

3 June 2019

MOU signed with leading international blockchain software firm to create a digital twin of any physical object

- **SMX** signs cooperation agreement with leading enterprise blockchain software firm, R3, to collaborate on the creation of a joint blockchain solution
- **SMX** and R3 will explore how its IP can be leveraged and utilised to create a new blockchain application to enhance security and product tracking
- MoU represents a step towards commercialisation of **SMX's** blockchain technology as the partnership provides an immediate end-to-end solution for use by **SMX's** clients

Security Matters Limited (ASX: **SMX)** (Security Matters or the Company), a brand protection, supply chain integrity and blockchain technology company focussed on becoming the global record of physical goods, is delighted to announce it has signed a Memorandum of Understanding (MoU) with leading enterprise blockchain software firm, R3, to develop a new blockchain application on R3's platform, Corda.

R3 is an enterprise blockchain software company that works with more than 300 participants across multiple sectors to develop Corda, its open-source blockchain platform, and Corda Enterprise, a commercial version for enterprise usage.

Under the terms of the agreement, **SMX** and R3 will work together to leverage **SMX's** technology to develop a new blockchain solution on Corda that works in tandem with **SMX's** brand protection technology and enhances its capabilities.

The agreement provides **SMX** the capability to offer its existing clients a fully integrated end-to-end mark and trace solution for all physical goods. The signing of this agreement also represents a step forwards towards commercialisation for **SMX** as the first step in executing its commercialisation strategy of creating a fully integrated anti-counterfeiting and brand protection offering enhanced by blockchain technology.

Haggai Alon, Founder and CEO of SMX comments:

"Partnering with R3 supports our goal to provide a full brand protection and security offering on the blockchain, and enables us to deliver this in a matter of weeks."

David E. Rutter, CEO of R3 said:

"Today's supply chains are increasing complex. At the same time, customers, regulators and businesses are becoming more concerned with the provenance of goods across all sectors. In this environment, blockchain, and specifically Corda, provides vital tools to increase transparency and control in the fast-moving world of global commerce and I'm looking forward to seeing the work that emerges from this collaboration with **SMX**."

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About Security Matters Limited

Security Matters has commenced the commercialisation of its unique, patented technology that uses a hidden chemical-based 'barcode' to permanently and irrevocably 'mark' any object, be it solid, liquid or gas. The barcode is read using the company's unique 'reader' to access the corresponding stored data, recorded and protected using blockchain technology.

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About R3

R3 is an enterprise blockchain software firm working with a broad ecosystem of more than 300 participants across multiple industries from both the private and public sectors to develop on Corda, its open-source blockchain platform, and Corda Enterprise, a commercial version of Corda for enterprise usage.

R3's global team of over 200 professionals in 13 countries is supported by over 2,000 technology, financial, and legal experts drawn from its global member base.

Learn more at r3.com.