MINIATURE CT BAGGAGE SCANNER – MEETS DHS PROTOTYPE DESIGN MILESTONE

Key design milestone for the Micro-X miniature baggage scanner prototype achieved – Unlocks next US$1.2m phase of work

Adelaide, Australia, 18 March 2022: Australian hi-tech company Micro-X Ltd (ASX:MX1) (**Micro-X** or the **Company**), a leader in cold cathode x-ray technology for health and security markets globally, is pleased to announce that the Company's US subsidiary, Micro-X, Inc. has met the key prototype design milestone as part of its development contract funded by US Department of Homeland Security (**DHS**) Science and Technology Directorate.

Key Points

- **Micro-X's design of a prototype Miniature CT Baggage Scanner has been submitted and accepted for approval by the US Department of Homeland Security**
- **This important Milestone achieved on time and on budget – unlocks US$1.4m (AUD $1.9m) of milestones under the remaining eight months of the existing DHS contract.**
- **Fabrication work for a full CT prototype will now commence - to be delivered by Micro-X Inc. to the DHS by the end of 2022**
- **Another step closer to the deployment of Micro-X's miniaturised baggage scanners at airport security checkpoints globally, a market estimated at US$24 Billion**

Micro-X has been advised that its formal Prototype Design Review with the US Department of Homeland Security (**DHS),** Science and Technology Directorate as part of its miniaturised Computed Tomography (CT) baggage scanner development work, had been accepted by the DHS and this milestone had thus been successfully completed. The formal Design Review was held on February 17, 2022 and included a demonstration of the concept to show the flexible baggage scanning approach. Included in the design review were representatives of US Transportation Security Administration (**TSA**), an agency within DHS, who provided insight and contributed to the review of the design with a focus on implementation and integration of the scanner into the Airport Checkpoint.

The prototype design presents a unique CT approach, leveraging the same x-ray tube which Micro-X is using to power the 'Argus' counter-IED x-ray camera which is due to be launched globally in the latter half of this year. The Miniature CT Baggage Scanner will deliver a uniquely small baggage scanning system that can be incorporated in an airport automated checkpoint, passenger self-service concept or application in other checkpoint situations.

Completing this prototype design review milestone marks the end of the first system design phase which is an important achievement for the Company. Micro-X can now begin fabrication work on a full, functional CT prototype to be delivered to the DHS for testing in Q4 CY2022.

The successful design review milestone has enabled Micro-X to invoice for this work as part of its DHS Contract. The end of the design phase opens the pathway to US$1.2 million in contract payments to be invoiced by Micro-X Inc. over the next eight months as full-scale development work for an operational prototype begins.

Dr Brian Gonzales, Micro-X Inc. CEO & General Manager of the Checkpoints Business Unit, commented:

"Successfully meeting the prototype design review milestone represents an exciting achievement for Micro-X as we can now transition into the next phase of fabricating a full CT prototype for testing later this year. We are one step closer to the day where we can deploy our miniaturised baggage scanners in airports around the world which will play a critical role in improving passengers' airport security checkpoint experiences."

This ASX Announcement is authorised by the Board of Micro-X.

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About Micro-X

Micro-X Limited (the **Company**) 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 a fully vertically integrated design and production facility in Adelaide, Australia. A growing technical and commercial team based in Seattle is rapidly expanding Micro-X's US business.

Micro-X's product portfolio is built in four, high margin, product lines in health and security. The first commercial mobile digital radiology products are currently sold for diagnostic imaging in global healthcare, military and veterinary applications. An X-ray Camera for security imaging of Improvised Explosive Devices is in advanced development. The US Department of Homeland Security has selected Micro-X to design a next-generation Airport Checkpoint Portal with self-service x-ray. A miniature brain CT imager for pre-hospital stroke diagnosis in ambulances, is being developed with funding from the Australian Government's Medical Research Future Fund.

For more information visit: **www.micro-x.com**

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