofac Plc (FTSE: PFC), where he founded and led the Operations Services division. As part of the senior management team, he was integral in the successful listing of Petrofac on the London Stock Exchange in 2005 and subsequently served as Group Head of Strategy. Mr. Pinchbeck has lived and worked in UAE, the UK, Australia, California and Texas.

Past non-executive directorships include Sondex Plc, Enquest Plc, IGas Plc, Seven Energy International Limited and, as Chairman, Sparrows Offshore Limited and PTS Consulting Limited. He is currently a Chairman and a Trustee of the charity Orbis UK. Mr. Pinchbeck holds a Bachelor of Engineering from Imperial College and Master of Business from Stanford.



Alexander Wood, Executive Director and Chief Executive Officer

Mr. Wood co-founded SRJ after 15 years working across the industrial and technology sectors in the UK, Africa and Middle East. Alex has led SRJ's commercialisation as its CEO since inception, bringing a diverse range of skills spanning commercialisation, business development, strategic sales, and investment attraction.

Mr. Wood's knowledge of the market comes from his experience in industrials, including his involvement in the acquisitions of Present Platinum Properties, Star Developments and Diamond Properties. Mr. Wood was previously Commercial Director at Middle East Corrosion Technologies.



Grant Mooney, Independent Non-Executive Director

Mr Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners, specialising in corporate compliance administration to public companies. Mr Mooney has gained extensive experience in the areas of corporate, financial and project management since commencing Mooney & Partners over 20 years ago. His experience also extends to advice on capital raisings, mergers and acquisitions, corporate governance and 'safe harbour' advice for Director's protection against insolvent trading.

Currently, Mr Mooney serves as a Director to ASX listed companies across a variety of industries including technology and resources. He is currently a Director of the following ASX listed companies: Gibb River Diamonds Limited, Barra Resources Limited, Talga Resources Limited, Riedel Resources Limited, Accelerate Resources Limited and Carnegie Clean Energy Limited. Mr Mooney is also a member of the Institute of Chartered Accountants in Australia.



Andrew Mitchell, Independent Non-Executive Director

Dr Mitchell is a Non-Executive Director of Adams Plc, an AIM listed investment company primarily focused on special situation investment opportunities in the small to middle-market capitalisation sectors. Dr Mitchell is the founding Director of an innovative heart screening company and acts as an advisor to digital and technological health start-up companies where he provides strategic advice and technical resource in the development of MedTech health services. He is also a Consultant Cardiologist at Jersey General Hospital and Honorary Consultant at Oxford University Hospitals.

Dr Mitchell has published over 170 clinical papers, book chapters and abstracts on areas of clinical cardiology focussing on novel digital health and life science technologies. He brings a wealth of knowledge of technology companies and has applied his skills for the benefit of numerous business enterprises.

Each Director has confirmed to the Company that they anticipate being available to perform their duties as Non-Executive or Executive Director, as the case may be, without constraints from other commitments.

5.2 DIRECTOR DISCLOSURES

No Director of the Company has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director of the Company or which is relevant to an investor's decision as to whether to subscribe for CDIs.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

5.3 KEY EXECUTIVES

The Company has a highly experienced executive team as set out below:

Table 5.3: Key Executives

Name	Position
Alexander Wood	Chief Executive Officer
Roger Smith	Head of EMEA
Stefan McGreevy	Chief Financial Officer
Paul Eastwood	Technical Director

Alexander Wood, Chief Executive Officer

See Section 5.1



Roger Smith, Head of Europe, the Middle East and Africa (EMEA)

Mr Smith is the Head of EMEA for SRJ. Prior to this Mr Smith had been the Non-Executive Chairman of SRJ for 4 years. Mr Smith joined SRJ with over 35 years' experience in the oil and gas industry, having founded and sold 2 successful engineering consulting companies (ATL Group and Plant Asset Management) and in doing so has worked with venture capital and private equity houses. Mr Smith holds a Bachelor degree in physics from University of Southampton.

He previously served as a Senior Vice President of Petrofac Plc and as a Non-Executive Director of Haydale Graphene Industries plc. He has also held the post of commercial Director with Bureau Veritas.



Stefan McGreevy, Chief Financial Officer

Mr McGreevy has over 20 years' experience in all facets of corporate services including finance, corporate governance, marketing, administration, human resources and regulatory compliance. He has been working as an advisor to SRJ since 2015. Stefan has developed deep knowledge of SRJ and its products and has been integral to the commercialisation of the Company.

Mr McGreevy was previously Head of Operations at Alden Global Capital, a regulated investment manager. Other previous roles include Director at La Crosse Global Fund Services and a Director of the fund services division at Bank of America Merrill Lynch. Mr McGreevy also spent 11 years' with PricewaterhouseCoopers, as a chartered accountant, specialising in the investment management sector. Mr McGreevy holds a Bachelor of Business (Hons) from Plymouth University and qualified as a Chartered Accountant with the Institute of Chartered Accountants England and Wales in 2001.



Paul Eastwood, Technical Director

Dr Eastwood is a professionally qualified engineer with 35 years' experience in asset maintenance, operations and integrity management. He has been involved in capital developments and field operations covering various industrial sectors, but predominantly within upstream oil and gas. Dr Eastwood started his career at ATL Group, joining as a Consultant and progressing to the role of Technical Director. Following the acquisition of ATL Group by Bureau Veritas he then moved to Paris to assume the role of Energy & Process Development Manager, responsible for coordinating global development and technical support in the field of asset integrity.

In 2002, Dr Eastwood joined Petrofac, where he undertook a range of senior operational and project roles both internally and for external clients. In the last 18 months of his tenure, Dr Eastwood was a central member of the company's Digital Team tasked with identifying, evaluating, and operationalising digital technologies to elevate asset management, productivity and business performance.

5.4 COMPANY SECRETARY

Ben Donovan

Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a company secretary of several ASX listed and public unlisted companies and has gained experience across resources, agritech, biotech, media and technology industries.

He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the ASX in Perth for nearly 3 years, where he managed the listing of nearly 100 companies on the ASX.

In addition, Mr Donovan has experience in the capital markets having raised capital and assisted numerous companies on achieving an initial listing on the ASX, as well as for a period of time, as a private client adviser at a boutique stock broking group.

5.5 SRJ AUSTRALIA



David Milner, Director

Mr Milner is the former CEO of e2o Pty Ltd, an Australian based engineering services company which he built over 10 years to be a A\$200m per year revenue business. Mr Milner has a strong understanding of the Australian market and has multi-sector experience in Power, Mineral Processing, LNG and Coal Seam. Mr Milner has worked with Woodside, Clough, Chevron, Santos, BHP Billiton, Orgin Energy, Inpex, Enerflex and Water Corporation.

Mr Milner is engaged by SRJ Australia as a consultant. Mr Milner is based in Australia and provides business development support to the Australian business operations, which is a key market in SRJ's business strategy and will be a focus of expansion. Mr Milner is also a Non-Executive Director of SRJ Tech Australia Pty Ltd.

Shortly prior to the Allotment Date, Mr Milner will be issued 200,000 Performance Rights for his services to the Company in addition to fees under his consultancy agreement.

5.6 DIRECTORS' REMUNERATION

5.6.1 NON-EXECUTIVE DIRECTORS' REMUNERATION

The Company has entered into an appointment letter with each of its Non-Executive Directors. The following table sets out the Non-Executive Directors' annual remuneration payable for the year ending 31 December 2020:

Table 5.6: Non-Executive Directors' fees

Name	Non-Executive Directors' fees
Robin Pinchbeck	£50,000 per annum
Grant Mooney	A\$40,000 per annum
Andrew Mitchell	A\$40,000 per annum

Under the ASX Listing Rules the maximum fees payable to Non-Executive Directors may not be increased without prior approval from the Company at a general meeting. Directors will seek such approval from time to time as deemed appropriate. Under the Articles, the maximum aggregate annual cash fee pool from which Non-Executive Directors may be paid for their service, exclusive of expense reimbursement and equity grants, cannot exceed A\$500,000. Any increase to the aggregate amount needs to be approved by Shareholders. Directors will seek approval of the Shareholders from time to time, as appropriate. This aggregate annual sum does not include any special remuneration which the Board may grant to the Non-Executive Directors for special exertions or additional services performed by a Non-Executive Director for or at the request of the Company, which may be made in addition to or in substitution for the Non-Executive Director's fees.

5.6.2 EXECUTIVE DIRECTORS' REMUNERATION

Please see Section 5.8 for a summary of the remuneration and benefits payable by the Company to its Executive Director, Alexander Wood.

5.7 DIRECTORS' INTERESTS

Except as set out elsewhere in this Prospectus, there are no interests that exist at the date of this Prospectus and there were no interests that existed within two years before the date of this Prospectus that are or were interests of a Director or a proposed Director in the promotion of the Company or in any property proposed to be acquired by the Company in connection with its formation or promotion. Further, except as set out in this Prospectus, there have been no amounts paid or agreed to be paid to a Director in cash or securities or otherwise by any persons either to induce him to become or qualify him as a Director or otherwise for services rendered by him in connection with the promotion or formation of the Company.

5.7.1 DIRECTORS' INTERESTS IN SECURITIES

Directors are not required under the Articles to hold any securities in the Company. On the Prospectus Date, the Directors will hold the following securities in the Company (either directly or through beneficial interests or entities associated with the Director).

Table 5.7: Directors' holdings in SRJ

Name	Shares / CDIs	Performance Rights ¹	Total
Robin Pinchbeck	201,135	380,000	581,135
Alexander Wood ²	27,781,105	2,470,000	30,251,105
Grant Mooney	-	-	-
Andrew Mitchell	-	-	-
Total	27,982,240	2,850,000	30,832,240

1. See Section 5.9 for a summary of the terms of the Performance Rights.

2. Alexander Wood's interest includes CDIs held by AVI Partners. Alexander Wood holds 19% of the issued shares of AVI Partners.

5.7.2 INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Company has entered into deeds of indemnity, access and insurance with each Director. Under these deeds, the Company has agreed to indemnify, to the extent permitted by applicable law, each Director in respect of certain liabilities which the Director may incur as a result of, or by reason of (whether solely or in part), being or acting as an officer of the Company. These liabilities include losses or liabilities incurred by the Director to any other person as an officer of the Company, including legal expenses. The Company has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for seven years after they cease to act as officers.

5.7.3 RELATED PARTY INTERESTS

There are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest other than:

- the compensation arrangements with Directors and executive officers, which are described in Section 5.6; and
- the indemnification arrangements with the Directors which are described in Section 5.7.2.

Procedure for approval of related party transactions

The Company's Audit and Risk Management Committee is responsible for reviewing and approving all transactions in which the Company is a participant and in which any parties related to the Company, including its executive officers, Directors, beneficial owners of more than 5% of the Company's CDIs, immediate family members of the foregoing persons and any other persons whom the Board determines may be considered related parties of the Company, has or will have a direct or indirect material interest.

The Audit and Risk Management Committee or its Chair, as the case may be, will only approve those related party transactions that are determined to be in, or are not inconsistent with, the best interests of the Company and its Shareholders, after taking into account all available facts and circumstances as the Audit and Risk Management Committee or the Chair determines in good faith to be necessary. Transactions with related parties will also be subject to Shareholder approval to the extent required by the ASX Listing Rules.

5.7.4 AVI PARTNERS

AVI Partners is not a related party under the Corporations Act. However, it is held in part by Alexander Wood (19%) and in part by other external shareholders. AVI Partners is a Jersey-based investment company and historically provided SRJ with business development and consulting services to support the growth of the company. It currently rents office space to SRJ on arm's length terms.

AVI Partners will hold 27,574,855 CDIs in SRJ at Listing representing 23.2% of the issued share capital on an undiluted basis.

Although it is not required under the Corporations Act, AVI Partners has agreed to lodge Substantial Shareholder notices in relation to its holding in SRJ to ensure market transparency. AVI Partners will also be subject to ASX mandatory escrow and voluntary escrow as disclosed in Section 11.8.

5.8 EXECUTIVE EMPLOYMENT AGREEMENTS

Details regarding the employment of Alexander Wood (Chief Executive Officer), Roger Smith (Head of EMEA), Stefan McGreevy (Chief Financial Officer) and Paul Eastwood (Technical Director) are set out below.

Chief Executive Officer

Mr Wood is employed in the position of Chief Executive Officer of the Group. SRJ Jersey (SRJ Limited) has entered into an employment contract with Mr Wood to govern his employment.

Mr Wood receives a fixed remuneration package of £224,250 per annum. Mr Wood is eligible to receive other employment benefits in connection with the performance of his duties under his employment agreement.

Mr Wood is eligible to participate in the SRJ Employee Equity Incentive Plan and shortly prior to the Allotment Date will be issued 2,470,000 Performance Rights under that plan (as summarised in Section 11.8).

Under the terms of Mr Wood's employment contract, SRJ Jersey has the right to terminate Mr. Wood's employment by giving 6 months' written notice. Mr Wood can also resign from his employment on 6 months' written notice. In either case, SRJ Jersey can also elect in its discretion to make a payment in lieu of that notice to Mr Wood or to place Mr Wood on garden leave for all or part of that notice period.

After termination of employment, the employment contract provides that Mr Wood will be subject to non-competition, non-solicitation of clients, and non-poaching of employees restrictions for a maximum period of 12 months.

Mr Wood's employment contract acknowledges that the Company owns all right, title and interest in or derived from the intellectual property rights developed or created by Mr Wood in connection with his employment with the Company. Intellectual property rights include, among other things, all technology, systems, specifications, patents, trademarks, trade secrets, copyright works, inventions, client and supplier lists, computer programs, software and similar industrial or intellectual property rights.

Head of EMEA

Mr Smith is employed in the position of Head of EMEA of the Group. SRJ UK (SRJ Technology Limited) has entered into an employment contract with Mr Smith to govern his employment. Mr Smith receives a fixed remuneration package of £150,000. Mr Smith is eligible to receive other employment benefits in connection with the performance of his duties under his employment agreement.

Mr Smith is eligible to participate in the SRJ Employee Equity Incentive Plan and shortly prior to the Allotment Date will be issued 2,090,000 Performance Rights under that plan (as summarised in Section 11.8).

Under the terms of Mr Smith's employment contract, SRJ UK has the right to terminate Mr Smith's employment by giving 6 months' written notice. Mr Smith can also resign from his employment on 6 months' written notice. In either case, SRJ UK can also elect in its discretion to make a payment in lieu of that notice to Mr Smith or to place Mr Smith on garden leave for all or part of that notice period.

After termination of employment, the employment contract provides that Mr Smith will be subject to non-competition, non-solicitation of clients, and non-poaching of employees restrictions for a maximum period of 12 months.

Mr Smith's employment contract acknowledges that the Company owns all right, title and interest in or derived from the intellectual property rights developed or created by Mr Smith in connection with his employment with the Group. Intellectual property rights include, among other things, all technology, systems, specifications, patents, trademarks, trade secrets, copyright works, inventions, client and supplier lists, computer programs, software and similar industrial or intellectual property rights.

Chief Financial Officer

Mr McGreevy is employed in the position of Chief Financial Officer of the Group. SRJ Jersey (SRJ Limited) has entered into an employment contract with Mr McGreevy to govern his employment.

Mr McGreevy receives a fixed remuneration package of £130,000. Mr McGreevy is eligible to receive other employment benefits in connection with the performance of his duties under his employment agreement.

Mr McGreevy is eligible to participate in the SRJ Employee Equity Incentive Plan and shortly prior to the Allotment Date will be issued 1,140,000 Performance Rights under that plan (as summarised in Section 11.8).

Under the terms of Mr McGreevy's employment contract, SRJ Jersey has the right to terminate Mr McGreevy's employment by giving 6 months' written notice. Mr McGreevy can also resign from his employment on 6 months' written notice. In either case, SRJ Jersey can also elect in its discretion to make a payment in lieu of that notice to Mr McGreevy or to place Mr McGreevy on garden leave for all or part of that notice period.

After termination of employment, the employment contract provides that Mr McGreevy will be subject to non-competition, non-solicitation of clients, and non-poaching of employees restrictions for a maximum period of 12 months.

Mr McGreevy's employment contract acknowledges that the Company owns all right, title and interest in or derived from the intellectual property rights developed or created by Mr McGreevy in connection with his employment with the Company. Intellectual property rights include, among other things, all technology, systems, specifications, patents, trademarks, trade secrets, copyright works, inventions, client and supplier lists, computer programs, software and similar industrial or intellectual property rights.

Technical Director

Dr Eastwood is employed in the position of Chief Technological Officer of the Group. SRJ UK has entered into an employment contract with Dr Eastwood to govern his employment.

Dr Eastwood receives a fixed remuneration package of £135,000. Dr Eastwood is eligible to receive other employment benefits in connection with the performance of his duties under his employment agreement.

Dr Eastwood is eligible to participate in the SRJ Employee Equity Incentive Plan and shortly prior to the Allotment Date will be issued 760,000 Performance Rights under that plan (as summarised in Section 11.8).

Under the terms of Dr Eastwood's employment contract, SRJ UK has the right to terminate Dr Eastwood's employment by giving 6 months' notice. Dr Eastwood can also resign from his employment on the same terms. In either case, SRJ UK can also elect in its discretion to make a payment in lieu of that notice to Dr Eastwood or to place Dr Eastwood on garden leave for all or part of that notice period.

After termination of employment, the employment contract provides that Dr Eastwood will be subject to non-competition, non-solicitation of clients, and non-poaching of employees restrictions for a maximum period of 12 months.

Dr Eastwood's employment contract acknowledges that the Company owns all right, title and interest in or derived from the intellectual property rights developed or created by Dr Eastwood in connection with his employment with the Group. Intellectual property rights include, among other things, all technology, systems, specifications, patents, trademarks, trade secrets, copyright works, inventions, client and supplier lists, computer programs, software and similar industrial or intellectual property rights.

Other senior management

All other senior management are employed under written employment agreements with the Company or an applicable subsidiary of the Company. The key terms and conditions of their employment include:

- remuneration packages;
- eligibility to participate in the SRJ Employee Equity Incentive Plan (as summarised in Section 5.9);
- express provisions protecting the Company's confidential information and intellectual property;
- notice provision of 1 month's written notice for service up to 2 years and then 3 months' notice thereafter where the Company or employee gives notice; and
- post-termination restraints for a period of 12 months.

5.9 EQUITY INCENTIVE PLANS

5.9.1 SUMMARY OF PLANS

The Company has recently adopted two equity incentive plans, 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 and those individuals working on consultancy contracts rather than as employees.

As at Listing, the Company will have on issue 8,014,000 Performance Rights held by eligible participants under the Equity Incentive Plans. Details of these are included below.

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

- options to acquire Shares; and/or
- 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:

- 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.
- 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.
- The Grantor may determine the type and number of Awards to be issued under the Equity Incentive Plan to each participant and other terms of issue of the Awards, including but not limited to:
 - the conditions and/or performance hurdles that must be met by a participant in order for an Award to vest (if any);
 - the fee to be paid by a participant on the grant of Awards (if any);
 - the exercise price of any option granted to a participant;
 - the period during which a vested option can be exercised; and
 - 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.

- An Award holder may not transfer or assign his/her Award and if they attempt to do so the Award will lapse.
- 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).
- 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.
- Participants holding options or Performance Rights are:
 - not permitted to vote at any general meeting of the Company (except as required by law);
 - 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;
 - 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
 - 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.
- 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.
- 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.
- 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):
 - 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
 - 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.

5.9.2 PROPOSED GRANTS OF PERFORMANCE RIGHTS

The Board has approved the grant of 8,014,000 Performance Rights under the Equity Incentive Plans to occur shortly prior to the Allotment Date.

580,000 Performance Rights will be issued to Non-Executive Directors and consultants under the SRJ Equity Incentive Plan. Performance Rights issued under the SRJ Equity Incentive Plan will vest 24 months after the issue date and be subject to the following vesting conditions:

- the Company's CDIs reaching a target 15-day VWAP post Listing; and
- continuity of engagement with the Company from Listing until the vesting date.

7,434,000 Performance Rights will be issued to management and employees under the SRJ Employee Equity Incentive Plan. Performance Rights issued under the SRJ Employee Equity Incentive Plan will vest 24 months after the issue date and be subject to the following vesting conditions:

- the Company's CDIs reaching specified 15-day VWAP targets post Listing;
- with regards to Performance Rights issued to Alexander Wood and Roger Smith, vesting will also be subject to the achievement of financial and operational hurdles determined by the Remuneration & Nomination Committee; and
- continuity of employment with the Company from Listing until the vesting date.

5.10 BOARD'S ROLE

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisers as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest. Any issue concerning a Director's ability to properly act as a director will be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

The Board's role in risk oversight includes receiving reports from management and the Audit and Risk Management Committee on a regular basis regarding material risks faced by the Company and applicable mitigation strategies and activities. Those reports detail the effectiveness of the risk management program and identify and address material business risks such as technological, strategic, business, operational, financial, human resources and legal/regulatory risks. The Board and its committees consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks including appropriate activity to address those risks.

The responsibilities of the Board are set down in the Company's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles. A copy of the Company's Board Charter is available on the Company's website at www.srj-technologies.com/investors. The Company will also send you a paper copy of its Board Charter, at no cost to you, should you request a copy during the Offer Period.

5.11 BOARD COMMITTEES

As set out below, the Board has established two standing committees to facilitate and assist the Board in fulfilling its responsibilities. The Board may also establish other committees from time-to-time to assist in the discharge of its responsibilities.

Members of the Board who act as Chairperson or Members of the committees will not be paid any additional fees as consideration for conducting this role.

Each committee has the responsibilities described in the committee charter (which has been prepared having regard to the ASX Corporate Governance Principles) adopted by the Company. A copy of the charter for the above committees is available on the Company's website at www.srj-technologies.com/investors. The Company will also send you a free paper copy of the committee charters should you request a copy during the Offer Period.

Committee	Overview	Members
Audit and Risk Management Committee	<p>Responsible for monitoring and advising the Board on the Company's audit and regulatory compliance policies and procedures.</p> <p>Oversees the Company's corporate accounting and financial reporting, including auditing of the Company's financial statements and the qualifications, independence, performance and terms of engagement of the Company's external auditor.</p> <p>Monitors and develops the Company's risk strategy, including assessing the effectiveness of the Company's internal controls and risk management framework and making recommendations for improvement.</p>	<p>Grant Mooney (Chairperson)</p> <p>Robin Pinchbeck</p> <p>Andrew Mitchell</p>
Remuneration and Nomination Committee	<p>Responsible for advising the Board on the composition of the Board and its committees, evaluating potential Board candidates and advising on their suitability, and ensuring appropriate succession plans are in place.</p> <p>Establishes, amends, reviews and approves the compensation and equity incentive plans with respect to senior management and employees of the Company including determining individual elements of total compensation of the Chief Executive Officer and other members of senior management. The Remuneration and Nomination Committee is also responsible for reviewing the performance of the Company's executive officers with respect to these elements of compensation.</p>	<p>Robin Pinchbeck (Chairperson)</p> <p>Andrew Mitchell</p> <p>Grant Mooney</p>

5.12 CORPORATE GOVERNANCE POLICIES

The Company has also adopted the following policies, each of which has been prepared having regard to the ASX Corporate Governance Principles and is available on the Company's website at www.srj-technologies.com/investors.

- **Code of Conduct** – This policy sets out the standards of ethical behaviour that the Company expects from its Directors, officers and employees;
- **Continuous Disclosure Policy** – Once listed on ASX, the Company will need to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act to ensure the Company discloses to ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the CDIs. As such, this policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations;
- **Audit and Risk Management Policy** – This policy is designed to assist the Company to identify, assess, monitor and manage risks affecting the Company's business;
- **Securities Trading Policy** – This policy is designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws;
- **Shareholder Communications Policy** – This policy sets out practices which the Company will implement to ensure effective communication with its Shareholders;
- **Diversity Policy** – This policy sets out the Company's objectives for achieving diversity amongst its Board, management and employees;
- **Whistleblower Policy** – This policy sets out how and to whom staff may make confidential reports regarding illegal practices or violations of policies of the Company. The policy sets out processes to follow up and investigate reports and how to respond to them; and
- **Anti-Bribery and Corruption Policy** – This policy describes the Company's zero tolerance policy towards bribery and corruption. The policy sets out practices that constitute bribery and corruption and is designed to assist the Company, its subsidiaries, the Board and all employees to avoid committing acts of bribery or corruption.

The Company will also send you a free paper copy of any of the above policies should you request a copy during the Offer Period.

5.13 ASX CORPORATE GOVERNANCE PRINCIPLES

The Board has evaluated the Company's current corporate governance policies and practices in light of the ASX Corporate Governance Principles. A brief summary of the approach currently adopted by the Company is set out below.

Principle 1 – Lay solid foundations for management and oversight

The Board's responsibilities are defined in the Board Charter.

The Company has also established a clear delineation between the Chairman's responsibility for the Company's strategy and activities, and the day-to-day management of operations conferred upon the Chief Executive Officer and certain other officers of the Company. The Remuneration and Nomination Committee will regularly review and evaluate the performance of senior executives.

Principle 2 – Structure the Board to be effective and add value

The majority of the Company's Board is comprised of independent Directors and the roles of Chairman and Chief Executive Officer are exercised by two separate individuals. As the Company is still in an early stage of development, it has not yet undertaken a formal review of the Board's performance. However, the Board Charter provides for an annual self-assessment of the Board's performance to be provided to the Remuneration and Nomination Committee.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

The Company has approved a statement of values and inculcated those values across the organisation. The Company has also adopted a Code of Conduct, a Securities Trading Policy, a Diversity Policy, a Whistleblower Policy, an Anti-Bribery and Corruption Policy and a procedure for related party transactions.

Principle 4 - Safeguard the integrity of corporate reports

The Company has established an Audit and Risk Management Committee which complies with the ASX Corporate Governance Principles to oversee the management of financial and internal risks.

Principle 5 - Make timely and balanced disclosure

The Company is committed to providing timely and balanced disclosure to the market in accordance with its Continuous Disclosure Policy.

Principle 6 - Respect the rights of Shareholders

The Company has adopted a Shareholder Communications Policy for Shareholders wishing to communicate with the Board. The Company seeks to recognise numerous modes of communication, including electronic communication via its website, to ensure that its communication with Shareholders is frequent, clear and accessible.

All Shareholders are invited to attend the Company's annual general meeting, either in person or by representative. The Board regards the annual general meeting as an excellent forum in which to discuss issues relevant to the Company and accordingly encourages full participation by Shareholders. Shareholders have an opportunity to submit questions to the Board and to the Company's auditors.

Principle 7 - Recognise and manage risk

In conjunction with the Company's other corporate governance policies, the Company has adopted an Audit and Risk Management Policy, which is designed to assist the Company to identify, evaluate and mitigate risks affecting the Company, including environmental and social risks. In addition, the Board has established two standing committees to provide focused support in key areas. Regular internal communication between the Company's management and Board supplements the Company's quality system, complaint handling processes, employee policies and standard operating procedures which are all designed to address various forms of risks.

Principle 8 - Remunerate fairly and responsibly

The Company has established a Remuneration and Nomination Committee as set out in Section 5.11. The Company will provide disclosure of its Directors' and executives' remuneration in its annual report.

6 FINANCIAL INFORMATION

6.1 INTRODUCTION

The financial information for SRJ contained in this Section 6 includes:

- summary audited historical consolidated Statement of Comprehensive Income for the years ended 31 December 2018 (FY2018) and 31 December 2019 (FY2019);
- summary reviewed historical consolidated Statement of Comprehensive Income for the six months ended 30 June 2020 (1HY20) and comparative period for the six months ended 30 June 2019 (1HY19);
- summary audited historical consolidated Statement of Cash Flows for FY2018 and FY2019;
- summary reviewed historical consolidated Statement of Cash Flows for 1HY20 and the comparative period 1HY19; and
- reviewed historical and pro forma consolidated Statements of Financial Position as at 30 June 2020 and the associated details of the pro forma adjustments applied to the historical consolidated Statement of Financial Position at 30 June 2020,

(together, the **Historical Financial Information**).

The Historical Financial Information should be read together with the other information contained in this Prospectus, including:

- management's discussion and analysis set out in this Section 6;
- the risk factors described in Section 4;
- an assessment of the impact of COVID-19, set out in Section 3.9;
- the description of the use of the proceeds of the Offer described in Section 9;
- the Independent Limited Assurance Report, set out in Section 7; and
- the indicative capital structure described in Section 11.

Unless stated otherwise, all amounts disclosed in this Section are presented in Pound Sterling and rounded to the nearest thousand pound (£'000).

Investors should note that past performance is not an indication of future performance.

6.2 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

The Directors of SRJ are responsible for the preparation and presentation of the Historical Financial Information.

The Historical Financial Information included in this section has been prepared in accordance with the recognition and measurement principles prescribed by applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (UKGAAP) which is different in some respects to Australian equivalents to International Financial Reporting Standards (AIFRS), the accounting principles generally accepted in Australia. A reconciliation of the main differences between UKGAAP and AIFRS applicable to the Company which are relevant to potential investors are discussed in Section 6.8.

The significant accounting policies of the Company relevant to the Historical Financial Information are set out in Appendix A. The accounting policies of the Company have been consistently applied throughout the periods presented.

All amounts disclosed in Section 6 and the Appendices are presented in GBP £ and, unless otherwise noted, are rounded to the nearest thousand. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

The Historical Financial Information (other than the pro forma adjustments to the historical consolidated Statement of Financial Position as at 30 June 2020 and the results of those adjustments) has been derived from the audited historical consolidated financial statements of the Company for FY2018 and FY2019 and reviewed historical consolidated financial statements of the Company for 1HY20 (including the 1HY19 comparative). The FY2018 and FY2019 financial statements of SRJ were audited by Grant Thornton Limited in accordance with International Standards on Auditing (UK) and the applicable law. The audit opinion issued to the Directors for FY2018 was unqualified. The audit opinion issued to the Directors for FY2019 was unqualified but included an emphasis of matter regarding the existence of a material

uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and also regarding the impact of COVID-19 on the Group's future operations (refer to Section 3.9 for a description of Directors' assessment of the impact of COVID-19 on the Group's operations). The review conclusion issued to the Directors in relation to 1HY20 and 1HY19 was unqualified.

The Historical Financial Information is presented in an abbreviated form and does not contain all of the disclosures, statements or comparative information required by Australian Accounting Standards applicable to financial reports prepared in accordance with the Corporations Act 2001.

The Historical Financial Information has been reviewed in accordance with the Australian Standard on Assurance Engagements *ASAE 3450 Assurance Engagements involving Fundraising and/or Prospective Financial Information* by Grant Thornton Corporate Finance Pty Ltd as set out in the Independent Limited Assurance Report in Section 7. Investors should note the scope and limitations of the Independent Limited Assurance Report.

The Historical Financial Information has been prepared for the purpose of the Offer.

6.3 EXPLANATION OF NON-UKGAAP FINANCIAL MEASURES

Investors should also be aware that certain financial data included in this Section 6 is also "non UKGAAP financial information". The Company believes that this non-UKGAAP financial information provides useful information to potential Investors in measuring the financial performance and conditions of the Company. As non-UKGAAP measures are not defined by recognised standard setting bodies, they do not have a prescribed meaning. Therefore, the way in which the Company calculates these measures may be different to the way other companies calculate similarly titled measures. Investors are cautioned not to place undue reliance on any non-UKGAAP financial information and ratios.

In particular the following non-UKGAAP financial data is included:

- Gross profit, which means the gross profit generated after costs of goods sold related to materials and labour;
- EBITDA, which means earnings before interest, taxation, depreciation and amortisation; and
- EBIT, which means earnings before interest and taxation.

6.4 HISTORICAL CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The table below presents the summary audited/ reviewed historical consolidated Statement of Comprehensive Income for FY2018, FY2019, 1HY20 and 1HY19.

Table 6.4 Historical consolidated Statement of Comprehensive Income

£'000	Audited Year ended 31 December 2018	Audited Year ended 31 December 2019	Reviewed Six months ended 30 June 2020	Reviewed Six months ended 30 June 2019
Revenue	84	552	89	438
Cost of sales	(7)	(215)	(44)	(224)
Gross profit	77	337	45	214
Other operating expenses	(967)	(1,405)	(1,438)	(508)
Other income	1	396	58	197
EBITDA	(889)	(672)	(1,335)	(97)
Depreciation & amortisation	(85)	(95)	(53)	(43)
Impairment	(49)	-	-	-
EBIT	(1,023)	(767)	(1,388)	(140)
Interest expense	(26)	(15)	-	(9)
Profit/(loss) before tax	(1,049)	(782)	(1,388)	(149)
Income tax expense	-	-	-	-
Profit/(loss) after tax	(1,049)	(782)	(1,388)	(149)
Other comprehensive income				
Loss on translation of foreign subsidiary	-	-	(8)	-
Total comprehensive loss for the period	(1,049)	(782)	(1,396)	(149)

Description of key financial terms

Set out below is a description of the key financial terms used in the presentation of the Historical Financial Information:

1. **Revenue:** Revenue primarily relates to income derived from the sale of the SRJ temporary and permanent pipeline repair and replacement products. Revenue has also been generated through consulting whereby revenue is generated on a daily rate or outcome driven basis. Refer to Section 3.6 for a further discussion on the Company's revenue streams;
2. **Cost of sales:** Cost of sales refers to the cost of manufacturing the products through outsourced manufacturers, excluding freight costs;
3. **Operating expenses:** Operating expenses relate to all indirect expenditures that is not directly attributable to sales. These expenses include indirect employee costs, legal fees, corporate advisory, administration, travel and occupancy costs;
4. **Other Income:** Other income largely relates to grant income received from the UK's Innovation agency;
5. **Depreciation & amortisation:** Depreciation and amortisation mostly relates to the amortisation of intangible assets, largely comprised of patents and historical research and development costs capitalised;
6. **Impairment:** Impairment in FY2018 relates to the patents and research and development expenditure;
7. **Interest expense:** refers to the interest expenses incurred on borrowings; and
8. **Loss on translation of foreign subsidiary:** Loss that arises on the translation of the Australian subsidiary to GBP. The loss is recorded against other comprehensive income.

6.5 GENERAL FACTORS AFFECTING THE HISTORICAL OPERATING RESULTS OF SRJ

Below is a discussion of the main factors which affected SRJ's operations and relative financial performance in FY2018, FY2019 and 1HY20, which SRJ expects may continue to affect it in the future. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected SRJ's historical operating and financial performance, nor everything which may affect SRJ's operations and financial performance in the future.

Management discussion and analysis of the historical statement of profit and loss and other comprehensive income

SRJ is in the early stages of commercialisations of its range of products and its consulting services. Revenues historically derived by SRJ have largely been in the form of sales of MSRCs and consulting services provided (refer to Section 3.3 for SRJ's products and services). The majority of all MSRC sales have been made to EnerMech, whilst all consulting revenues generated in FY2018 and FY2019 have been in respect of services provided to Intelligent Valve Applications and Petrofac in 1HY20. Approximately £270,000 of product sales were generated in FY2019 with the remainder of revenues generated through engineering consulting services. The consulting services agreement with Intelligent Valve Applications concluded in January 2020 with revenues in 1HY20 primarily derived from product sales to EnerMech. Both consulting and product sales were negatively affected by the onset of COVID-19 in February 2020, where SRJ's customers temporarily ceased engagement for several months while working to understand how COVID-19 would affect their operations and the wider industry. SRJ has since experienced a re-engagement, with purchase orders received from customers as of 31 July 2020 for fulfilment in 2HY20 amounting to £62,180 (A\$118,142).

Gross margin has varied year on year which is attributable to SRJ being in the initial stages of commercial production. Gross margin rates increased in FY2018 as no product sales were made, with all revenues generated through consulting services which has insignificant associated cost of sales. Therefore gross margins will not be comparable year on year until commercial operations reach a more mature stage.

Other operating expenses primarily relate to employment costs, professional fees, travel and occupancy. The increase in overheads in FY2019 and 1HY20 can be attributed to additional wages and salaries in relation to the recruitment of new staff and an increase in professional fees incurred in relation to capital raising activities and setting up Australian operations. The Group recruited for a number of key roles including Head of EMEA, Technical Director, Senior Design Engineers and Finance & Operations personnel between the later part of FY2019 and 1HY20. This resulted in increased salaries and wages in 1HY20. Further, costs incurred in relation to the Offer as well as foreign exchange losses (related to the convertible notes) resulted in the increase in other operating expenses in 1HY20.

Other income in FY2019 and 1HY20 primarily relates to a grant that was received during the year in order to fund the development of a digital version of the SRJ Coupling. The grant period ceased in January 2020 and no further income is expected as part of this grant.

Depreciation and amortisation predominantly relates to the write down of intangible assets.

Interest expense mainly relates to the interest charged during the year on the historical borrowings. The decline in the interest expense was due to the repayment and settlement of borrowings in July 2019.

Impact of COVID-19 on the Company's financial information

Refer to Section 3.9 for details of the impact on SRJ's business and strategies in light of COVID-19.

6.6 HISTORICAL STATEMENT OF CASH FLOWS

The table below presents the summary audited or reviewed historical statement of cash flows for FY2018, FY2019, 1HY20 and 1HY19.

Table 6.6 Historical statement of cash flows

	Audited	Audited	Reviewed	Reviewed
£'000s	Year ended 31 December 2018	Year ended 31 December 2019	Six months ended 30 June 2020	Six months ended 30 June 2019
Operating cash flow				
Loss after tax	(1,049)	(782)	(1,388)	(149)
Non-cash expenses	160	(251)	(6)	(146)
Movement in working capital	277	(369)	90	(64)
Net operating cash flows	(612)	(1,402)	(1,304)	(359)
Investing activities				
Movement in intangible assets	(43)	(178)	(16)	(109)
Government grants received	1	361	58	197
Movement in property plant and equipment	(4)	(6)	(24)	-
Net investing cash flows	(46)	177	18	88
Financing activities				
Issue of ordinary shares	1,074	522	0	357
Repayment of loans	(113)	(289)	(2)	(58)
Increase in loans	24	-	-	-
Repayment of debenture loans	(321)	(36)	-	(16)
Issuance of convertible loan notes	-	2,225	1,671	-
Interest paid	(26)	(14)	-	(9)
Net financing cash flows	638	2,408	1,669	274
Net change in cash and cash equivalents held	(20)	1,183	383	3
Change in cash due to change in subsidiary interest	-	-	(8)	-
Cash and cash equivalents at the beginning of the financial period	29	9	1,192	9
Cash and cash equivalents at the end of the financial period	9	1,192	1,567	12

Management discussion and analysis of the Historical Cash Flows

Historically, considering its early stage of commercial operations, SRJ has incurred cash outflows from operations. Operating cash flows have therefore been funded by way of issuance of share capital and convertible notes.

Investing cash flows during the six months to 30 June 2020 primarily related to capitalisation of R&D costs and patents offset by the receipt of a UK government grant. In 1HY20, SRJ invested in property, plant and equipment amounting to £24,000 primarily relating to tooling.

During FY2019 and 1HY20, the Group issued convertible notes amounting to £2.2 million and £1.7 million respectively, which will convert to CDIs upon IPO at a deemed issue price of A\$0.40 per CDI.

6.7 HISTORICAL AND PRO FORMA CONSOLIDATION STATEMENT OF FINANCIAL POSITION

6.7.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The table below sets out the reviewed historical consolidated Statement of Financial Position as at 30 June 2020, the pro forma adjustments that have been made to the reviewed consolidated Statement of Financial Position (further described in Section 6.7.2) and the pro forma consolidated statement of financial position as at 30 June 2020. An unaudited convenience translation in Australian dollars of the pro forma Statement of Financial Position as at 30 June 2020 has also been included (the indicative foreign exchange rate applied is £1.00 = A\$1.85).

The pro forma consolidated Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of SRJ's view of its future financial position.

Table 6.7.1 Historical consolidated Statement of Financial Position

As at 30 June 2020	Ref	Reviewed £'000	Pro forma £'000	Pro forma A\$'000
Assets				
Cash and cash equivalents	6.7.3	1,567	5,336	9,872
Trade and other receivables		284	212	392
Total current assets		1,851	5,548	10,264
Intangible assets		918	918	1,698
Property, plant & equipment		30	30	57
Total non current assets		948	948	1,755
Total assets		2,799	6,496	12,019
Liabilities				
Trade and other payables		424	325	602
Convertible notes		3,896	-	-
Total current liabilities		4,320	325	602
Total liabilities		4,320	325	602
Net assets		(1,521)	6,171	11,417
Issued capital	6.7.4	4,589	13,756	25,450
Translation reserve	6.7.4	(8)	(8)	(14)
Accumulated losses	6.7.4	(6,102)	(7,577)	(14,019)
Total equity		(1,521)	6,171	11,417

6.7.2 DESCRIPTION OF PRO FORMA ADJUSTMENTS

The following transactions and events had not occurred prior to 30 June 2020, but have taken place or will take place on or before the Allotment Date. The pro forma financial information in this Section 6.7.2 assumes that they occurred on or before 30 June 2020:

- 6.7.2.1 Receipt of £72,000 in relation to convertible notes due as at 30 June 2020, subsequent to period end;
- 6.7.2.2 Issue of 51,207 shares to AVI Partners in August 2020 at a notional share price of £13.67 per share for services rendered. This issue is treated as a share-based payment with the issued capital being recorded against an expense;
- 6.7.2.3 Issue of 8,615 shares to Bradley Saxby in August 2020 at a notional share price of £13.67 per share for services rendered. Mr Saxby provided professional services to the Company, and this share issue is treated as a share-based payment with the issued capital being recorded against an expense;
- 6.7.2.4 Conversion of the principal amount of all outstanding convertible notes on issue into 17,500,000 CDIs at a deemed issue price of A\$0.40 per CDI in accordance with their terms of issue. No interest is to be accrued on the convertible notes in accordance with their terms of issue;

In addition, the following pro forma transactions and events will take place pursuant to this Prospectus:

- 6.7.2.5 The completion of the Offer, raising £4.3 million (A\$8.0 million) (16,000,000 CDIs at A\$0.50 per CDI);
- 6.7.2.6 Expenses associated with the Offer (including advisory, legal, accounting and administrative expenses) amount to £0.63 million (A\$1.2 million), of which £0.29 million (A\$0.53 million) is to be capitalised and £0.34 million (A\$0.63 million) is to be expensed. As at 30 June 2020 £0.1 million (A\$0.19 million) of Offer costs had been accrued and unpaid; and
- 6.7.2.7 1,486,000 CDIs to be issued to consultants at A\$0.50 per CDI upon successful IPO amounting to £0.4 million (A\$0.7 million). This will be treated as a share-based payment for services rendered with the issued capital being recorded against an expense.

A deferred tax asset has not been recognised in relation to the capitalised Offer costs due to the uncertainty surrounding the extent of economic benefits that will flow in future periods.

6.7.3 CALCULATION OF THE PRO FORMA CASH POSITION

The table below sets out the reviewed cash and cash equivalents of SRJ as at 30 June 2020, the pro forma adjustments that have been made to the reviewed cash and cash equivalents (further described in Section 6.7.2) and the Group's pro forma cash and cash equivalents as at 30 June 2020. The numbers in the 'Pro forma adjustment' column correspond to the numbering of the pro forma transactions set out in Section 6.7.2 above.

SRJ expects that it will have sufficient cash to fund its operational requirements and business objectives following completion of the Offer.

Table 6.7.3 Reviewed and pro forma cash and cash equivalents as at 30 June 2020

£'000	Pro forma adjustment	Pro forma
Reviewed cash and cash equivalents at 30 June 2020		1,567
Pro forma transactions:		
Receipt of convertible note proceeds due at period end	6.7.2.1	72
Proceeds from the Offer	6.7.2.5	4,324
Offer costs remaining to be paid	6.7.2.6	(627)
Pro forma cash and cash equivalents		5,336

6.7.4 CALCULATION OF THE PRO FORMA CAPITAL STRUCTURE

The pro forma capital structure shown below is based on the following adjustments:

Table 6.7.4 Pro forma capital structure

	Pro forma adjustment	No. of Shares	Equivalent number of CDIs (1:1)	Issued capital £'000	Translation reserve £'000	Accumulated losses £'000	Net assets £'000
As at 30 June 2020		1,467,985	1,467,985	4,589	(8)	(6,102)	(1,521)
Subsequent events							
Issue of shares to AVI Partners for services rendered	6.7.2.2	51,207	51,207	700	-	(700)	-
Issue of shares to Bradley Saxby for services rendered	6.7.2.3	8,615	8,615	118	-	(118)	-
Share split (1:55)		84,029,369	84,029,369	5,407	(8)	(6,920)	(1,521)
Conversion of convertible notes upon IPO	6.7.2.4	17,500,000	17,500,000	3,896	-	-	3,896
Pre Offer capital structure		101,529,369	101,529,369	9,303	(8)	(6,920)	2,375
Pro forma transactions in relation to the Offer							
Offer	6.7.2.5	16,000,000	16,000,000	4,324	-	-	4,324
Offer costs	6.7.2.6	-	-	(272)	-	(256)	(528)
CDI issue to advisors on IPO	6.7.2.7	1,486,000	1,486,000	401	-	(401)	-
Pro forma capital structure		119,015,369	119,015,369	13,756	(8)	(7,577)	6,171

6.8 RECONCILIATION BETWEEN UKGAAP AND AIFRS

The financial information contained in this Prospectus has been prepared in accordance with UKGAAP which is different to Australian equivalents to International Financial Reporting Standards (**AIFRS**), the accounting principles generally accepted in Australia. To the extent required by the Corporations Act (including section 601CK), and absent any relief, modification or waiver, the Company will provide relevant financial information in accordance with AIFRS. In such a circumstance, it is the present intention of Directors to continue reporting in UKGAAP, and for any financial information required to be prepared under AIFRS to supplement the financial information prepared under UKGAAP, in all circumstances in accordance with the Corporations Act.

The Directors have reviewed the differences between UKGAAP and AIFRS applicable to the Company and also which are considered relevant to potential investors. It has been identified that the only divergence in the accounting standards which directly impacts SRJ is the treatment of research and development expenditure. Under UKGAAP there is an option to capitalise development expenditure whilst under AIFRS development expenditure that meets the capitalisation criteria must be capitalised. However SRJ has historically capitalised all development expenditure which meets the capitalisation criteria in AIFRS and as such no material divergence exists in the financial information of SRJ between the application of UKGAAP and AIFRS.

6.9 DIVIDEND POLICY

The Company plans to invest all cash flow into the business in order to maximise growth. Accordingly, no dividends are expected to be paid in the near term following the Company's listing on the ASX.

No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7 INVESTIGATING ACCOUNTANT'S REPORT



SRJ Technologies Group PLC
Le Quai House,
Le Quai d'Auvergne
St Helier JE2 3TN
Jersey

SRJ Technologies SaleCo Limited
C/- Ventnor Capital
Ground Floor, 16 Ord Street
Wes Perth, WA 6005

**Grant Thornton Corporate
Finance Pty Ltd**
Level 17
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Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW
1230
T +61 2 8297 2400

21 August 2020

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

INTRODUCTION

Grant Thornton Corporate Finance Pty Limited ("Grant Thornton Corporate Finance") has been engaged by SRJ Technologies Group PLC ("SRJ" or the "Company") to prepare this report for inclusion in the replacement prospectus (the "Replacement Prospectus") to be issued by the Company on or about 21 August 2020 in respect of the initial public offering of CHESS Depository Interests over ordinary shares in the Company (the "Offer") and admission to the official list of the Australian Securities Exchange.

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Expressions defined in the Replacement Prospectus have the same meaning in this report, unless otherwise specified.

SCOPE

Grant Thornton Corporate Finance has been engaged by the Directors to perform a limited assurance engagement in relation to the following historical financial information of the Company:

Statutory Historical and Pro Forma Historical Financial Information

The statutory historical and pro forma historical financial information of the Company, as set out in the Replacement Prospectus comprises:

Statutory Historical Financial Information

- the historical consolidated statement of comprehensive income for the years ended 31 December 2018 (FY2018) and 31 December 2019 (FY2019) and six months ended 30 June 2020 (1HY20) together with the 30 June 2019 (1HY19) comparative financial information which are included in Section 6.4 of the Replacement Prospectus;

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- the historical consolidated cash flow information for FY2018, FY2019, 1HY20 and 1HY19 which are included in Section 6.6 of the Replacement Prospectus; and
- the historical consolidated statement of financial position as at 30 June 2020 which is included in Section 6.7 of the Replacement Prospectus.

Pro Forma Financial Information

- the pro forma historical consolidated statement of financial position as at 30 June 2020 and the pro forma adjustments applied as at that date which is included in Section 6.7 of the Replacement Prospectus.

(together the **Historical Financial Information**).

The Statutory Historical Financial Information has been derived from the audited and reviewed consolidated financial statements of SRJ Technologies Group plc and its controlled entities covering the financial periods ended FY2018, FY2019 and 1HY20. The Financial Statements for FY2018 and FY2019 were audited by Grant Thornton Limited in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. The FY2018 audit opinion was unmodified. The FY2019 audit opinion was unqualified but included an emphasis of matter on material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and also regarding the impact of COVID-19 on the Company's operations. The financial statements for 1HY20 were reviewed by Grant Thornton Limited whom issued an unmodified opinion.

As described in Section 6.2 of the Replacement Prospectus the stated basis of preparation is the recognition and measurement principles prescribed by applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("UKGAAP") and the Company's adopted accounting policies applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 6.7 of the Replacement Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance, or cash flows.

The Historical Financial Information is presented in the Replacement Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

DIRECTORS' RESPONSIBILITY

The Directors are responsible for:

- the preparation and presentation of the Historical Financial Information including the selection and determination of the pro forma adjustments and/ or adjustments included in the Pro Forma Historical Financial Information; and
- the information contained within the Replacement Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Historical Financial Information that are free from material misstatement, whether due to fraud or error.

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OUR RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information based on the procedures performed and the evidence we have obtained.

We have conducted our engagement in accordance with the Australian Standard on Assurance Engagements (ASAE) 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Historical Financial Information.

Statutory Historical Financial Information

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances.

- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the Statutory Historical Financial Information from the audited consolidated financial statements of the Company and its controlled entities covering FY2018 and FY2019 and reviewed consolidated financial statements for 1HY20 and 1HY19;
- enquiry of the Directors, management and others in relation to the Statutory Historical Financial Information;
- analytical procedures applied to the Historical Financial Information;
- a review of the work papers, accounting records and other documents of the Company and its auditors; and
- a review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Replacement Prospectus used in the preparation of the Historical Financial Information;

Pro Forma Financial Information

- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the Consolidated Statement of Financial Position from the audited consolidated financial statements of the Company and its controlled entities as at 30 June 2020; and

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- consideration of the appropriateness of the pro forma adjustments described in Section 6.7 of the Replacement Prospectus;

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the Historical Financial Information and historical operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

CONCLUSIONS

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that:

Statutory Historical Financial Information

The Statutory Historical Financial Information as set out in the Replacement Prospectus and comprising:

- the historical consolidated statement of comprehensive income for FY2018, FY2019 and 1HY20 including 1HY19 comparative financial information;
- the historical consolidated statement of cash flows for FY2018, FY2019 and 1HY20 including 1HY19 comparative financial information;
- the historical consolidated statement of financial position as at 30 June 2020;

are not presented fairly, in all material aspects, in accordance with the stated basis of preparation described in Section 6.2 of the Replacement Prospectus.

Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information as set out in the Replacement Prospectus and comprising:

- the pro forma consolidated statement of financial position as at 30 June 2020; and
- the pro forma transactions set out in Section 6.7 of the Replacement Prospectus

are not presented fairly, in all material aspects, in accordance with the stated basis of preparation described in Section 6.2 of the Replacement Prospectus.

Restrictions on Use

Without modifying our conclusions, we draw attention to Section 6.2 of the Replacement Prospectus, which describes the purpose of the Historical Financial Information, being for inclusion in the Replacement Prospectus. As a result, this Independent Limited Assurance Report may not be suitable for use for another purpose.

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Consent

Grant Thornton Corporate Finance Pty Limited has consented to the inclusion of this Independent Limited Assurance Report in the Replacement Prospectus in the form and context in which it is included.

Liability

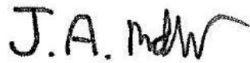
The liability of Grant Thornton Corporate Finance Pty Limited is limited to the inclusion of this report in the Replacement Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Replacement Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



Jonathan Mather
Partner



Neil Cooke
Partner


Grant Thornton

An instinct for growth™

Grant Thornton Corporate Finance Pty Ltd
 Level 17
 383 Kent Street
 Sydney NSW 2000
 Locked Bag Q800
 Queen Victoria Building NSW
 1230
 T +61 2 8297 2400

Appendix A (Financial Services Guide)

This Financial Services Guide is dated 21 August 2020.

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987 and Australian Financial Services Licence no 247140) ("Grant Thornton Corporate Finance") has been engaged by SRJ Technologies Group plc and its controlled entities ("SRJ" or the "Company") to provide general financial product advice in the form of an Independent Limited Assurance Report (the "Report") in relation to the offer of CHES Depository Interests ("CDI") in the Company (the "Offer"). This report is included in the replacement prospectus dated on or about 21 August 2020 (the "Replacement Prospectus"). You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

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www.granthornton.com.au

4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services License to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of \$110,000, which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of SRJ in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with SRJ (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer."

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Offer.

Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287
Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

Head of Corporate Finance

Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000

8 INTELLECTUAL PROPERTY REPORT

hutchinson | **ip**[®]
UK & EUROPEAN PATENT & DESIGN ATTORNEYS

Hutchinson IP Ltd
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United Kingdom

Acorn Intellectual Properties Ltd
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Jersey

Tel: +44 (0)1704 320 084
Fax: +44 (0)1704 320 034

E-mail: mail@hutchinsonip.com
Web: www.hutchinsonip.com

7 August 2020

Dear Sir,

Re: IP Summary Report
Acorn Intellectual Properties Ltd
Our Ref: M0823GB

We represent Acorn Intellectual Properties Ltd. ("our client") in relation to intellectual property matters. We have been asked to provide a summary of our client's patent portfolio for inclusion in a prospectus to be lodged with the Australian Securities and Investments Commission. We are happy to provide this patent portfolio summary, noting that it only covers the intellectual property rights in respect of which Hutchinson IP Ltd. is responsible. We are unable to comment on any intellectual property managed by our client directly, or any intellectual property managed by other entities.

A list of the IP that Hutchinson IP manages for Acorn Intellectual Properties Ltd. is provided in the Annex to this letter, but to summarise, Our Client has 7 patent families, totalling 38 applications, of which 28 are now granted patents across 25 countries.

Our client's strategy has been to file initially in the UK, and then to file a PCT (international) application is to convert the PCT application into national/regional applications in countries with significant oil production. Typically, our client would convert its PCT applications into United States, European and Eurasian applications – thereby securing patent protection in the most commercially-relevant countries.

Our client's inventions originate internally, that is to say they are "invented" by employees or contractors who assign their rights to our client. The most prolific inventor is Mr John Patrick Manning and he assigns his inventions to Acorn Intellectual Properties either once, or before, a design has been finalised and a patent application filed.

To the best of our knowledge and belief, the "chain of title" places ownership of the patents with our client.

Our client has secured patent protection for a range of technologies relating to pipe joint systems, which are suitable for use, in particular, in the oil and gas industry. The Appendix to this report sets out the inventions which our client has protected using patents or patent applications.

As at the date of this report, we are not aware of any infringements in relation to our client's patents the subject of this report, such as third parties claiming to have an ownership interest in any of our client's intellectual property including the patents set out in the Appendix. However, Hydratight Ltd, claiming to be an exclusive licensee of the proprietor of EU Registered Design No: EM002170811-0001 has recently alleged infringement of that Registered Design by Our Client making etc. the BOLTEX product in the UK. The matter was reviewed by counsel, and it has been concluded that Our Client does not infringe the Registered Design, and we have rebutted the allegations accordingly.

Regulated by IPReg
UK VAT No: GB 111 1650 74
Registered in England & Wales No: 07491607

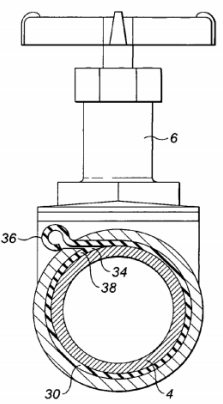
We trust that this report succinctly explains the patent portfolio of our client. However, if there are any specific or further enquiries, we would be happy to respond on an individual basis.

Yours faithfully,

A handwritten signature in blue ink, reading "Tom Hutchinson", with a horizontal line underneath.

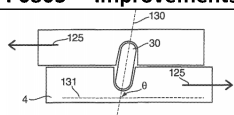
Thomas O. Hutchinson
M.Eng. (Hons), R.P.A., C.P.A., E.D.A.
Director, Hutchinson IP Ltd

APPENDIX – PATENTS & PATENT APPLICATIONS

P0801 “Pipe joint”		
	<p>Summary: This family of patents relates to a pipe joint system for joining pipe lengths end-to-end. A sleeve is used to connect the adjacent pipe ends together, and there are seals surrounding each pipe’s sidewall. The pipes are held in-situ by an external half-groove in each pipe end that aligns with an internal half-groove formed in the inner side wall of the sleeve. A connector is fed into the cavity formed by the two half-grooves so as to form a mechanical connection and thus prevent the pipe ends from being slid axially out of the sleeve.</p>	
	<p>Characterising feature: The invention is characterised by the connector having a substantially circular cross-section, and being formed from a length of multi-stranded metal wire. Other systems use a chain, rod or “string of beads” as a connector, whereas this invention uses a continuous multi-stranded wire.</p>	
	<p>Advantages: The advantages of using a multi-stranded wire connector include: ensuring that a connection is formed at all radial positions inside the cavity (as opposed to making intermittent point contacts); the fact that the wire is strong enough in tension to be extracted intact; and having sufficient compression stiffness to enable it to be inserted without kinking.</p>	
	<p><i>A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 20 Oct 2009, and provided renewal fees are paid, the maximum term of protection ends on 20 Oct 2029.</i></p>	
Country	Status	Number
Australia	Granted (active)	AU2009306185
Canada	Examined	CA2740813
Chile	Pending	
Azerbaijan	Granted (active)	EA(AZ)023582
Kazakhstan	Granted (active)	EA(KZ)023582
Russian Federation	Granted (active)	EA(RU)023582
Austria	Granted (active)	EP(AT)2350514
Belgium	Granted (active)	EP(BE)2350514
Germany	Granted (active)	DE 60 2009 029 243.9
Denmark	Granted (active)	EP(DK)2350514
Spain	Granted (active)	EP(ES)2350514
France	Granted (active)	EP(FR)2350514
United Kingdom	Granted (active)	EP(UK)2350514
Greece	Granted (active)	EP(GR)2350514
Italy	Granted (active)	EP(IT)2350514
Netherlands	Granted (active)	EP(NL)2350514
Norway	Granted (active)	EP(NO)2350514
Poland	Granted (active)	EP(PL)2350514
Turkey	Granted (active)	EP(TR)201504761

United Kingdom	Granted (active)	GB2477070
Mexico	Granted (active)	MX A/2011/004118
Malaysia	Granted (active)	165518-A
United Arab Emirates	Pending	EA 364/2011
United States of America	Granted (active)	9631757

P0803 "Improvements in pipe joints"



Summary: This patent relates to a pipe joint system for joining pipe lengths end-to-end. A sleeve is used to connect the adjacent pipe ends together, and there are seals surrounding each pipe's sidewall. The pipes are held in-situ by an external half-groove in each pipe end that aligns with an internal half-groove formed in the inner side wall of the sleeve. A connector is fed into the cavity formed by the two half-grooves so as to form a mechanical connection and thus prevent the pipe ends from being slid axially out of the sleeve.

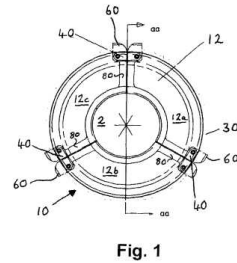
Characterising feature: The invention is characterised by the connector having an aspect ratio of greater than 1 and a width greater than the depth of the groove. The profiles of the grooves are such that when the connector is seated within the groove, the major axis of the axial cross-section of the connector can be aligned to be neither perpendicular nor parallel to the axis of the conduit

Advantages: The advantages of this type of connector include: when an axial (extraction) force is applied to the pipes, the connector rotates so as to grip the sleeve ever tighter.

A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 20 Apr 2011, and provided renewal fees are paid, the maximum term of protection ends on 20 Apr 2031.

Country	Status	Number
United Kingdom	Granted (active)	GB2478665

P0804 “Pipe repair kit”



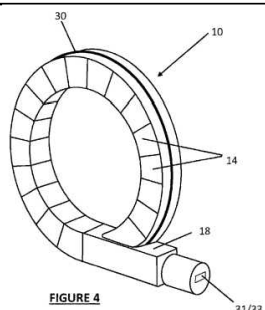
Summary: This patent relates to a pipe repair kit that has parts (segments) that fit together and are tightened around a pipe to form a seal.

Characterising feature: The invention is characterised by there being an odd number of segments.

Advantages: As there is an odd number of segments, it ensures that no segment’s join line is diametrically opposite another join line. This ensures more even pressure being applied all the way round the pipe, and ensures a better seal.

A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 1 Jul 2011, and provided renewal fees are paid, the maximum term of protection ends on 1 Jul 2031.

Country	Status	Number
United Kingdom	Granted (active)	GB2492417
European Patent Office	Accepted – awaiting grant & validation	EP2867571

P0807 "Quadwire"

Summary: This patent relates to novel connector suitable for use in a pipe joint in which a sleeve is used to connect adjacent pipe ends together and in which the pipes are held in-situ by an external half-groove in each pipe end that aligns with an internal half-groove formed in the inner side wall of the sleeve. A connector is fed into the cavity formed by the two half-grooves so as to form a mechanical connection and thus prevent the pipe ends from being slid axially out of the sleeve.

There are two patents in this family: the '384 patent and the '689 patent.

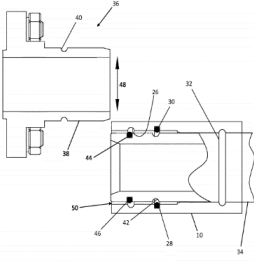
Characterising feature ('384): The connector is characterised by an elongate main body made up of a number of interconnected sub-units. The sub-units are shaped such that the connector can be bent to form a loop having an at least part-circular interior or exterior surface.

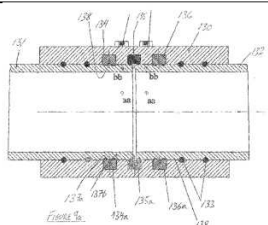
Characterising feature ('689): The connector has a "leading end block" and "a trailing end block" with the leading end block being tapered such that when the connector is rolled up to form a loop, the leading end block seats on the trailing end block to form a complete circumference.

Advantages: There is a circular internal surface, which engages the pipe properly and a circular exterior surface which engages the sleeve properly also. This ensures more even connection all the way round the pipe between the pipe ends and the sleeve.

A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 5 Jun 2015, and provided renewal fees are paid, the maximum term of protection ends on 5 Jun 2035.

Country	Status	Number
United Kingdom	Granted (active)	GB2531384
United Kingdom	Granted (active)	GB2544689

P0971 "Slide coupling"		
	<p>Summary: This patent relates to a pipe joint system that can be separated sideways, rather than axially. The sleeve is designed to slide along the pipe so that it can “miss” the end of the other pipe.</p> <p>Characterising feature: The invention is characterised by providing the sleeve with different internal diameters at opposite ends.</p> <p>Advantages: The advantages of this type of connector include enabling the pipe joint to be added/removed without having to axially displace the pipe sections, or have to feed the sleeve all the way along the pipe from one end.</p> <p><i>A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 28 Jun 2017, and provided renewal fees are paid, the maximum term of protection ends on 28 Jun 2037.</i></p>	
Country	Status	Number
United States of America	Pending	US16/314,343

P0814 “Between-pipe o-ring seal”

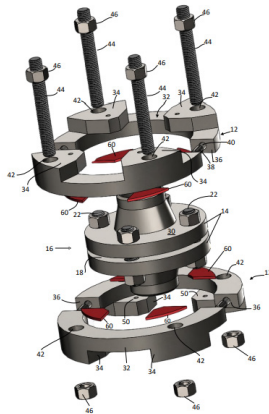
Summary: This family of patents relates to a pipe joint system for joining pipe lengths end-to-end. A sleeve is used to connect the adjacent pipe ends together, and there are seals surrounding each pipe’s sidewall. The pipes are held in-situ by an external half-groove in each pipe end that aligns with an internal half-groove formed in the inner side wall of the sleeve. A connector is fed into the cavity formed by the two half-grooves so as to form a mechanical connection and thus prevent the pipe ends from being slid axially out of the sleeve.

Characterising feature: The invention is characterised by the provision of a between-pipe-end seal and a set of test ports for testing the integrity of the seal.

Advantages: The between-pipe seal further improves the seal and it is possible to test/check the sealing without having to disassemble the joint.

A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 30 Sep 2013, and provided renewal fees are paid, the maximum term of protection ends on 30 Sep 2033.

Country	Status	Number
Canada	Published/Advertised	CA2887397
Eurasian Patent Organization	Granted (active)	EA201590665
Armenia	Granted (active)	EA(AM)201590665
Kazakhstan	Granted (active)	EA(KZ)201590665
European Patent Office	Open	EP2901063
Mexico	Open	MX a/2015/003826
United States of America	Granted (active)	US10,156,205

P1319 “Flange clamp”

Summary: This patent relates to a clamp system for flanges pipe joints that enables axial pressure to be applied to the flanges so that the connecting bolts/nuts can be removed without disrupting the seal/joint system.

Characterising feature: The invention is characterised by providing a deformable pad that is interposed between each tab of the clamp and the flange.

Advantages: The deformable pads cushion the clamp from the pipe joint, this reducing the incidence of scratching, which can lead to corrosion issues later. Also, the deformable pads can be made from materials that change colour when subjected to various compression forces. This gives a visual indication of correct tightness, so that failure to use (or be able to use) a torque wrench is not necessarily fatal to the integrity of the pipe joint when the clamp is removed.

A patent lasts for 20 years from its filing date, provided renewal fees are paid in a timely fashion. Based on a filing date of 13 Sep 2019, and provided renewal fees are paid, the maximum term of protection ends on 30 Sep 2039.

Country	Status	Number
United Kingdom	First filing – to be filed abroad in Sep 2020	GB1913236.4

T1383 “BOLTEX” trade mark

BoltEx
BOLTEX

Class 6: Pipe joints; Temporary pipe joints; Pipe repair kits; Clamps for pipe joints; Temporary clamps for stabilising pipe joints; Temporary clamps for stabilising pipe joints during repair & maintenance procedures; Removable clamps for stabilising pipe joints; Removable clamps for stabilising pipe joints during repair & maintenance procedures; Temporary and/or removable clamps or assemblies for stabilising and/or securing flanged pipe joints during inspection and/or maintenance and/or replacement of the bolts holding the flanged pipe joint together (all of the above being made entirely or predominantly of metal).

Trade marks potentially last indefinitely, subject to renewal fee payments every 10 years.

Country	Status	Number
United Kingdom	Published – awaiting registration	UK00003487346

9 DETAILS OF THE OFFER

9.1 WHAT IS THE OFFER?

The Company is offering 16,000,000 New CDIs under the Offer to raise gross proceeds of A\$8,000,000. SaleCo is offering 2,916,252 CDIs under the Offer for sale to raise gross proceeds of A\$1,458,126, which will be paid to Selling Shareholders (after deduction of the underwriting costs). The CDIs are being offered at an issue price of A\$0.50 per CDI.

The Offer comprises:

- the Institutional Offer, which consists of an invitation to certain Institutional Investors in Australia and a number of other authorised jurisdictions to apply for CDIs;
- the Broker Firm Offer, which is open to Australian resident Retail Investors and Sophisticated Investors who have received a firm allocation from their broker; and
- the Chairman's List Offer, which is open to persons in Australia, the United Kingdom and Jersey who have received a Chairman's list invitation from the Company.

The allocation of CDIs between the Broker Firm Offer, the Institutional Offer and the Chairman's List Offer will be determined by agreement between the Company and the Lead Manager having regard to the allocation policies described in Section 9.8.

The Company also reserves the right to close the Offer early, to accept late Applications or to extend the Offer without notifying any recipient of this Prospectus or any Applicant.

9.2 IS THE OFFER UNDERWRITTEN?

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus and is fully underwritten by the Lead Manager. A summary of the Underwriting Agreement, including the events which would entitle the Lead Manager to terminate the Underwriting Agreement, is set out in Section 10.3.

9.3 USE OF FUNDS

The table below sets out the summarised sources and uses of the Offer Proceeds:

	A\$'000	£'000	%
Sources of funds			
Estimated cash at IPO date	1,583	856	14.3%
Offer Proceeds from issue of CDIs by the Company	8,000	4,324	72.5%
Offer Proceeds from sale of CDIs by SaleCo	1,458	788	13.2%
Total sources	11,041	5,968	100.0%
Uses of funds			
Payment of proceeds by SaleCo to Selling Shareholders (before costs)	1,458	788	13.2%
Sales and marketing	2,960	1,600	26.8%
Research & development	2,035	1,100	18.5%
Costs of the Offer	1,160	627	10.5%
Working capital ¹	3,428	1,853	31.0%
Total uses of funds	11,041	5,968	100.0%

1. The Company will use working capital to pay for manufacturing of SRJ products by third party manufacturers ranging from A\$3,000 to A\$6,000 per SRJ product manufactured, establish new offices and engage approximately 15 – 20 new staff members, to capitalise on sales opportunities as described in Section 3.5. In addition, working capital includes administrative costs such as corporate administration, directors' fees, share registry fees, legal, audit, company secretarial, insurance and travel costs.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of sales performance, operational and development activities, regulatory developments, and market and general economic conditions. In light of this, the Board reserves its right to alter the way the funds are applied. In addition, as the proceeds of the Offer will be received in Australian dollars and a portion of the expenditure will be in GBP, the actual amount of the proceeds used for each of the items above will depend on the AUD:GBP exchange rate at the time that the funds are converted to GBP.

The Board believes that the Company's current cash reserves, plus the net proceeds of the Offer will be sufficient to fund the Company's stated business objectives, including to:

- fund and accelerate SRJ's global growth strategy;
- fund the development and launch of new products in order to sell to existing customers; and
- fund working capital requirements.

The Board will consider the use of further equity funding if appropriate to accelerate growth or fund a specific project, transaction or expansion, including acquisitions.

9.4 SUMMARY TERMS OF THE OFFER

What type of security is being offered?	The Company and SaleCo will be offering CHESS Depository Interests in the Company under the Offer. Each CDI represents an interest in one Share in the Company.
What rights and liabilities are attached to the security being offered?	The Shares underlying the CDIs will rank equally with the Shares currently on issue in the Company. There are certain differences between the Shares and ordinary shares which are typically issued by Australian incorporated public companies. A description of the CDIs and the underlying Shares, including the rights and liabilities attaching to them, is set out in Section 11.10.
What is the Offer Price?	A\$0.50 per CDI.
What is the Offer Period?	Offer period opens: Monday, 24 August 2020. Offer period closes: Friday, 4 September 2020. The Board reserves the right to close the Offer early, to accept late Applications or to extend the Offer.
What are the cash proceeds to be raised?	Gross proceeds of A\$8,000,000 will be raised by the Company from the issue of New CDIs by the Company under the Offer. Gross proceeds of A\$1,458,126 will be raised by SaleCo from the issue of Sale CDIs under the Offer, which will be remitted to the Selling Shareholders (net of underwriting costs).
Is the Offer underwritten?	Yes. The Lead Manager has fully underwritten the Offer in accordance with the Underwriting Agreement. Details are provided in Section 10.3.
What is the minimum and maximum Application size under the Broker Firm Offer?	Applications must be for a minimum of 4,000 CDIs and multiples of 1,000 CDIs thereafter. The Lead Manager and the Company, reserves the right to reject any Application or to allocate a lesser number of CDIs than applied for. There is no maximum number of value of CDIs that may be applied for under the Broker Firm Offer or Chairman's List Offer.
Will the CDIs be listed?	Yes. The Company will apply for quotation of the CDIs on the ASX within 7 days of the date of this Prospectus.
When are the CDIs expected to commence trading?	Friday, 18 September 2020.
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched on Tuesday, 15 September 2020.

Are there any escrow arrangements?	Yes. Details are provided in Section 11.8.
Are there brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of CDIs under the Offer.
Are there any tax considerations?	Refer to Section 9.13.
What should I do with any enquiries?	<p>If you would like more information or have any questions relating to the Offer, you can contact Morgans on +61 7 3334 4851.</p> <p>If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.</p>

9.5 BROKER FIRM OFFER

Who can apply?

The Broker Firm Offer is open to persons who have received a firm allocation of CDIs from their Broker and who have a registered address in Australia. If you have received a firm allocation of CDIs from your Broker, you will be treated as a Broker Firm Offer Applicant in respect of that allocation. You should contact your Broker to determine whether you can receive an allocation of CDIs from them under the Broker Firm Offer.

How to apply?

If you have received an allocation of CDIs from your Broker and wish to apply for those CDIs under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions.

Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry. Applicants under the Broker Firm Offer should contact their Broker to request a copy of this Prospectus and Application Form. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm (AEST) on the Closing Date or any earlier closing date as determined by your Broker.

Applications for CDIs must be for a minimum of 4,000 CDIs and payment for the CDIs must be made in full at the issue price of A\$0.50 per CDI. There is no maximum number or value of CDIs that may be applied for under the Broker Firm Offer. However, the Company and the Lead Manager reserve the right to reject or scale back any Applications in the Offer. The Company may determine a person to be eligible to participate in the Offer and may amend or waive the Offer Application procedures or requirements, in its discretion in compliance with applicable laws.

The Offer opens at 9am (AEST) on Monday, 24 August 2020 and is expected to close at 5.00pm (AEST) on Friday, 4 September 2020. The Company and the Lead Manager may elect to close the Offer or to extend the Offer or accept late Applications either generally or in particular cases. The Offer may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Broker Firm Offer Application Form with the Broker from whom you received your firm allocation. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

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.

The Company, the Lead Manager and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

Payment methods

Applicants under the Broker Firm Offer must pay their Application Monies to their Broker in accordance with instructions provided to you by that Broker.

Acceptance of Applications

An Application in the Broker Firm Offer is an offer by the Applicant to apply for the amount of CDIs specified in the Application Form, at the Offer Price on the terms and conditions set out in this Prospectus and the Application Form. To the extent permitted by law, an Application by an Applicant under the Offer is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of CDIs to successful Applicants. The Lead Manager, in agreement with the Company, reserves the right to reject any Application which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer, or to waive or correct any errors made by an Applicant in completing their Application.

Application Monies

Application monies received under the Broker Firm Offer will be held in a special purpose bank account until CDIs are issued to successful Applicants. Applicants under the Broker Firm Offer whose Applications are not accepted, or who are allocated a lesser number of CDIs than the amount applied, will be mailed a refund (without interest) for all or part of their Application Monies, as applicable. No refunds due solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

To participate in the Offer, the Application Form must be completed and received, together with the Application Monies, in accordance with the instructions on the Application Form.

9.6 INSTITUTIONAL OFFER

Who can apply?

The Institutional Offer consists of an invitation to certain Institutional Investors in Australia and certain foreign jurisdictions to apply for CDIs. The Lead Manager separately advised Institutional Investors of the application procedures for the Institutional Offer.

9.7 CHAIRMAN'S LIST OFFER

How to apply?

The Chairman's List Offer is open to selected investors in Australia, the United Kingdom and Jersey nominated by the Company to participate in the Chairman's List Offer. Details of how to apply are set out in the invitation letter accompanying this Prospectus.

9.8 ALLOCATION POLICY

The basis of allocation of CDIs under the Offer will be determined by the Company and the Lead Manager, subject to any firm allocations under the Broker Firm Offer. Certain Applicants nominated by the Company may be given preference in allotment of CDIs.

The allocation of CDIs under the Chairman's List Offer will be determined by the Company.

9.9 DISCRETION REGARDING THE OFFER

The Company may withdraw the Offer at any time before settlement of the issue of CDIs to successful Applicants. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company and the Lead Manager also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer CDIs than applied or bid.

9.10 ABOUT THE CDIS

The Company is incorporated in Jersey. To enable companies such as the Company to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. Pursuant to the ASX Settlement Operating Rules, CDI holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on the ASX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates will be issued to CDI holders. Shareholders cannot trade their Shares on the ASX without first converting their Shares into CDIs.

One CDI represents one underlying Share. The main difference between holding CDIs and Shares is that CDI holders hold the beneficial ownership in the Shares instead of legal title. CHESS Depositary Nominees Pty Limited (**CDN**), a subsidiary of ASX, will hold the legal title to the underlying Shares.

The Shares underlying the CDIs will be registered in the name of CDN and will be held on behalf of and for the benefit of the CDI holders. CDIs will be CHESS-approved from the date of official quotation in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. The Shares underlying the CDIs will rank equally with the Shares that the Company has previously issued. Investors should note that there are certain differences between Shares in the Company and ordinary shares which are typically issued by Australian incorporated public companies. A summary of the key rights attaching to CDIs and Shares is set out in Sections 11.6 and 11.10 and a comparison of the rights attaching to CDIs and Shares with rights of holders of shares in an Australian listed company is set out in Section 11.9.

Holders of CDIs can choose to have their CDIs converted to a direct holding of Shares as described in Section 11.10, however, if they do so they will no longer be able to trade on the ASX. Similarly, subject to any restrictions under applicable law, holders of Shares may choose to convert their Shares to CDIs to enable them to trade on the ASX, as described in Section 11.10.

9.11 SUBSTANTIAL SHAREHOLDERS

The table below sets out the interests of the Substantial Shareholders as at the date of this Prospectus and immediately following the Offer who hold a substantial interest (ie a relevant interest in 5% or more in accordance with the Corporations Act) in Securities of the Company. The table does not reflect any CDIs which the Substantial Shareholders may subscribe for under the Offer.

	Date of Prospectus		Immediately following the Offer	
	Number of CDIs	Percentage of CDIs	Number of CDIs ¹	Percentage of CDIs
AVI Partners Limited ¹	27,574,855	26.8%	27,574,855	23.2%
Solibay Capital Partners Inc ²	12,089,000	11.7%	9,858,048	8.3%
Total	39,663,855	38.5%	37,432,903	31.5%

¹ Alexander Wood's interest includes CDIs held by AVI Partners. Alexander Wood holds 19% of the issued shares of AVI Partners.

² Solibay Capital Partners holds 12,089,000 CDIs at the date of the Prospectus and intend to sell 2,230,952 CDIs as part of the Sell Down to SaleCo with 9,858,048 CDIs remaining.

9.12 ASX LISTING

No later than seven days after the date of this Prospectus, the Company will apply to ASX for admission to the official list of ASX and for its Securities to be granted official quotation by ASX. The Company is not currently seeking a listing of its Shares or the CDIs on any stock exchange other than ASX.

The fact that ASX may admit the Company to the official list of ASX and grant official quotation of the CDIs is not to be taken in any way as an indication of the merits of the Company or the CDIs offered for subscription under the Offer. ASX takes no responsibility for the contents of this Prospectus. Normal settlement trading in the CDIs, if quotation is granted, will commence as soon as practicable after the issue of holding statements to successful Applicants.

It is the responsibility of Applicants to determine their allocation prior to trading in the CDIs. Applicants who sell CDIs before they receive confirmation of their allotment will do so at their own risk.

If permission for quotation of the CDIs is not granted within three months after the date of this Prospectus, all Application Monies received by the Company will be refunded without interest as soon as practicable.

9.13 TAX IMPLICATIONS OF INVESTING IN THE COMPANY

The taxation consequences of any investment in the CDIs or Shares issued on conversion of CDIs will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company.

A general overview of the Australian and Jersey taxation implications of investing in the Company is set out in Section 11.11 and is based on current tax law and ATO tax rulings. The information in Section 11.11 is not intended as a substitute for investors obtaining independent tax advice in relation to their personal circumstances.

9.14 OVERSEAS DISTRIBUTION

No action has been taken to register or qualify the offer of Shares or CDIs under this Prospectus, or to otherwise permit a public offering of Shares or CDIs, in any jurisdiction outside Australia.

Offer only made where lawful to do so

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. This Prospectus does not constitute an offer in any place in which, or to whom, it would not be lawful to make such an offer. Persons into whose possession this document comes should inform themselves about and observe any restrictions on acquisition or distribution of the Prospectus. Any failure to comply with these restrictions may constitute a violation of securities laws.

Jersey

A copy of this Prospectus has been delivered to the Jersey Registrar of Companies (**Registrar**) in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the Registrar has given, and has not withdrawn, consent to its circulation.

The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares in the Company.

It must be distinctly understood that, in giving these consents, neither the Registrar nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it.

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The Company has taken all reasonable care to ensure that the facts stated in this Prospectus are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the Prospectus, whether of facts or of opinion. The Company accepts responsibility accordingly.

It should be remembered that the price of securities and the income from them can go down as well as up.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the CDIs have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the CDIs has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to CDIs that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted CDIs may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (**FMC Act**). The CDIs are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the CDIs have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of CDIs, may not be issued, circulated or distributed, nor may the CDIs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the CDIs being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire CDIs. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the CDIs.

The CDIs may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the CDIs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States residents

The CDIs being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the CDIs or Shares in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving the CDIs or Shares may not be conducted unless in compliance with the US Securities Act.

Overseas ownership and resale representation

It is your responsibility to ensure compliance with all laws of any country relevant to your Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by you to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

10 MATERIAL CONTRACTS

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section contains a summary of the material contracts and their substantive terms which are not otherwise disclosed elsewhere in this Prospectus.

10.1 CUSTOMER CONTRACTS

Customer Purchase Orders

The Company does not have formal written contracts in place with the majority of its customers and in relation to the written customer contracts it does have in place, these contracts 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 Company's manufacturing partners manufacture the products based on the Company's specifications with products supplied by either the Company or directly by the manufacturer to customers. The amount payable by the customer under the invoice is to be paid as follows unless otherwise agreed between the parties: (a) a deposit of 50% on placement or acceptance of a purchase order; (b) 25% on commencement of carriage; and (c) 25% on receipt.

The purchase orders are either on the Company's standard terms and conditions (**Sale T&C's**) or the customer's standard terms and conditions. The Sale T&Cs are on standard market terms including with respect to warranty, payment and pricing terms, indemnification and confidentiality. In relation to purchase orders made on the customer's terms and conditions, these are also generally on standard market terms.

EnerMech Collaboration Agreement

The Company has entered into a Collaboration Agreement with EnerMech, a global engineering services company specialising in critical asset support to the international energy sector. The Collaboration Agreement is a key arrangement under which the Company provides its product and EnerMech collaborates with the Company in connection with the development, marketing and installation of certain the Company's products, in accordance with the following key terms:

- **Term:** The parties agreed to an initial term of 3 years from 10 September 2016, with the agreement to continue in full force and effect following the initial term unless terminated. The agreement may be terminated by either party upon providing 3 months' written notice to the other party or immediately in certain circumstances including if the other party is in breach and such breach is not cured within 30 days of notice, the validity of the intellectual property rights forming part of the SRJ products is challenged, if the other party is subject to an insolvency event or a party becomes under the control of a competitor. EnerMech may also terminate the agreement immediately if the Company cannot supply the SRJ products with 7 days' notice in writing to remedy the position and the Company may also immediately terminate the agreement if EnerMech has not attained agreed revenue targets.
- **Exclusivity:** Provided EnerMech meets certain minimum sales targets, it will have an exclusive right to market, sell and distribute SRJ's products in the oil, gas and marine industries in Europe, North America (USA, Canada and Mexico), Australia, UAE and Korea and such other jurisdictions as agreed between the parties. As at the date of this Prospectus, EnerMech has not met these minimum sales targets and as such, EnerMech does not have the benefit of these exclusivity provisions.
- **Pricing:** as consideration for EnerMech's collaboration, the Company will offer its products to EnerMech at a 10% discount from its published price list. The Company must not offer any other third party in the exclusive territories on terms more favourable than those offered to EnerMech. Payment shall be made within 30 days of receipt of a valid invoice.
- **Undertakings:** EnerMech has agreed to provide access to its sale network, marketing and product advertising, technical and installation support to clients that purchase SRJ products and specific manufacturing of parts. The Company provides EnerMech a licence to use its intellectual property to allow local manufacturing of products, training for staff, marketing and installation by EnerMech personnel.
- **Purchase Orders:** The Company and EnerMech have agreed that all purchases under the Collaboration Agreement will be made by purchase orders under the Company's standard terms and conditions.
- **Intellectual Property:** All intellectual property rights and pre-existing rights in the products remain with the Company. Any intellectual property created or developed under the agreement will remain with the creator / owner of the intellectual property.

- **Warranties and indemnity:** The agreement contains standard representations and warranties including in relation to ownership and use of intellectual property. Each party is liable for and will indemnify the other party for any loss arising out of its breach of any warranty.
- **Governing law:** The agreement is governed by the laws of Jersey.

10.2 THIRD PARTY MANUFACTURING AGREEMENTS

The Company relies on third party manufacturers to manufacture and supply its products to its customers. The Company has sought to initially document these arrangements in memorandums of understanding with an intention to enter into more formal agreements in due course.

At the date of this Prospectus, the Company has entered into a memorandum of understanding (**MOU**) with each of Impact Engineering (WA) Pty Ltd and Nexxis Pty Limited pursuant to which Impact and Nexxis will promote the Company and its products and leak containment services as well as use their relationships to assist the Company with development and expansion in Australia. Orders submitted to Nexxis and Impact Engineering are subject to the Company's standard form purchase terms and conditions (**Purchase T&Cs**). The Purchase T&Cs are on standard market terms including with respect to warranty, payment and pricing terms, indemnification and confidentiality.

Each MOU contains market standard intellectual property and confidentiality provisions to ensure the Company's intellectual property rights are protected during the course of its engagement with the manufacturing partners. The MOU also states that ownership of any new intellectual property developed under the respective MOU vests in the Company.

The material terms of these agreements are summarised below.

Impact Engineering

The MOU with Impact has an initial term of 2 years commencing in March 2020, which may be extended on agreement between the parties. Pursuant to the MOU, Impact will provide (amongst other things) manufacturing and installation capability for SRJ products, to assist with identifying potential new clients and assist with promoting SRJ's products in Australia. The parties have agreed to work together to service certain agreed key clients with SRJ products.

The Company provides Impact with design documents to enable Impact to manufacture products to the Company's specifications. Impact holds stock until the point of sale at which stage Impact remits the sale proceeds to the Company. The Company generally funds the costs of the manufacturing with Impact being entitled to retain installation costs.

The MOU with Impact will terminate at the end of the initial term of 2 years unless the parties have agreed to extend the agreement and otherwise the agreement may be terminated by one month's written notice by either party or immediately if the other party breaches the terms of the MOU.

Nexxis

The MOU with Nexxis has an initial term of 2 years commencing in March 2020, which may be extended on agreement between the parties. Pursuant to the MOU, Nexxis will provide (amongst other things) manufacturing capability for SRJ products and assist the Company in the promotion of its products in Australia.

The MOU with Nexxis will terminate at the end of the initial term of 2 years unless the parties have agreed to extend the agreement and otherwise the agreement may be terminated by one month's written notice from either party or immediately if the other party breaches the terms of the MOU.

10.3 UNDERWRITING AGREEMENT

The Offer is fully underwritten by the Lead Manager pursuant to an underwriting agreement dated on or around the date of this Prospectus between the Lead Manager, the Company and SaleCo (**Underwriting Agreement**). Under the Underwriting Agreement, the Lead Manager has agreed to lead manage the Offer and act as underwriter for the Offer.

For the purpose of this Section 10.3, Offer Documents includes (amongst others) the following documents:

- the pathfinder prospectus (**Pathfinder**) for the Offer and any document that supplements or replaces the Pathfinder;
- this Prospectus (including any supplementary or replacement prospectus) and any Application Form; and
- all marketing, roadshow or investor presentation materials issued or authorised to be issued by the Company with its prior approval that are used in connection with the Offer.

Fees and expenses

Subject to the Lead Manager satisfying its underwriting obligations under the Underwriting Agreement, the Company has agreed to pay the Lead Manager a management fee of 1.5% and an underwriting fee of 3.5%, of the proceeds of the Offer (excluding Offer proceeds relating to the sell down), and SaleCo has agreed to pay the Lead Manager an underwriting fee of 3.5% of the proceeds of the Offer relating to the sell down.

In addition, the Company has agreed to pay or reimburse the Lead Manager for the reasonable costs incurred by it in relation to the Offer, including an agreed amount of legal fees incurred by the Lead Manager.

Termination events

If any of the following events occur before the settlement of the Offer, the Lead Manager may, at any time by notice given to the Company and SaleCo immediately, without cost or liability to itself, terminate the Underwriting Agreement:

- the Prospectus (or any supplementary prospectus) does not comply with the Corporations Act (including if a statement in the Prospectus is misleading or deceptive or is likely to mislead or deceive) or a matter required to be included is omitted from the Prospectus (including, without limitation, having regard to the provisions of Chapter 6D.2, the Listing Rules or any other applicable law);
- the ASX Small Ordinaries Index falls, on any business day up to and including the settlement date, to a level that is 10% or more below the level it was at close of trade on the business day immediately preceding the date of the Underwriting Agreement, and such fall remains in place for at least 2 consecutive trading days on the ASX;
- the Company and SaleCo lodge a supplementary prospectus with ASIC that has not been approved by the Lead Manager in accordance with the requirements in the Underwriting Agreement, or, the Lead Manager forms the view (acting reasonably) that a supplementary prospectus must be lodged with ASIC as a result of a new circumstance that is materially adverse to an investor pursuant to Section 719 of the Corporations Act, and the Company and SaleCo fail to do so;
- ASX does not approve the admission of the Company to the official list and the granting of quotation to the Company's CDIs, or if approval is granted, the approval is subsequently withdrawn, qualified (other than by customary conditions or conditions otherwise acceptable to the Company) or withheld, or ASX confirms that the approval is likely to be withdrawn, qualified or withheld;
- ASIC makes an order or interim order or applies for an order under Part 9.5 of the Corporations Act in relation to the Prospectus, ASIC holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offer or any Offer Document under the Corporations Act or the ASIC Act or other applicable law, or ASIC prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers, employees or agents in relation to the Offer or any Offer Document;
- any person whose consent to the issue of the Prospectus is required by section 716 and 720 of the Corporations Act that has previously consented to the issue of the Prospectus withdraws such consent, any person gives a notice under section 733(3) of the Corporations Act or any person (other than the Lead Manager) who has previously consented to the inclusion of their name or any statement in the Prospectus withdraws that consent;
- the Company withdraws the Prospectus or the Offer;
- ASX withdraws or revokes any waiver of the ASX Listing Rules granted by ASX, or ASIC withdraws or revokes any exemption, modification or variation of the Corporations Act granted by ASIC in respect of the Offer without the prior written approval of the Lead Manager (acting reasonably);
- any circumstance arises after lodgement of the Prospectus that results in the Company or SaleCo either repaying the money received from persons who have applied for Offer CDIs or offering persons who have applied for Offer CDIs an opportunity to withdraw their application for Offer CDIs and be repaid their money;
- there is an event, occurrence or non-occurrence which makes it illegal or objectively impossible for the Lead Manager to satisfy a material obligation under the Underwriting Agreement, or that causes the Lead Manager to delay satisfying a material obligation under the Underwriting Agreement, including any acts, statute, order, rule, regulation, directive or request of any Government authority, order of any courts, lockdowns, lock-outs, forced closures, restrictions on mobility, or interruptions or restrictions in transportations which has this impact; or any acts of God or other natural forces, civil unrest or disturbance, currency restriction, embargo, action or inaction by a Government authority;

- there is a material adverse change or development involving a prospective material adverse change in the condition, financial or otherwise, or in the assets, liabilities, financial position or performance, profit, losses or prospects of the Group, excluding where such change or development is the result of the economic or operation impact of COVID-19; or
- any Group member becomes insolvent, or an act occurs or an omission is made which in the opinion of the Lead Manager (acting reasonably) may result in a Group member becoming insolvent.

In addition, if one of the following events occurs and the Lead Manager in its reasonable opinion believes the event (a) has had or could be expected to have a material adverse effect on the financial conditions or prospects of the Company or Group from that disclosed in the Prospectus, the success of the Offer, the ability of the Lead Manager to market or promote the Offer, the willingness of persons to apply for, or settle obligations to subscribe for, CDIs under the Offer; or (b) has, or is likely to, give rise to a liability of the Lead Manager under applicable law, or has or is likely to give rise to a contravention by the Lead Manager of, or the Lead Manager being involved in a contravention of, the Corporations Act or any other applicable law, and provided such event has not arisen as a result of the Lead Manager's failure to comply with its obligations under the Underwriting Agreement, then the Lead Manager may, at any time prior to settlement of the Offer, terminate the Underwriting Agreement, without cost or liability, by notice to the Company and SaleCo:

- any of the Offer Documents (other than the Prospectus and any supplementary prospectus) do not comply with the Corporations Act (including if a statement in the relevant Offer Document is or becomes misleading or deceptive or is likely to mislead or deceive) or a matter required to be included is omitted from the Offer Documents (other than the Prospectus and any supplementary prospectus) (including, without limitation, having regard to the provisions of Chapter 6D.2, the Listing Rules or any other applicable law);
- any of the following occurs; (a) there is a material adverse change or disruption to political or economic conditions or financial markets in Australia, Japan, the United Kingdom or the United States of America or international financial markets or any change involving a prospective change in national or international political, financial or economic conditions; (b) a general moratorium on commercial banking activities is declared by the relevant central banking authority in any of those countries or (c) there is a disruption in commercial banking or security settlement or clearance services in any of those countries, or (d) trading in all securities quoted or listed on ASX, London Stock Exchange or the New York Stock Exchange is suspended or limited in a material aspect for one day (on which that exchange is open for trading);
- any person (other than the Lead Manager) gives a notice to the Company under section 730 of the Corporations Act;
- a Government authority commences any public action against the Company, SaleCo, any of their directors or any member of their senior management, or announces that it intends to take any such action;
- any of the Directors of the Company or the Chief Executive Officer or Chief Financial Officer of the Company is disqualified under the Corporations Act from managing a corporation, charged with an offence relating to any financial or corporate matter under any law, or removed from office or replaced without the prior written consent of the Lead Manager;
- the Company or any of its related bodies corporate alters its share capital or amends its Constitution, other than to the extent permitted under the Underwriting Agreement, without the prior written consent of the Lead Manager, such consent not to be unreasonably withheld;
- either the Company or SaleCo fails to comply with any of its obligations under the Underwriting Agreement or any representation or warranty contained in the Underwriting Agreement on the part of the Company or SaleCo is breached or becomes incorrect;
- a statement in the closing certificate is untrue, incorrect, misleading or deceptive;
- if any material contract of the Company set out in Section 10.1 to 10.3 of this Prospectus, is terminated, rescinded or amended without the prior written consent of the Lead Manager (such consent to not to be unreasonably withheld or delayed), or found to be void and voidable;
- in respect of any one or more of Australia, the United States, any member of the European Union, Indonesia, Japan, Russia, the Peoples' Republic of China, India, North Korea and South Korea, (a) hostilities not presently existing commence (whether or not war has been declared); (b) a major escalation in existing hostilities occurs (whether or not war has been declared); (c) a declaration is made of a national emergency or war or there is a material escalation or (d) a significant act of terrorism is perpetrated anywhere in the world;

- there is introduced, or there is a public announcement of a proposal by the parliament, government or a minister, to introduce, into the Commonwealth of Australia or any State or Territory of Australia a new or amended law or regulation, or, adopts or announces a proposal to adopt a new or amended law, regulation or policy, that materially impacts the Offer or the Lead Manager rights under the Underwriting Agreement, other than one already announced before the date of the Underwriting Agreement; or
- any event specified in the timetable in the Underwriting Agreement is delayed for more than three business days, other than a delay permitted pursuant to the Underwriting Agreement.

Conditions, warranties, undertakings and other terms

The Underwriting Agreement contains certain standard representations, warranties and undertakings by the Company to the Lead Manager as well as common conditions precedent, including the receipt by the Lead Manager of the final, signed due diligence committee report and that ASX will grant certain waivers and ASIC will grant certain modifications in relation to the Offer.

The representations and warranties given by the Company relate to matters such as conduct of the Company, power and authorisations, information provided by the Company, information in this Prospectus and compliance with laws and the ASX Listing Rules. The Company also provides additional representations and warranties in connection with the business and affairs of the Company including in relation to ownership of assets, authorisations and litigation.

The Company's undertakings include that it will not, until 12 months after completion of the Offer, issue (or agree to issue) or indicate in any way that it may or will issue or agree to issue any CDIs, Shares or other securities that are convertible or exchangeable into Shares without the prior consent of the Lead Manager (such consent must not be unreasonably withheld or delayed). This undertaking is subject to certain exceptions, including any issue made pursuant to this Prospectus, an employee share plan or any conversion or exercise of securities described in the Prospectus.

Indemnity

Subject to certain exclusions relating to, among other things, fraud, gross negligence or wilful misconduct of any indemnified party, the Company agrees to keep the Lead Manager and any of its related bodies corporate and affiliates and its representatives indemnified from losses suffered by them in connection with the Offer or the appointment and role of the Lead Manager pursuant to the Underwriting Agreement.

11 ADDITIONAL INFORMATION

11.1 INCORPORATION

The Company was incorporated in Jersey on 29 April 2014 as SRJ Technologies Limited and was converted to a public company and changed its name to SRJ Technologies Group plc on 24 March 2020.

11.2 CURRENT CAPITAL STRUCTURE

The issued capital of the Company as at the date of this Prospectus is set out in the table below:

Class of Security	Number
Ordinary shares	84,029,369
Convertible notes	70,000 at A\$100 each

11.3 CAPITAL STRUCTURE FOLLOWING THE OFFER

Shortly prior to the allotment of CDIs under the IPO, the following changes will automatically be made to the capital structure of the Company in accordance with shareholder consents obtained prior to the Prospectus Date and approvals that were obtained at the EGM and conditional on the Board resolving to allot CDIs under the Offer:

- conversion of the convertible notes into CDIs;
- issue of 1,486,000 CDIs to advisers and consultants for services performed with respect to the pre-IPO fundraising and IPO; and
- issue of 8,014,000 Performance Rights to executives, Non-Executive Directors, management, employees and consultants under the Equity Incentive Plans.

As at the Allotment Date, the issued share capital of the Company will comprise the following:

Class of Security	Number of Shares
Ordinary shares/CDIs	119,015,369
Performance Rights	8,014,000

11.4 PERFORMANCE RIGHTS ON ISSUE

The Company will have the following Performance Rights on issue as at Listing:

- 7,434,000 Performance Rights issued to management and employees under the SRJ Employee Equity Incentive Plan; and
- 580,000 Performance Rights issued to Non-Executive Directors and consultants under the SRJ Equity Incentive Plan.

The Performance Rights will be issued under the Equity Incentive Plans to Non-Executive Directors, management, employees and consultants shortly prior to the Allotment Date. The vesting date for Performance Rights is 24 months after the issue date, subject to vesting conditions based on a combination of:

- the Company's CDIs reaching a specified 15-day volume weighted average price (**VWAP**) post Listing;
- financial and/or operational performance hurdles determined by the Board; and
- continuity of employment/engagement with the Company from Listing until the vesting date.

Further information regarding Performance Rights issued to Directors and senior executives is described in Sections 5.7 and 5.8. A summary of the Equity Incentive Plans is included in Section 5.9.

11.5 SALECO

SaleCo is a special purpose vehicle incorporated in Australia which has been established to facilitate the sale of CDIs by the Selling Shareholders.

Each of the Selling Shareholders, the Company and SaleCo has entered into a sell down deed under which the Selling Shareholders agree to sell a prescribed amount of their existing Shares to SaleCo, which will be sold by SaleCo into the Offer in the form of CDIs, free from encumbrances and third party rights. The Selling Shareholders have agreed to sell 2,916,252 existing Shares to SaleCo.

The Shares which SaleCo acquires from the Selling Shareholders will be transferred to successful Applicants in the form of CDIs at the Offer Price. The price payable by SaleCo to Selling Shareholders for these Shares will be equal to the Offer Price less sale costs of 3.5% of the sale proceeds representing the underwriting fee payable to the Lead Manager on the Sale Shares. The Company will procure that CDN issues CDIs to successful Applicants under the Offer.

The directors of SaleCo are Alexander Wood, Grant Mooney and Julian Seabrooke. SaleCo is wholly owned by Alexander Wood.

11.6 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, which were approved by Existing Holders at the EGM, and which will apply from the Allotment Date, is set out below. 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, persons 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 shares of one class designated as ordinary shares with a par value of £0.00018181819 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:

- (i) by special resolution of members of that class; or
- (ii) 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 requisitionists, 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:

- by ordinary resolution; or
- 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:

- (a) is prohibited or disqualified from being a director by law;
- (b) is declared bankrupt in any jurisdiction;
- (c) makes any arrangement or composition with the director's creditors generally;
- (d) 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;
- (e) resigns from office by notice in writing to the Company and the resignation has taken effect in accordance with its terms; or
- (f) 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.

11.7 TAKEOVER REGULATION

The Jersey Companies Law contains no provisions relating to the acquisition of relevant interests in shares of a listed company or notifications of substantial shareholdings.

The UK City Code on Takeovers and Mergers (**City Code**) will apply to takeover bids and merger transactions of SRJ if its place of central management and control is in the UK or Jersey. The City Code regulates takeover bids, including a requirement to make a mandatory bid for all of the securities in a company if a person acquires an interest in more than 30% of the voting rights attaching to the share capital of the company.

The Jersey Companies Law provides that where a person (the Offeror) makes a takeover offer to acquire all of the shares (or all of the shares of any class) in a company (other than any shares already held by the Offeror at the date of the offer), if the Offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90 per cent. in nominal value of the shares to which the offer relates, the Offeror may (subject to the requirements of the Jersey Companies Law), by notice to the holders of the shares to which the offer relates which the Offeror has not already acquired or contracted to acquire, compulsorily acquire those shares.

A holder of any shares who receives a notice of compulsory acquisition may (within six weeks from the date on which such notice was given) apply to the Royal Court of Jersey (the Jersey Court) for an order that the Offeror not be entitled and bound to purchase the holder's shares or that the Offeror purchase the holder's shares on terms different of those of the Offer.

11.8 ESCROW ARRANGEMENTS

Certain existing Shareholders will be restricted from dealing in their CDIs or Shares following Listing. Restrictions are either imposed by the ASX or have been agreed to voluntarily.

With respect to ASX imposed restrictions, the ASX Listing Rules require that certain persons or entities that are 'significant holders', such as seed capitalists, promoters and related parties, enter into written restriction agreements under which they are restricted from dealing in a specified number of their CDIs or Shares for up to 24 months from the date of quotation of those CDIs or Shares. The restriction agreements will be in the form required by the ASX Listing Rules over such number of CDIs or Shares and for such period of time as determined by the ASX, and restrict the ability of the holder of the CDIs or Shares from disposing of, creating any security interest in or transferring effective ownership or control of such CDIs or Shares. Under the ASX Listing Rules, less significant holders are not required to enter into formal agreements. The Company will instead rely on the provisions of an escrow notice and the provisions of its Articles under which these restrictions are imposed and instruct the Share Registry to impose a holding lock on their securities. If a Shareholder breaches or violates the applicable restrictions, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.

With respect to voluntary restrictions, the Company has requested a number of persons and entities agree to voluntary restrictions for a specific period of time on similar terms to the ASX restriction agreements.

The table below sets out the proportion of CDIs or Shares which will be subject to either voluntary or mandatory restrictions immediately following completion of the Offer.

Ordinary shares/CDIs

Holder	Total holding	% of share capital after completion of the Offer (on an undiluted basis)	6 months post IPO	12 months post IPO ⁵	24 months post IPO ⁵	Mandatory and/or voluntary escrow	% subject to escrow restrictions
Robin Pinchbeck	201,135 CDIs	0.2%	-	189,967 CDIs	11,168 CDIs	Mandatory and voluntary	
Alexander Wood	206,250 CDIs	0.2%	-	-	206,250 CDIs	Mandatory	
AVI Partners ¹	27,574,855 CDIs	23.2%	2,972,917 CDIs ² (voluntary)	-	24,601,938 CDIs (mandatory)	Mandatory and voluntary	
Solibay Capital Partners Inc ³	9,858,048 CDIs	8.3%	7,315,606 CDIs	-	1,380,500 CDIs	Mandatory and voluntary	
Senior Management	440,000 CDIs	0.4%	-	110,000 CDIs	330,000 CDIs	Mandatory and voluntary	
Other Employees	210,540 CDIs	0.2%	-	210,540 CDIs		Voluntary	

Holder	Total holding	% of share capital after completion of the Offer (on an undiluted basis)	6 months post IPO	12 months post IPO ⁵	24 months post IPO ⁵	Mandatory and/or voluntary escrow	% subject to escrow restrictions
Other Shareholders	61,608,289 CDIs	51.8%	46,216,367 CDIs	456,250 CDIs	11,206,083 CDIs	Mandatory and voluntary	
Selling Shareholders via SaleCo	2,916,252	2.5%	-	-	-	No escrow	
Total before new CDIs issued under the offer	103,015,369 CDIs	86.6%	56,504,890 CDIs	996,757 CDIs	37,735,939 CDIs		
New CDIs issued under the offer	16,000,000 CDIs	13.4%	-	-	-	No escrow	
Total after new CDIs issued under the offer	119,015,369 CDIs	100.0%	56,504,890 CDIs	996,757 CDIs	37,735,939 CDIs		80.0%

1 Alexander Wood holds 19% of the shares in AVI Partners.

2 AVI Partners are entitled to early release of the 2,972,917 Shares subject to voluntary escrow at least 6 months after the Listing Date provided that at the time of the transfer the VWAP of the 10 previous trading days of the Company's CHES Depositary Interests on ASX is at least A\$0.60.

3 Solibay Capital Partners holds 12,089,000 Shares at the date of the prospectus and intends to sell 2,230,952 CDIs as part of the Sell Down to SaleCo with 9,858,048 CDIs remaining.

Performance Rights

Holder	Total holding ¹	% of share capital after completion of the Offer (on an fully diluted basis)	6 months post IPO	12 months post IPO	24 months post IPO	Mandatory and/or voluntary escrow
Robin Pinchbeck	380,000 Performance Rights	0.3%	-	-	380,000 Performance Rights	Mandatory
Alexander Wood	2,470,000 Performance Rights	1.9%	-	-	2,470,000 Performance Rights	Mandatory
Senior Management	3,990,000 Performance Rights	3.1%	-	-	2,090,000 Performance Rights	Mandatory
Other Employees	1,174,000 Performance Rights	0.9%	-	-		No escrow
Total Performance Rights	8,014,000	6.3%	-	-	4,940,000	

Shareholders that have agreed to voluntary escrow arrangements may be released early from those restrictions to enable:

- the Shareholder to accept or participate in a bona fide third-party takeover offer, merger, consolidation or other similar transaction made to all holders of the Company's Shares and involving a change of control of the Company's voting securities, provided that the Shareholder remains subject to the voluntary escrow arrangements if such takeover offer, merger, consolidation or other transaction is not completed;
- the Shareholder to transfer those restricted securities in an off-market transaction to an entity the escrowed security holder controls, or following the escrowed security holder's death, or to the escrowed security holder's spouse or children, provided in each circumstance, the transferee enters into a deed under which it undertakes to be bound by the same escrow restrictions as the escrowed security holder; and
- the Shareholder to comply with an order of a court or regulatory authority of competent jurisdiction compelling any restricted securities to be disposed of or a security interest granted over them, or, to take an action with the prior consent of the Company where the action is necessary to alleviate financial hardship.

11.9 COMPARISON OF LAWS GOVERNING THE COMPANY AS A JERSEY COMPANY WITH LAWS GOVERNING AUSTRALIAN PUBLICLY LISTED COMPANIES GENERALLY

	Jersey Law	Australian Law
Transactions that require Shareholder approval	<p>Under the Companies (Jersey) Law 1991 (Jersey Companies Law) the principal transactions or actions requiring shareholder approval include:</p> <ul style="list-style-type: none"> • adopting or altering the constitution of the company; • putting the company into liquidation; • changing the name of the company; • increasing authorised share capital; and • changes to the rights attached to shares. <p>Shareholder approval is also required for certain transactions affecting share capital (e.g. share buybacks and share capital reductions).</p>	<p>Under the Corporations Act, the principal transactions or actions requiring shareholder approval include:</p> <ul style="list-style-type: none"> • adopting or altering the constitution of the company; • appointing or removing a director or auditor; • certain transactions with related parties of the company; • putting the company into liquidation; and • changes to the rights attached to shares. <p>Shareholder approval is also required for certain transactions affecting share capital (e.g. share buybacks and share capital reductions).</p> <p>Under the ASX Listing Rules, shareholder approval is required for matters including:</p> <ul style="list-style-type: none"> • increases in the total amount of directors' fees; • directors' termination benefits in certain circumstances; • certain transactions with related parties; • certain issues of shares; and • if a company proposes to make a significant change to the nature or scale of its activities or proposes to dispose of its main undertaking.
Shareholders' right to request or requisition a general meeting	<p>The Jersey Companies Law requires the Directors to call a general meeting on the request of members with at least one-tenth of the vote that may be cast at the general meeting. If the Directors do not, within 21 days of the request, call a meeting, the members making the request may themselves call a meeting.</p>	<p>The Corporations Act requires the Directors to call a general meeting on the request of members with at least 5% of the vote that may be cast at the general meeting or at least 100 shareholders who are entitled to vote at a general meeting.</p> <p>Shareholders with at least 5% of the votes that may be cast at the general meeting may also call and arrange to hold a general meeting at their own expense.</p>
Shareholders' right to appoint proxies to attend and vote at meetings on their behalf	<p>A shareholder is entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the meeting</p>	<p>The position is comparable under the Corporations Act.</p>
Changes in the rights attaching to shares	<p>The Jersey Companies Law allows a company to set out in its constitution the procedure for varying or cancelling rights attached to shares in a class of shares.</p> <p>If a company's constitution does not set out a procedure, such rights may only be varied or cancelled with the consent of 2/3rds in nominal value of the issued shares of that class.</p>	<p>The Corporations Act allows a company to set out in its constitution the procedure for varying or cancelling rights attached to shares in a class of shares.</p> <p>If a company does not have a constitution, or has a constitution that does not set out a procedure, such rights may only be varied or cancelled by:</p> <ul style="list-style-type: none"> • a special resolution passed at a meeting for a company with a share capital of the class of members holding shares in the class; or • a written consent of members with at least 75% of the votes in the class.

	Jersey Law	Australian Law
Shareholder protections against oppressive conduct	Under the Jersey Companies Law, shareholders have statutory remedies where the affairs of the company have been or are being conducted in an unfairly prejudicial manner. The Jersey court can make such order as it sees fit where an application to it is successful.	Under the Corporations Act, shareholders have statutory remedies for oppressive or unfair conduct of the company's affairs and the court can make any order as it sees appropriate.
Shareholders' rights to bring or intervene in legal proceedings on behalf of the company	There are no 'shareholder derivative actions' provisions under the Jersey Companies Law. Shareholders may however assert that the affairs of the company have been or are being conducted in an unfairly prejudicial manner.	<p>The Corporations Act permits a shareholder to apply to the court for leave to bring proceedings on behalf of the company, or to intervene in proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for those proceedings, or for a particular step in those proceedings.</p> <p>The court must grant the application if it is satisfied that:</p> <ul style="list-style-type: none"> • it is probable that the company will not itself bring the proceedings, or properly take responsibility for them, or for the steps in them; • the applicant is acting in good faith; • it is in the best interests of the company that the applicant be granted leave; • if the applicant is applying for leave to bring proceedings, there is a serious question to be tried; and • either at least 14 days before making the application, the applicant gave written notice to the company of the intention to apply for leave and of the reasons for applying, or the court considers it appropriate to grant leave. <p>The Corporations Act provides that proceedings brought or intervened in with leave must not be discontinued, compromised or settled without the leave of the court.</p>
"Two Strikes" rule in relation to remuneration reports	The Jersey Companies Law contains no provisions requiring a company to prepare an annual report or as to its contents – save to the extent that an obligation to prepare an annual report may arise under the company's chosen GAAP standard.	<p>The Corporations Act requires that a company's annual report must include a report by the Directors on the company's remuneration framework (called a remuneration report).</p> <p>A resolution must be put to shareholders at each annual general meeting of the company's shareholders (AGM) seeking approval for the remuneration report. The approval is advisory only, however, if more than 25% of shareholders vote against the remuneration report at two consecutive AGMs (i.e. two strikes) an ordinary (50%) resolution must be put to shareholders at the second AGM proposing that a further meeting be held within 90 days at which all of the Directors who approved the second remuneration report must resign and stand for re-election.</p>

	Jersey Law	Australian Law
Disclosure of substantial holdings	<p>The Jersey Companies Law contains no provisions relating to notifications of substantial shareholdings.</p>	<p>The Corporations Act requires every person who is a substantial holder to notify the listed company and the ASX that they are a substantial holder and to give prescribed information in relation to their holding if:</p> <ul style="list-style-type: none"> • the person begins to have, or ceases to have, a substantial holding in the company or scheme; • the person has a substantial holding in the company or scheme and there is a movement of at least 1% in their holding; or • the person makes a takeover bid for securities of the company. <p>Under the Corporations Act a person has a substantial holding if the total votes attached to voting shares in the company in which they or their associates have relevant interests is 5% or more of the total number of votes attached to voting shares in the company, or the person has made a takeover bid for voting shares in the company and the bid period has started and not yet ended.</p> <p>These provisions do not apply to the Company as an entity established outside Australia.</p>
How takeovers are regulated?	<p>The Jersey Companies Law contains no provisions relating to the acquisition of relevant interests in shares of a listed company or notifications of substantial shareholdings.</p> <p>The UK City Code on Takeovers and Mergers will apply to takeover bids and merger transactions of SRJ if its place of central management and control is in the UK or Jersey.</p> <p>The Jersey Companies Law provides that where a person (the Offeror) makes a takeover offer to acquire all of the shares (or all of the shares of any class) in a company (other than any shares already held by the Offeror at the date of the offer), if the Offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90 per cent. in nominal value of the shares to which the offer relates, the Offeror may (subject to the requirements of the Jersey Companies Law), by notice to the holders of the shares to which the offer relates which the Offeror has not already acquired or contracted to acquire, compulsorily acquire those shares.</p> <p>A holder of any shares who receives a notice of compulsory acquisition may (within six weeks from the date on which such notice was given) apply to the Royal Court of Jersey (the Jersey Court) for an order that the Offeror not be entitled and bound to purchase the holder's shares or that the Offeror purchase the holder's shares on terms different to those of the offer.</p>	<p>The Corporations Act prohibits a person from acquiring a relevant interest in issued voting shares in a listed company if any person's voting power in the company will increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.</p> <p>Exceptions to the prohibition apply (eg. acquisitions with shareholder approval, 3% creep over 6 months and rights issues that satisfy prescribed conditions).</p> <p>Substantial holder notice requirements apply (as discussed above under the heading "Disclosure of substantial holdings").</p> <p>Compulsory acquisitions are permitted by persons who hold 90% or more of securities or voting rights in a company.</p> <p>The Australian takeovers regime will not apply to SRJ as a foreign company.</p>

11.10 CHESS DEPOSITARY INTERESTS

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

What are CDIs?	<p>In order for the Shares to trade electronically on the ASX, the Company intends to participate 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>
Who is the depositary nominee and what do they do?	<p>The Company will appoint 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>
What registers will be maintained recording your interests?	<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>
How is local and international trading in CDIs affected?	<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>
What is the CDI:Share ratio?	<p>One CDI will represent an interest in one Share.</p>
What will Applicants receive on acceptance of their Applications?	<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>

How do CDI holders convert from a CDI holding to a direct holding of Shares on the Jersey principal register?

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:

- 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
- through their sponsoring participant (usually their broker) in the case of CDIs which are sponsored on the CHESS 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.

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.

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.

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).

What are the voting rights of a CDI holder?

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.

In order to vote at such meetings, CDI holders have the following options:

- (a) 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
- (b) 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 the CDIs for the purposes of attending and voting at the general meeting; or
- (c) 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.

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.

As each CDI represents an interest in one Share, a CDI holder will be entitled to one vote for every CDI they hold.

CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI holders by the Company.

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.

What dividend and other distribution entitlements do CDI holders have?	<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>
What corporate action entitlement (such as rights issues and bonus issues) do CDI holders have?	<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>
What rights do CDI holders have in the event of a takeover?	<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>
What notices and announcement will CDI holders receive?	<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>
What rights do CDI holders have on liquidation or winding up?	<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>
Will CDI holders incur any additional ASX or ASX Settlement fees or charges as a result of holding CDIs rather than Shares?	<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>
Where can further information be obtained?	<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> <p>"Understanding CHES Depositary Interests at: http://www.asx.com.au/documents/settlements/CHES_Depositary_Interests.pdf</p> <p>ASX Guidance Note 5 at: http://www.asx.com.au/documents/rules/gn05_chess_depositary_interests.pdf</p> <p>or contact your stockbroker or the Offer Information Line.</p>

11.11 TAXATION

Introduction

The taxation consequences of investing in the CDIs (or the underlying Shares) will depend on your particular circumstances. It is your responsibility to satisfy yourself of the particular taxation treatment that applies to you by consulting your own professional tax advisers before investing in the CDIs. Neither the Company nor any of its officers, employees, agents and advisers accepts any liability or responsibility in respect of the taxation consequences connected with an investment in CDIs.

11.11.1 JERSEY TAXATION IMPLICATIONS OF INVESTING UNDER THE OFFER

The following summary of the anticipated treatment of the Company and (unless they are tax resident in Jersey) the Shareholders is based on Jersey tax law and practice as it is understood to apply at the date of this Prospectus. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice. Shareholders should consult their professional advisers on the implications of acquiring, holding, selling or otherwise disposing of the Shares under the laws of the jurisdictions in which they may be liable to tax. Shareholders should be aware that tax laws and practice and their interpretation may change.

Jersey income tax

The Company intends to be tax resident in Jersey and will be subject to income tax under the Income Tax (Jersey) Law 1961 (**Income Tax Law**) at zero per cent.

If the Company derives any income from the ownership, exploitation or disposal of land in Jersey or the trade of importing or supplying hydrocarbon oil to or in Jersey, that income will be charged to Jersey income tax at a rate of 20 per cent. It is not anticipated that the Company will derive any such income.

Holders of Shares or CDIs

The Company is entitled to pay dividends or other distributions to Shareholders without making any deduction or withholding for or on account of Jersey income tax. Unless they are tax resident in Jersey, Shareholders will not be subject to any tax in Jersey in respect of the acquisition, ownership, exchange, sale or other disposition of the Shares or CDIs.

Anti-avoidance provisions

The attention of Shareholders tax resident in Jersey is drawn to Article 134A and other provisions of the Income Tax Law, the effect of which may be to render any gains and distributions in respect of their Shares chargeable to Jersey income tax.

Goods and Services Tax

The Company is an international services entity (**ISE**) for the purposes of the Goods and Services Tax (Jersey) Law 2007 (**GST Law**) and, accordingly, it is not required to:

- register as a taxable person pursuant to the GST Law;
- charge goods and services tax in Jersey in respect of any supply made by it; or
- pay goods and services tax in Jersey in respect of any supply made to it.

An annual fee must be paid for each calendar year for the Company to retain its ISE status.

Stamp duty

No stamp duty is payable in Jersey on the acquisition, ownership, exchange, sale or other disposition of the Shares or CDIs except when a Shareholder dies.

Stamp duty of up to 0.75 per cent. (subject to a maximum of £100,000) is payable on the registration in Jersey of a grant of probate or letters of administration if:

- the deceased died domiciled in Jersey and the net value of the deceased's entire estate wherever situated (including any Shares) exceeds £10,000; or
- the deceased died domiciled outside of Jersey and the net value of the deceased's estate situated in Jersey (including any Shares) exceeds £10,000.

In addition, application and other fees may be payable.

Jersey does not otherwise levy death or estate duties, capital gains, gift, wealth, inheritance or capital transfer taxes.

11.11.2 AUSTRALIAN TAXATION IMPLICATIONS OF INVESTING UNDER THE OFFER

This Section provides a general statement of the Australian income tax, goods and services tax and stamp duty consequences for Australian tax resident investors that acquire and hold CDIs (or Shares) on capital account. It does not apply to CDI holders who acquire their CDIs under an employee share scheme or that hold their CDIs as trading stock or otherwise on revenue account or that account for gains and losses from their CDIs under the Taxation of Financial Arrangements regime. This Section does not address the foreign tax consequences for any investor, or the Australian or foreign taxation consequences (if any) arising from the conversion of Convertible Notes into CDIs or Shares.

The following summary is based on the relevant Australian taxation laws as at the date of this Prospectus, except where otherwise indicated. These laws, and their interpretation by the Courts, are subject to change from time to time.

Receipt of dividends on CDIs

If a dividend is paid by the Company, an Australian resident CDI holder must include the dividend in his, her or its assessable income. As the Company is not an Australian resident company, its dividends will be unfranked, even if it has been subject to tax on any Australian source income.

Where the dividend is subject to withholding tax in the Company, the gross amount of the dividend is generally included in assessable income and an Australian resident CDI holder may be entitled to a foreign income tax offset equal to the lesser of the Jersey tax (0%) or the notional Australian tax payable on the dividend.

However, if the recipient shareholder is an Australian tax resident company, the dividend should not be assessable (and no offset will apply) to a recipient company (not acting as a trustee) that holds a 10% or greater "participation interest" in the Company. This is subject to the Australian "hybrid mismatch" rules and the Jersey tax treatment of the dividend payment.

Disposal of CDIs

The disposal of CDIs will give rise to a CGT event for an Australian resident.

Unless any CGT roll-over relief applies, an Australian resident will make:

- a capital gain to the extent the capital proceeds from the disposal of the CDIs are greater than the cost base of the CDIs; or
- a capital loss to the extent the capital proceeds from the disposal of the CDIs are less than the reduced cost base of the CDIs.

The capital proceeds is the total of the money and the market value of any other property received or receivable for the disposal of the CDIs.

The cost base and reduced cost base of the CDIs for the purpose of working out a capital gain or loss on disposal will include the money paid to acquire the CDIs plus any incidental costs of acquisition and disposal (e.g. brokerage).

An Australian resident taxpayer must include any net capital gain (after taking account of capital losses) in his, her or its assessable income for the income year in which the CGT event occurs, subject to any CGT discount (see below). A net capital loss may generally be carried forward to offset capital gains made in a later income year, however a company will need to satisfy a continuity of ownership or business continuity test (which includes a same business test and a similar business test) in order to do so.

Generally, no foreign resident capital gains withholding will apply if the disposal is effected on the ASX or through a crossing system. If the disposal is made off-market, no withholding will apply where the CDI holder has provided the purchaser with a declaration that the CDI holder is an Australian resident for tax purposes when the transaction is entered into.

CGT discount

A CDI holder that is an individual, the trustee of a trust or a complying superannuation entity may be entitled to the CGT discount on the disposal of CDIs that have been held for at least 12 months before the CGT event.

The CGT discount reduces the capital gain otherwise assessable (after taking account of any capital losses) by:

- 50% in the case of an individual or the trustee of a trust; or
- 33 ¹/₃ % in the case of a complying superannuation entity.

The discount may be reduced for any part of the ownership period that the CDI holder is a foreign or temporary resident.

No CGT discount applies to a company which holds CDIs. However, a company which holds a "direct voting interest" of 10% or more of the Company throughout a 12 month period within the 24 months prior to the disposal of the CDIs, may be entitled to reduce the capital gain to the extent the Company's underlying assets are active foreign business assets. This will depend on the mix of assets held by the Company at that time and separate advice will be needed.

Goods and services tax considerations

A CDI holder should not be liable to pay GST on the acquisition or disposal of CDIs. However, GST may be payable on brokerage fees.

Stamp duty considerations

A CDI holder should not be liable to pay stamp duty as a consequence of the acquisition or disposal of CDIs.

11.12 INTERESTS OF EXPERTS AND ADVISERS

Other than as set out below and disclosed in Section 11.3, or as otherwise disclosed in this Prospectus, no person named in this Prospectus as providing professional or advisory services in connection with the preparation of this Prospectus or any firm in which any such person is a partner:

- has or had at any time during the two years preceding the date of the Prospectus, any interest in the formation or promotion of the Company, or in any property acquired or proposed to be acquired by the Company or the Offer; or
- has been paid or agreed to be paid any amount or given or agreed to be given any other benefit for services rendered by them in connection with the formation or promotion of the Company or the Offer.

Morgans Corporate Limited has acted as Lead Manager and Underwriter to the Offer. The Company has paid or agreed to pay the amounts described in Section 10.3 in respect of these services.

Grant Thornton Corporate Finance Pty Limited has acted as the Australian Investigating Accountant and provided the Investigating Accountant's Report in Section 7. The Company has paid or agreed to pay an amount of approximately A\$110,000 (plus disbursements and GST) in respect of these services. Further amounts may be paid to Grant Thornton Corporate Finance Pty Limited in accordance with time-based charges.

Maddocks has acted as the Australian legal adviser to the Company in relation to the Offer. The Company has paid or agreed to pay an amount of approximately A\$280,000 (plus disbursements and GST) up to the date of this Prospectus in respect of these services. Further amounts may be paid to Maddocks in accordance with its normal time-based charges.

Mourant Ozannes has acted as the Jersey legal adviser to the Company in relation to the Offer. The Company has paid or agreed to pay an amount of approximately £120,000 (plus disbursements) up to the date of this Prospectus in respect of these services. Further amounts may be paid to Mourant Ozannes in accordance with its normal time-based charges.

Grant Thornton Limited has acted as the Jersey Tax Adviser to the Company in relation to the Offer. The Company has paid or agreed to pay an amount of approximately £6,000 (plus disbursements) up to the date of this Prospectus in respect of these services. Further amounts may be paid to Grant Thornton Limited in accordance with its normal time-based charges.

Except for the fee payable by the Selling Shareholders to the Lead Manager under the sell down (being 3.5% of the total amount raised under the sell down), the Company will pay these amounts and other expenses of the Offer out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of the expenses of the Offer is set out in Section 9.3.

11.13 OFFER EXPENSES

The Company has paid or will pay all of the costs associated with the Offer, other than the fee payable by the Selling Shareholders to the Lead Manager under the sell down. If the Offer proceeds, the total estimated cash expenses in connection with the Offer (including underwriting, management, advisory, legal, accounting, tax, listing and administrative fees as well as printing, advertising and other expenses) are estimated to be approximately A\$1,160,000.

A Summary of the Offer costs is set out below:

Offer Costs	A\$'000	£'000
Lead Manager fees	470	254
Legal fees	391	211
Independent accountant fees	110	59
Tax advisory fees	3	2
Audit fees	11	6
ASX Listing fee	128	69
Other costs	47	26
Total	1,160	627

11.14 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 New CDIs), SaleCo (as the offeror of the Sale CDIs), the Directors of the Company and SaleCo, 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 and SaleCo bear 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:

- Morgans Corporate Limited has consented to being named as Lead Manager and Underwriter to the Offer, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Morgans Corporate Limited;
- Grant Thornton Corporate Finance Pty Limited has consented to being named in the Corporate Directory of this Prospectus as the Company's Investigating Accountant, to the inclusion of its Investigating Accountant's Report in Section 7 in the form and context in which it appears and to the inclusion of its Australian tax summary in Section 11.11.2 in the form and context in which it appears, but it does not otherwise make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Grant Thornton Corporate Finance Pty Limited;
- Grant Thornton Limited (Jersey) has consented to being named in the Corporate Directory of this Prospectus as the Company's auditor, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Grant Thornton Limited (Jersey);
- Maurant Ozannes has consented to being named in the Corporate Directory of this Prospectus as the Jersey legal adviser and to the Company and to the inclusion of the Jersey tax summary it prepared in Section 11.11.1 in the form and context in which it appears, but it does not otherwise make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Maurant Ozannes;
- 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;

- Hutchinson IP has consented to being named in the Corporate Directory of this Prospectus as the Company's patent advisor and to the inclusion of the intellectual property report in Section 8 in the form and context in which it appears, but it does not make any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by Hutchinson IP; and
- Computershare Investor Services Pty Ltd has consented to being named in the Corporate Directory and elsewhere in this Prospectus as the Share Registry for the Company. Computershare has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registry to the Company. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

11.15 ASX AND ASIC WAIVERS AND CONFIRMATIONS

The Company has applied for 'in principle' advice that ASX would be likely to provide the confirmations and waivers described below on receipt of the Company's application for admission to the official list of the ASX:

- a waiver from ASX Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue Performance Rights with an exercise price of less than 20 cents; and
- a waiver from ASX Listing Rule 9.1 to the extent necessary to permit the Company to 'look through' to the date of issue of the initial securities for the purposes of determining the escrow period for shares issued to shareholders of 'Snap Ring Joint Limited' who exchanged their shares for the same number and class of shares in the Company.

ASIC has provided in-principle advice that it will grant the Company a modification of section 707 of the Corporations Act to the extent necessary to permit the CDIs that will be issued on conversion of the convertible notes at Listing and conversion of Performance Rights issued to employees and senior executives, to be able to be sold within 12 months of their issue without the requirement for a future disclosure document being prepared in connection with that sale.

11.16 LEGAL PROCEEDINGS

As set out in the Intellectual Property Report at Section 8, Hydratight Ltd has claimed that the Company has infringed a registered design by manufacturing or importing the BoltEx product into the United Kingdom. The Company rebuts these allegations and has responded to Hydratight denying the infringement.

To the knowledge of the Directors, at the Prospectus Date there is no other material current, pending or threatened litigation with which the Company is directly or indirectly involved, which the Company believes is likely to have a material impact on the business or the financial results of the Company.

11.17 INVESTOR CONSIDERATIONS

Before deciding to participate in this Offer, you should consider whether the CDIs are a suitable investment for you. There are general risks associated with any investment in the stock market. The value of CDIs listed on the ASX may rise or fall depending on a range of factors beyond the control of the Company.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser.

The potential tax effects relating to the Offer will vary between investors. Investors are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

11.18 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of Applications under the Offer are governed by the law applicable in New South Wales, Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

11.19 STATEMENT OF DIRECTORS

Other than as set out in this Prospectus, the Directors or SRJ and SaleCo report that after due enquiries by them there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

Each Director of the Company and each Director of SaleCo has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

12 GLOSSARY

12.1 INDUSTRY GLOSSARY

AIM	Asset Integrity Management.
AIM Consulting	Asset Integrity Management consulting services.
Brownfield	Existing oil and gas assets.
Capex	Capital expenditure.
Clamp	A mechanism to encapsulate the defect from a pipeline by locking on the sound parent pipe.
Coupling	A short length of pipe to connect existing pipes.
Downstream	Activities related to the refining of crude oil and natural gas products and distribution to end consumers.
EnerMech	EnerMech Limited.
EPRS	Emergency Pipeline Repair Systems.
Flange	A means of connecting pipes used in the oil and gas industry.
FPSO	Floating Production, Storage and Offloading facility.
Greenfield	New oil and gas assets in development.
John Crane	John Crane Group Inc, a subsidiary of Smith Group plc.
LNG	Liquified Natural Gas.
Midstream	Activities related to the transportation and storage of crude oil and natural gas.
Mitsui	Mitsui & Co.
MSRC	Multi-Shell Repair Clamp.
Opex	Operating expenditure.
PIM	Pipeline Integrity Management.
PHMSA	US Department of Transportation, Pipeline & Hazardous Materials Safety Administration.
Process pipework systems	Interconnected pipe network to convey liquids and gases.
SBM Offshore	SBM Offshore N.V.
Upstream	Activities related to the exploration of crude oil and natural gas.
Weld-free	A product that does not require welding.
Welding	The process of joining two plastic or metal parts by melting them, with or without using a further molten material.

12.2 DEFINED TERMS

AASB	Australian Accounting Standards Board.
AEST	Australian Eastern Standard Time.
AIFRS	Australian International Financial Reporting Standards.
AFSL	Australian Financial Services Licence.
AGM	Annual general meeting of a company's shareholders under Jersey Companies Law.
Allotment Date	The date on which the CDIs are allotted under the Offer.
Applicant	A person who submits a valid Application Form and required Application Monies pursuant to this Prospectus.
Application	An application for CDIs under this Prospectus.
Application Amount	Money submitted by Applicants under the Offer.
Application Form	The application form attached to or accompanying this Prospectus for investors to apply for CDIs under the Offer.
Application Monies	Money submitted by Applicants under the Offer.
Articles	The Company's Articles of Association approved by Shareholders at the EGM for adoption shortly prior to Listing.
ASAE	Standards on assurance engagements.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning ascribed to that term in the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691 or the market it operates, as the context requires.
ASX Corporate Governance Principles	The corporate governance principles and recommendations of the ASX Corporate Governance Council as at the date of this Prospectus.
ASX Listing Rules	The official Listing Rules of ASX as amended or waived and applicable to the Company from time to time.
ATO	The Australian Taxation Office.
AVI Partners	AVI Partners Limited.
Board or Board of Directors	The board of directors of the Company.
Broker	Any ASX participating organisation selected by the Lead Manager in consultation with the Company to act as a broker to the Offer.
Broker Firm Offer	Has the meaning ascribed to that term in Section 9.1.
CAGR	Compound Annual Growth Rate.
CDIs	CHESS Depositary Interests.
CDN	CHESS Depositary Nominees Pty Ltd ACN 071 346 506, an entity registered in Australia (Financial Services Licence Number 254514).
CGT	Capital Gains Tax.
Chairman's List Offer	The offer under this Prospectus to persons who receive a Chairman's List Invitation.
CHESS	The Clearing House Electronic Sub-Register System of share transfers operated by ASX Settlement.
Class Order Relief	Class order relief granted by ASIC under ASIC Class Order 41/000 (or any amendment or replacement of that class order)

Closing Date	The date that the Offer closes.
Company or SRJ	SRJ Technologies Group plc ARBN 642 229 856
Convertible Note	The convertible notes issued by the Company that were converted into CDIs.
Corporations Act	The Corporations Act 2001 (Cth).
Directors	The directors (including any alternate directors) of the Company as at the date of this Prospectus.
DvP	Delivery versus Payment.
Existing Holder	A registered holder of Shares prior to the date of this Prospectus.
EGM	The extraordinary general meeting of Shareholders of the Company that was held on 14 August 2020.
Equity Incentive Plans	The SRJ Employee Equity Incentive Plan and the SRJ Equity Incentive Plan, together.
Exposure Period	The seven day period after the date of lodgement of the Original Prospectus with ASIC (as extended by ASIC (if applicable)).
HIN	Holder Identification Number.
Historical Financial Information	Has the meaning ascribed to it in Section 6.
IAR	The Investigating Accountant's Report set out in Section 7.
IASB	International Accounting Standards Board.
IFRS	International Financial Reporting Standards.
Institutional Applicant	An Applicant to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus (or other formality, other than a formality which the Company is willing to comply with), including in Australia persons to whom offers or invitations can be made without the need for a lodged prospectus under section 708 of the Corporations Act (disregarding section 708AA), and excluding a retail client within the meaning of section 761G of the Corporations Act.
IP	Intellectual property.
IPO	Initial public offering.
Jersey Companies Law	The Companies (Jersey) Law 1991.
Lead Manager	Morgans Corporate Limited.
Listing	Admission of the Company to the official list of ASX.
New CDIs	CDIs offered by subscription by the Company over newly issued Shares under this Prospectus.
Offer	The offer of CDIs by the Company to raise A\$8,000,000 and the offer of CDIs by SaleCo to raise A\$1,458,126.
Offer Period	The period during which investors may subscribe for CDIs under the Offer.
Offer Price	The amount payable by Applicants for the issue of CDIs under the Offer being A\$0.50 per CDI.
Original Prospectus	The prospectus issued by the Company and SaleCo dated 7 August 2020, which was lodged with ASIC on that date and is replaced by this Prospectus.
Performance Rights	The rights to acquire shares issued under the Incentive Plans on the key terms set out in Section 5.9.

Prospectus	This replacement prospectus dated 21 August 2020, for the offer of CDIs by the Company to raise A\$8,000,000 and the offer of CDIs by SaleCo to raise A\$1,458,126 (including the electronic form of that Prospectus).
Prospectus Date	The date on which the Original Prospectus was lodged with ASIC, being 7 August 2020.
Retail Applicant	An Applicant who is not an Institutional Applicant.
Retail Investor	An investor who is not an Institutional Investor.
Sale CDIs	CDIs over existing Shares offered for sale by SaleCo under this Prospectus.
SaleCo	SRJ Technologies SaleCo Limited ACN 643 224 864, which is offering CDIs over existing Shares for sale under this Prospectus.
Section	A section in this Prospectus.
Security	Includes a CDI which is the subject of the Offer, Shares and any other right, or any other equity interest in the Company.
Securityholders	A person that is a holder of Shares and CDIs.
Selling Shareholders	Those Shareholders who will sell down Shares into the Offer as described in Section 11.5 of this Prospectus.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share or CDI.
Share Registry	In Australia - Computershare Investor Services Pty Limited and in Jersey, Computershare Investor Services (Jersey) Limited.
SRJ Australia	SRJ Tech Australia Pty Limited ACN 635 952 804.
SRJ Jersey	SRJ Limited, the Company's Jersey operating company.
SRJ UK	SRJ Technology Limited, the Company's UK operating company.
SRN	Securityholder Reference Number.
Substantial Shareholder	A person that together with their associates has a "relevant interest" in 5% or more of the total number of Shares in the Company, as defined in the Corporations Act.
Underwriter	Morgans Corporate Limited
US Person	Citizens and residents of the United States of America.
UK GAAP	United Kingdom Generally Accepted Accounting Practice.
VWAP	Volume average weighted price.

APPENDIX A: SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies used in the preparation of the Historical Financial Information set out in this Prospectus.

Basis of preparation of financial information

The Historical Financial Information has been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies (Jersey) Law 1991.

The preparation of financial information in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial information presents the results of the Company and its own subsidiaries (**Group**) as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial information incorporates the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Foreign currency translation

Functional and presentational currency

The Company and the Group's functional and presentational currency is GBP £.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income within administration expenses.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is estimated to be 13 years from the date on which the production and sale of the product commenced.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are charged to the Consolidated Statement of Comprehensive Income in the period in which the instrument is issued.

Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

Pensions

The Group operates a statutory defined contribution plan for its UK employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. For some employees the Group pays contributions directly into personal pension plans. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The patents and development costs first became available for use in 2017 when production and sale of the product commenced. They are being amortised annually on a straight line basis up to 20 October 2029 which is the maximum duration the main patent application can be extended to. The basis for this amortisation is 13 years (2017 - 2029).

The patents and development costs residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Impairment of assets

Financial assets are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment - 20%

Computer equipment - 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

Investment in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

The consolidated financial information incorporates the financial information of the Company and entities controlled by the Group (its subsidiaries). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate using accounting policies consistent with those of the Parent. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial instruments

The Group enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans to and from other third parties and to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other receivables and payables, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Convertible debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the Statement of Financial Position.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited directly to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing the financial information management is required to make estimates and assumptions that affect amounts presented therein. These estimates and assumptions are based on past experience or other factors and are believed to be reasonable in the circumstances.

CORPORATE DIRECTORY

Company

SRJ Technologies Group plc ARBN 642 229 856
La Quai House
Le Quai D'Auvergne, St Helier
Jersey JE2 3TN

Phone +44 1534 626 818
Email info@srj-technologies.com
Web www.srj-technologies.com

Directors

Robin Pinchbeck
Non-Executive Chairman

Alexander Wood
Chief Executive Officer and Executive Director

Grant Mooney
Non-Executive Director

Andrew Mitchell
Non-Executive Director

Jersey Registered Office

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

Australian Registered Office

C/- Ground Floor, 16 Ord Street
West Perth WA 6005

Proposed ASX Code

SRJ

Investigating Accountant

Grant Thornton Corporate Finance Pty Limited
Level 17, 383 Kent Street
Sydney NSW 2000

Lead Manager

Morgans Corporate Limited
Level 28, 367 Collins Street
Melbourne VIC 3000

Australian Legal Adviser

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

Jersey Legal Adviser

Mourant Ozannes
22 Grenville Street
St Helier JE4 8PX
Jersey, Channel Islands

Auditor and Jersey Tax Advisor

Grant Thornton Limited (Jersey)
Kensington Chambers, 46/50 Kensington Place
St. Helier, JE1 1ET
Jersey, Channel Islands

Registry

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

Company Secretary

Ben Donovan
Ventnor Capital Pty Ltd
16 Ord Street
West Perth WA 6005



Offer scheduled to close at 5:00PM (AEST) on 4 September 2020

Broker Firm Offer Application Form - Replacement Prospectus

This Application Form is important. If you are in doubt as to how to deal with it, please contact your professional advisers without delay.

You should read the SRJ Technologies Group plc Replacement Prospectus dated 20 August 2020 (which replaces the original prospectus dated 7 August 2020) and any further supplementary or replacement prospectus (if applicable) (the **Prospectus**), carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any further supplementary or replacement prospectus (whether in paper or electronic form).

The Prospectus contains information relevant to a decision to invest in CHESS Depository Interests over ordinary shares in SRJ Technologies Group plc (CDIs) and you should read the entire Prospectus carefully before applying for CDIs.

A I/we apply for

CDIs in SRJ Technologies Group plc at A\$0.50 per CDI or such lesser number of CDIs which may be allocated to me/us.

B I/we lodge full Application MoniesA\$ **C Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)**

Title or Company Name Given Name(s)

Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D Enter the postal address - include State and Postcode

Unit Street Number Street Name or PO Box/Other information

City/Suburb/Town

State

Postcode

E Enter your contact details

Contact Name

Telephone Number - Business Hours

() **F CHESS Participant**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your application will be deemed to be made without the CHESS HIN, and any CDIs issued as a result of the Offer will be held on the issuer sponsored subregister.

G Payment details - Please note that funds are unable to be directly debited from your bank account

Drawer

Cheque Number

BSB Number

Account Number

Amount of cheque

A\$

Make your cheque, bank draft or money order in accordance with the instructions from your broker.

By submitting this Application Form:

- I/we declare that this Application is complete and lodged according to the Prospectus, and any further supplementary or replacement prospectus and the declarations/statements on the reverse of this Application Form, and is not being lodged pursuant to the original prospectus dated 7 August 2020;
- I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate; and
- I/we agree to be bound by the Articles of Association and Memorandum of Association of SRJ Technologies Group plc.

See overleaf for completion guidelines →

How to complete this Application Form

A**Number of CDIs applied for**

Enter the number of CDIs you wish to apply for. The Application must be for a minimum of 4,000 CDIs (A\$2,000). Applications for greater than A\$2,000 must be in multiples of 1,000 CDIs (\$A500).

B**Application Monies**

Enter the amount of Application Monies. To calculate the amount, multiply the number of CDIs applied for in Step A by the Issue Price of A\$0.50.

C**Applicant Name(s)**

Enter the full name you wish to appear on the statement of securityholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the incorrect form of names may be rejected. Clearing House Electronic Subregister System (CHES) participants should complete their names identically to that presently registered in the CHES system.

D**Postal Address**

Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E**Contact Details**

Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

F**CHES**

SRJ Technologies Group plc will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold CDIs issued to you under this Application on the CHES Subregister, enter your CHES HIN. Otherwise, if you leave this section blank, you will be sponsored by SRJ Technologies Group plc and allocated a Securityholder Reference Number (SRN).

G**Payment**

Make your cheque, bank draft or money order in accordance with the instructions provided by your broker. Cheques must be drawn from an Australian bank. Cash will not be accepted.

The total payment amount must agree with the amount shown in Step B. Complete the cheque details in the boxes provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as dishonoured cheques may not be represented and may result in your Application being rejected. Paperclip (do not staple) your cheque to the Application Form. Receipts will not be forwarded.

Before completing the Application Form the Applicant(s) should read the Prospectus to which this Application relates. By lodging the Application Form, the Applicant agrees that this Application for CDIs in SRJ Technologies Group plc is upon and subject to the terms of the Prospectus and the Articles of Association and Memorandum of Association of SRJ Technologies Group plc, agrees to take any number of CDIs that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

Application Forms must be received by your broker by no later than 5:00PM (AEST) on 4 September 2020. You should allow sufficient time for this to occur. Return the Application Form with cheque, bank draft or use other payment method in accordance with the instructions provided by your broker.

SRJ Technologies Group plc does not accept any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (**CIS**), as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the issuer. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual: use given names in full, not initials	Mr John Alfred Smith	JA Smith
Company: use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings: use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts: use the trustee(s) personal name(s)	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates: use the executor(s) personal name(s)	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18): use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships: use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names: use office bearer(s) personal name(s)	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds: use the name of the trustee of the fund	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund



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