

The Manager
Company Announcements Office
ASX Limited

CHAIR'S ADDRESS – 2022 AGM

Adelaide, Australia, 14th November 2022: On behalf of the Micro-X Board, I'm pleased to welcome all shareholders to our 2022 Annual General Meeting, which is being held for the first time in a hybrid capacity at Tonsley in Adelaide and virtually.

My second year as Chair of the Micro-X board has seen significant growth across our four business units, marked by a phenomenal commitment by our team to overcome challenges in developing our world-leading technology. Our business has further matured over the past 12 months, with advances in our product portfolio through new tube designs and our in-house high-voltage technology creating new commercial opportunities while also reducing the costs of our existing products.

Of our achievements this year, one of the most strategically important was the \$15 million collaboration signed with global x-ray technology manufacturer Varex Imaging. From a strategic viewpoint, the deal shows the value of our technology, ensures our technology is adopted and recognised across industries and above all else provides us with a significantly stronger balance sheet to drive our business into the future. From a commercial perspective, the agreement provides mutual benefits in technology collaboration, access to markets and potential cross selling opportunities.

In the past year, we have made good progress in our next product to be launched, the Argus x-ray camera, which is in its final stages of technical development and testing, while our submission to the Australian Department of Defence is being evaluated. Customer interest in Argus continues to build, with engagement with police and military sectors in our pre-launch activities. While we have faced delays in bringing the Argus to market because of technical challenges in the entirely new design of the x-ray tube and miniaturisation of a high-powered generator, our talented staff are working tirelessly to overcome these, and I look forward to bringing you further news about the first customer demonstrations of Argus early in 2023.

The Department of Homeland Security continues to support the development of our CT Baggage Scanner and Self-Screening Checkpoint. Our strategic decision to establish a presence in Seattle, led by our general manager of airport security Brian Gonzales, has enabled strong connections with our US customers and technology partners. Our technology is the sole enabler of this next generation of passenger screening, which combines our baggage screener with technology

partners to bring an innovative and much desired solution to poor passenger experiences at security checkpoints currently being faced in airports across the world.

Likewise, our CT Brain Scanner is poised to revolutionise pre-hospital stroke care, particularly in remote regions where access to essential health infrastructure is not immediate. Internationally, our technology is capturing the interest of air ambulance and emergency services, highlighting the importance of point of care diagnosis and treatment for strokes. We continue to work with our partners, including the Australian Stroke Alliance, with clinical trials due to commence in 2024.

With the continued disruption brought by the COVID pandemic and current global financial instability, healthcare companies across the world are facing tougher times and many have made difficult financial decisions, including the reduction of staff numbers and recapitalisation. Micro-X has not been immune to these challenges and we remain focussed on ensuring we are in a strong position going forward. This year we cut 20 per cent from our cost base on a like for like basis and we will continue tight cost management into the future, ensuring we direct our resources for the best outcome for shareholders.

Adoption of our Mobile DR has been slower than we expected. Our experience has been that our product is received with glowing praise, however as is often the case with new technology, full adoption takes time. A key part of our commercial strategy this year has also been to secure larger, better networked distribution partners and we believe that the appointment of the two largest independent distributors of radiology equipment in the US - Medlink and MXR - finally gives us a truly nationwide footprint. We look forward to completing the FDA registration process for our Rover with the Vieworks detector and software, which will trigger the Medlink \$1 million of minimum annual Rover sales. Last week, we received a very strong commendation for our technology from Ukraine. I quote: "this will save thousands of lives of Ukrainian citizens". They have further told us one machine at the front in Kherson is taking up to 400 images a day, with almost 7000 images taken since May. To place this usage into context, in designing the Rover, we predicted daily use would not exceed 60 exams a day.

I would like to acknowledge the significant challenges our staff have faced over the past year and thank them for their ongoing dedication to the Company and to deliver on our promises to you, the shareholders. We remain committed to our goal to establish our technology world-wide and build a global Company. This year we have continued to strengthen our commercial and sales capability building a network of independent distributors in the US, Europe, and Middle East.

Board renewal continues, with Ilona Meyer joining us as non-executive director this year, bringing her wealth of experience in governance, healthcare and emerging technologies. We look forward to welcoming Andrew Hartmann, a highly experienced global sales and marketing executive onto the board, in the near term, which will be conditional on approval of Varex's investment from Australia's Foreign Investment Review Board.

Our technology is only made possible by you, the shareholders, and I appreciate your ongoing support both for the Company and our vision to realise the commercial potential of our technology across the health and security sectors.

I acknowledge that, like many technology companies this year, our share price is disappointing, our focus is to deliver outcomes which will demonstrate the long-term value of the Company for investors.

In closing, due to the deal with Varex, our balance sheet has been strengthened and extends our runway into 2024. I expect the pace of commercialisation will increase over the coming year and we are very focused on our first Argus sales being a big part of those activities and moving to complete our first prototypes of the miniature baggage scanner.

I will now hand over to our CEO and Managing Director Peter Rowland for a presentation on our business plan and outlook. Thank you.

This announcement is approved by Chair of the Micro-X Board David Knox.

– ENDS –

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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