



**STRUCTURAL
MONITORING
SYSTEMS**
plc

ASX Release

12th December 2011

SHARE CONSOLIDATION

Dear Shareholder,

At the Annual General Meeting held on 30 November 2011, shareholders approved the resolution authorising a consolidation of the Company's Share Capital on a basis of 1 new share for every 10 shares held.

Details of your Shareholding on a pre-consolidation and post consolidation basis are set out in a personalised letter dispatched to all shareholders.

An Appendix 3B is attached detailing the new securities issued as per resolutions passed by shareholders at the Company's Annual General Meeting and also showing the new capital structure post consolidation.

If you have any queries regarding the consolidation, please contact Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or 61 3 9415 4000 (outside Australia).

Yours sincerely,

Sam Wright
Director & Company Secretary

United Kingdom

4 Elwick Road,
Ashford, Kent TN23 1PF,
United Kingdom
Tel: +44 (0) 1233 666795
Fax: + 44 (0) 1233 646840

Australia

15 Walters Drive
Unit 5
Osborne Park, WA 6017
Tel: +61 8 9204 4844
Fax: +61 8 9204 4866

United States

421 N Rodeo Drive
Suite B
Beverly Hills CA 90210
United States
Web: www.smsystems.com.au

ARBN 106 307 322

A public limited liability company incorporated under the laws of England and Wales.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Structural Monitoring Systems plc

ARBN

106 307 322

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Chess Depository Interests |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 478,581 CDI's
2,000,000 Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Chess Depository Interests (SMN)
Listed Options (SMNOB) |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>								
<p>5 Issue price or consideration</p>	<p>Issued as per resolutions passed by shareholders at the Company's AGM held on 30/11/2011</p>								
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued as per resolutions passed by shareholders at the Company's AGM held on 30/11/2011</p>								
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>12 December 2011</p>								
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1579 989 1624">Number</th> <th data-bbox="989 1579 1281 1624">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1624 989 1657">(1) 54,057,122</td> <td data-bbox="989 1624 1281 1657">(1) CDIs (SMN)</td> </tr> <tr> <td data-bbox="686 1657 989 1691">(2) 14,231,867</td> <td data-bbox="989 1657 1281 1691">(2) Options (SMNOA)</td> </tr> <tr> <td data-bbox="686 1691 989 1724">(3) 11,445,231</td> <td data-bbox="989 1691 1281 1724">(2) Options (SMNOB)</td> </tr> </tbody> </table>	Number	+Class	(1) 54,057,122	(1) CDIs (SMN)	(2) 14,231,867	(2) Options (SMNOA)	(3) 11,445,231	(2) Options (SMNOB)
Number	+Class								
(1) 54,057,122	(1) CDIs (SMN)								
(2) 14,231,867	(2) Options (SMNOA)								
(3) 11,445,231	(2) Options (SMNOB)								

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)		

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company has not declared a dividend.	
----	--	--	--

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?		
----	---------------------------------------	--	--

12	Is the issue renounceable or non-renounceable?		
----	--	--	--

13	Ratio in which the +securities will be offered		
----	--	--	--

14	+Class of +securities to which the offer relates		
----	--	--	--

15	+Record date to determine entitlements		
----	--	--	--

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?		
----	--	--	--

17	Policy for deciding entitlements in relation to fractions		
----	---	--	--

18	Names of countries in which the entity has +security holders who will not be sent new issue documents		
	<small>Note: Security holders must be told how their entitlements are to be dealt with.</small>		
	<small>Cross reference: rule 7.7.</small>		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
-
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?

+ See chapter 19 for defined terms.

- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

--

39 Class of +securities for which
 quotation is sought

--

40 Do the +securities rank equally in
 all respects from the date of
 allotment with an existing +class
 of quoted +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next
 dividend, (in the case of a
 trust, distribution) or interest
 payment
- the extent to which they do
 not rank equally, other than in
 relation to the next dividend,
 distribution or interest
 payment

--

41 Reason for request for quotation
 now

Example: In the case of restricted securities, end
 of restriction period

(if issued upon conversion of
 another security, clearly identify
 that other security)

--

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 12 December 2011
(Director & Company Secretary)

Print name: Sam Wright

== == == == ==

+ See chapter 19 for defined terms.