

The Manager
Company Announcements Office
ASX Limited

CHAIRMAN'S ADDRESS – 2020 AGM

Melbourne, Australia, 18 November 2020: On behalf of the Micro-X Board, I'm pleased to welcome all shareholders to our *2020 Annual General Meeting*, our first ever virtual AGM in what has been a truly remarkable year for all of us on many levels.

As we announced to the ASX a short time ago, this will be my last address to you as Chairman of Micro-X having led the Board as Chairman since before our listing on the ASX back in 2015. After a year of significant growth for our company, I feel we are now at an inflection point and it is the right time to transition the role of Chairman to the next leader as part of an ongoing strategy of Board regeneration to prepare Micro-X for its next phase.

I am therefore very pleased that, with my stepping back to serve the Company as a non-executive director, the Board has unanimously agreed that David Knox should succeed me as Chairman. This transition will be effected in the first quarter of CY2021, nearly 12 months after David first joined our Board. David is a highly accomplished business leader and director and he is well placed to take over the reins. His international experience with multi-national companies and with running a major ASX company has already added an extra dimension to our Board. I am sure you will all join with me in wishing David well in this role as I continue to work with him and the rest of the Board to effect a smooth handover.

It has been a great privilege to see Micro-X grow from its earliest beginnings as a technology developer into what is now a truly commercial business. It seems inevitable with technology ventures that the challenges prove greater, and more time and capital is required, than anyone expects at the outset when the strategic plan is developed. The upside is that in meeting these challenges we sometimes provide a daunting hurdle for those seeking to come behind us.

As I look back, it has been a highly rewarding journey seeing our initial bold ideas and plans now turned into valuable products used by customers all over the world. In fact, our boldest move, to bring our CNT emitter and X-ray tube manufacturing in-house at Tonsley using our own patented technology, has been the springboard for all our future products and potential wealth creation.

Over this last 5 years, Micro-X has launched and commercialised products in both medical and military markets, built a strong balance sheet and established an international reputation as a global disrupter in X-ray imaging. Despite the challenges brought about by COVID-19, we are proud that Micro-X has been able to assist the global medical community in the fight against the pandemic with our *Carestream DRX Revolution Nano*. This highly innovative, miniature mobile X-

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ray device has been sold across 14 countries globally and has won praise from the international radiology community for its agility and ease of use. We can all be proud of the inception and significant progress of Micro-X's cutting-edge innovations including the Mobile Backscatter Imager, Brain Tomo (stroke imager) and our concept for a self-service X-Ray Airport Checkpoint Portal which was recently selected for funding by the USA's Department of Homeland Security. These developments have the potential to be huge and highly valuable market disruptors in security and medical applications.

I would like to thank my fellow Directors for entrusting me with the Chairmanship this last 5 years. I believe the progress we have made places Micro-X in good stead as we power into our next phase, working to creating substantial value for all shareholders, of which I remain a very passionate one.

I will now run through several highlights specific to the past year before we conduct the formal business of the meeting and I then hand over to our Managing Director, Peter Rowland, who will give a presentation on our progress with planned future developments.

Our most important achievement since our last AGM was developing the ability to rapidly respond and expand our production of the Nano to support the global medical community in dealing with the COVID-19 pandemic. We were proactive in adjusting our strategy to meet the increase in demand for mobile X-rays by investing in our manufacturing abilities, holding more inventory, and positioning ourselves to react to shortened delivery times. We are now far better placed to react to further Nano sales opportunities, particularly as the second wave of COVID makes it way through the US and Europe.

The importance of our strategic decision to vertically integrate more of our business and maximise local procurement also brought benefits this year with the disruption in global supply chains and air freight brought about by the pandemic. After the successful completion in mid 2019 of a three-year plan to insource X-ray tube manufacture, we are now well progressed with the engineering work for our very own high voltage generator. Once fitted to both Nano and Rover products in early 2021, this will bring the total Australian manufactured content to over 95% and further improve our margins.

In the immediate term, however, Micro-X's focus remains on maintaining commercial momentum with the Rover to secure regulatory approval across all global markets as well as executing a contract with Saab Australia for the Australian Department of Defence's JP2060 program and building on the globally installed base of Nano units.

In order to deliver on these goals, Micro-X has strengthened its balance sheet and we are appreciative of the support of investors, both longstanding and new, who have provided the Company with over \$30 million in deployable funds over this last 12 months. This has set the stage for Micro-X to be well capitalised for the journey ahead.

I believe solid foundations have been set for an exciting future of growth with a leadership team of exceptional talent and energy in place. Management and the Board will continue to make the necessary moves in commercialisation and innovation to advance the Company's global position. I know that I leave the Chairmanship with Micro-X in an excellent position with a highly capable team who are building long term value as the Company establishes itself as a global leader in innovative X-ray technology.

We will now turn to the formal proceedings of the Annual General Meeting.

– ENDS –

About Micro-X

Micro-X Limited (the **Company** or **Micro-X**) is an ASX listed hi-tech company developing and commercialising a range of innovative products for global health and security markets, based on proprietary cold cathode, carbon nanotube (CNT) emitter technology. The electronic control of emitters with this technology enables X-ray products with significant reduction in size, weight and power requirements, enabling greater mobility and ease of use in existing X-ray markets and a range of new and unique security and defence applications. Micro-X has two mobile digital medical X-ray systems being sold commercially for diagnostic healthcare applications and Micro-X medical products are now in operation in 14 countries around the world.

Micro-X has a portfolio of innovative products in development, including the MBI for imaging Improvised Explosive Devices in security, defence and counter-terrorism applications; a next-generation self-service X-Ray Airport Checkpoint Portal with an integrated body scanner; and a lightweight brain CT imager for early stroke diagnosis in ambulances. Micro-X has its core R&D, engineering and production capability in Adelaide, Australia with a fully in-sourced CNT tube manufacturing line and approximately 95% Australian locally manufactured content.

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