Mach7 Successfully Completes $9 Million Capital Raise

- Mach7 capital raise fully subscribed, raising $9 million via placement
- $7 million of new funding has been raised
- $2 million of existing private debt will convert to equity on the same terms
- Placement was well supported by new and existing investors, including $600k from the Board of Directors and senior management
- Mach7 is well funded to significantly accelerate growth and drive towards profitability

Melbourne, Australia; 16 November 2016: Mach7 Technologies Limited (**Mach7** or the **Company**) (ASX:**M7T**), a leader in the global enterprise imaging market, today announced that it has successfully raised $9 million via an equity placement to sophisticated and institutional investors. The placement was well supported by both existing and new institutional investors and includes $600k cash participation from directors and senior management of the Company. Melbourne-based JM Financial Group Ltd acted as lead manager for the placement.

Under the placement, Mach7 will issue a total of 225 million ordinary shares at an issue price of 4 cents per share, raising $9 million of financing for the Company before estimated issue expenses of $480k.

Of the total shares placed, 173 million shares will be issued to sophisticated and institutional investors and will generate new funding of $6.9 million (before costs) for the Company. These new funds will be used for investment into sales and marketing resources, customer support services, new product development, and working capital requirements.

In addition, Mach7 will place a total of 52 million shares, at an issue price of 4 cents per share, with three existing private lenders to Mach7 to retire debt of approximately $2.1 million.

Settlement of the placement will occur in three tranches, with 132.6 million shares ($5.3 million) being settled this week. The second tranche of 63.6 million shares ($2.5 million) is subject to shareholder approval of the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A at the Company's upcoming annual general meeting to be held on 7 December 2016. The third and final tranche of 28.8 million shares ($1.2 million) will be issued to directors of the Company or their associated entities. This will generate $500k in new funding for the Company as well as retiring approximately $650k of existing debt. The issue of shares to Directors of the Company requires separate shareholder approval at a general meeting of shareholders which

is to be convened and held in December 2016. A Notice of Meeting will be despatched to shareholders shortly.

Mach7 managing director & global CEO, Albert Liong, commented: "This placement is a strong endorsement by investors in the huge potential and prospects of Mach7. It is an exciting time for the Company. We are experiencing a marked increase in sales activity, evidenced by our recent contract wins. We are building on this momentum, and with our superior technology and robust solution suite, we will swiftly extend our reach across the global enterprise imaging market. With this new funding, the Company can significantly accelerate growth and drive towards profitability in the very near future. In addition, the conversion of a vast majority of the Company's debt strengthens our financial position and adds support to our customer contract negotiations. I welcome our new institutional shareholders and thank all shareholders for their ongoing support."

Further supporting sales growth, Mach7 will be exhibiting at Radiological Society of North America's (RSNA) annual meeting later this month. RSNA hosts the world's premier medical imaging forum, drawing approximately 55,000 attendees annually to McCormick Place in Chicago. Mach7 will be highlighting the unique and profound benefits of Mach7 enterprise imaging solutions by engaging customer experts to validate success stories and use cases. Recent Mach7 customer contract wins include MaineHealth, Virginia Commonwealth University Health System, and Goshen Health in the US. In the UK, Mach7 has been approved by the National Health Service Framework Agreement to sell its imaging solutions across the entire NHS. Mach7 has also recently partnered with Microsoft Azure for its cloud-based solution offering. Locally, Mach7 continues to drive sales in conjunction with its partner, Telstra Health.

About Mach7 Technologies:

Mach7 Technologies (ASX:M7T) develops innovative enterprise imaging IT solutions that create a clear and complete view of the patient to inform diagnosis, reduce care delivery delays and costs, and improve patient outcomes. Mach7's award-winning enterprise imaging platform provides a vendor neutral foundation for unstructured data consolidation and communication to power interoperability and enables healthcare enterprises to build their best-of-breed clinical ecosystems. Mach7's sophisticated workflow tools, advanced clinical viewing and optimized vendor neutral archiving solutions unlock silos of legacy systems empowering healthcare providers to own, access and share patient data without boundaries. Visit www.mach7t.com

Mach7's wholly-owned subsidiary, 3D Medical Pty Ltd, provides medical specific 3D printing and is an exclusive distributor of various synergistic technologies including holographic projection. 3D Medical's innovative products leverage data already captured by conventional imaging modalities and apply it in more meaningful ways to deliver improved economic and patient outcomes. Visit www.3dmedical.com.au

For more information, contact:

Albert Liong
Managing Director, Global CEO
+1 650 743 0167
albert.liong@mach7t.com

Jenni Pilcher
CEO Australia, Global CFO
+61 3 9646 2222
jenni.pilcher@mach7t.com