

The Manager
Company Announcements Office
ASX Limited

CHAIR'S ADDRESS – 2023 AGM DAVID KNOX

Adelaide, Australia, 30th November 2023: On behalf of the Micro-X Board, I'm pleased to welcome all shareholders to our 2023 Annual General Meeting, held in a hybrid capacity at our offices in Tonsley, Adelaide and via an online webinar.

Before we turn to the resolutions to be dealt with in the formal business of today's meeting, there will be a few remarks from me, followed by a presentation from our Chief Executive Officer, Kingsley Hall.

We will then have an opportunity for questions and, for those shareholders who have provided questions in advance of today's meeting, answers have been included in my address or will be referred to when the relevant resolution is introduced. I would add that both my Chair's Address and Kingsley's CEO Presentation are now available on the ASX announcements platform.

INTRODUCTORY REMARKS

Over the past year, our company has continued to meet and overcome challenges as we push forward with our development and commercial objectives to build shareholder value. As a company our purpose remains to create revolutionary x-ray imaging to better lives, and we are driven by a commitment to deliver lifesaving and life changing technology to people across the world.

This year saw the departure of Peter Rowland, first as the Managing Director, and today he completes his tenure as a Non-Executive Director. Peter was instrumental in driving the value of our carbon nanotube technology and, in handing over to Kingsley Hall, he is underpinning the future commercial growth of the business. I would like to personally thank Peter for his commitment to the Company and for his tireless work in building the Company from a fledgling idea to where it stands today.

Since taking the reins in May this year, our new CEO Kingsley, has led a detailed operational review on all aspects of the business to identify our strengths and areas where we need to improve. This was presented as the strategy refresh provided to all shareholders in August and, as Kingsley will touch in in his address shortly, we are already seeing some early progress on a number of fronts.

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For shareholders, our key message is that we are accelerating our transition from being an outstanding developer of technology to an organisation that can monetise this technology to generate revenues and shareholder returns.

To do this, we have streamlined the business, removing costs and complexities that can slow progress for a small and nimble commercial enterprise such as Micro-X. This was no more evident than when the Australian Government approached us to buy a large number of Micro-X Rovers under very short delivery timeframes as part of their latest \$20 million humanitarian package for Ukraine - announced by Prime Minister Albanese in Washington D.C. last month.

Under a reshaped senior leadership team with Kingsley, Anthony Skeats as Chief Operating Officer, and Dr Brian Gonzales as CEO Americas and Chief Scientific Officer, we have also focused our development priorities and pushed to deepen funding partnerships which can reduce our cash outflows and our time to market. On that front, you will shortly hear recent customer feedback on our Argus X-ray Camera, which is now in the US being demonstrated. Our first baggage scanner prototype has just arrived in Seattle, ahead of its delivery to the Department of Homeland Security.

2023 YEAR IN REVIEW

As we look back over Financial Year 2023, we are immensely proud that our medical x-ray systems are in use across Ukraine, providing valuable diagnostic support to frontline surgical teams working to save the lives of those injured in war. Rovers are assisting team doctors to make fast and informed decisions about injuries in professional sport, they are also being deployed to patient bedsides in hospitals across more than 35 countries. More recently, we achieved our CE Mark Certification which will now open the European market for our sales team and distributors.

Our engagement with distributors has also grown and become better focused on their needs and requirements, particularly in the United States with MXR Imaging and Medlink. As we have said, we will work to drive sales through cost effective channels such as distributors, whilst using our sales to reduce our excess inventory. In effect, we are reducing our inventory levels and turning the excess inventory into cash.

We recognise that our Argus development program while now largely complete, has taken longer than we had initially indicated and hoped. I can say that our engineers have worked tirelessly this year to identify and overcome challenges, that has resulted in a final pre-commercial system of which we are proud. Our rigorous Argus testing including explosives hidden in car doors and land mines buried underground has passed with flying colours, with images received over one and a half kilometres away. Now, as we move towards first sales of the Argus, our commercial team that includes defence veterans is driven by a commitment to deliver a tool that makes the work of bomb disposal professionals easier and far safer. With no similar product on the market, we are also confident of driving strong returns from our Argus sales.

Likewise, our staff working on the development of our Airport Checkpoint and Brain CT are driven by a desire to improve passenger experience and save lives across the security and health domains. Each product offers significant global opportunities, both from a commercial and altruistic perspective. In each program, we have a large and recognised

industry party funding our work. In airport security, this work is now pushing forward to deliver a Checkpoint where travelling passengers can pass through airport security quickly and safely with minimal interaction with security officials, much like in a self-service supermarket. This incredibly important work will continue in partnership with the US Department of Homeland Security and TSA, where our latest contract provides us up to A\$21 million of funding, as well as invaluable support and access for real life airport testing in the coming years.

Our other partnership with global x-ray technology component company Varex Imaging, agreed this year, is part of the execution of our plan to bring our proprietary technology to the world. The deal to licence multi-beam carbon nanotube technology brings more non-dilutive funding to Micro-X and the opportunity to grow global recognition of our innovative technology. The partnership has also brought to our board the expertise of Andrew Hartmann, a highly experienced sales and marketing executive from Varex Imaging.

BOARD RENEWAL

This AGM, I am re-nominating to serve on the Board, along with Patrick O'Brien and Andrew Hartmann. Patrick is renominating for a further two years, taking him up to our 10-year tenure limit when he will retire in 2025. The Board supports all of these re-elections.

With the retirement of Peter at this AGM, the planned retirement of Alexander Gosling at next years' AGM and Patrick's retirement in 2025, the number of Non-Executive Directors will reduce from seven down to four. This ensures we retain a high-quality board with experienced directors, while offering the opportunity to bring in new directors with different skills for our journey ahead. As part of that process, we will consider the markets we are entering and the need for greater diversity.

We also believe that as a small and growing technology company, it is critical for us to attract the best talent, in a highly competitive global market for human capital. A key element of our remuneration philosophy is to put in place equity incentives for our leadership, staff and directors, which rewards them for achieving agreed performance hurdles that will deliver success, for both our company and shareholders. In today's meeting, we will be seeking approval to renew our Employee Incentive Plan, and approval for myself and a number of my fellow directors to be issued shares for our work as directors, in lieu of cash payment.

Also on renewal, this year, we also conducted a review of the role of our independent auditor, having worked with Grant Thornton for a number of years since we listed on the ASX. We thank Grant Thornton for their service and also welcome BDO Audit as the incoming auditors, subject to the approval of this Annual General Meeting. We feel BDO has the skills and international breadth we need for our plans moving forward, and we apologise for any confusion related to the oversight in not including Resolution 12 to appoint BDO as auditors, in the original notice for this meeting.

CLOSING

Over the coming year, the Micro-X team will continue to push forward with the development of ground-breaking x-ray technology to meet global challenges. I thank the team for their dedication to working diligently through any challenges they face in developing and commercialising our world-leading technology.

2024 will mark significant milestones as we move towards first sales of Argus, clinical trials of our Brain CT, and testing of the first baggage scanner prototypes. Our recent achievement of CE Marking now means our Rover x-ray system can be sold in all major global markets and I look forward to the expansion of our footprint over the coming year.

I thank you for your ongoing support for the Company and our push to realise the commercial potential of our technology across the health and security sectors. While I strongly believe our share price currently does not reflect the true value of our company, we remain focused on delivering on our stated milestones – building our partnerships and growing our revenues. We will continue to actively communicate with shareholders on our progress and will strive to attract new shareholders and investors for our future.

I would like to take this opportunity to thank the staff at Micro-X for working with great skill and diligence to deliver the Argus pre-production units and the baggage scanner prototype to the TSA for testing. I would also like to reiterate my acknowledgement of the role Peter has played in the creation and growth of Micro-X. The future of the Company will be built on the shoulders of his vision.

I will now hand over to Kingsley Hall for his first AGM presentation as CEO on our recent progress and outlook.

- ENDS -

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

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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