

# Micro-X Limited

ACN 153 273 735

## Entitlement Offer

Details of a fully underwritten 1 for 10 pro rata non-renounceable entitlement offer of new ordinary shares in Micro-X Limited (**New Shares**) at an offer price of \$0.40 per New Share (**Entitlement Offer**).

This offer closes at 5.00pm (AEST) on 2 May 2017.

This is an important document which is accompanied by an Entitlement and Acceptance Form. Both documents should be read in their entirety.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed decision regarding the New Shares offered under this document.

If you have any questions please contact your professional adviser or the Micro-X Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) from 8.30am to 5.30pm (AEST) during the offer period.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS**

## Important Notice

This booklet (**Offer Booklet**), including the Chairman's letter and the Entitlement and Acceptance Form, do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any "US Persons" (as defined in Regulation S under the US Securities Act of 1933, as amended (**the Securities Act**)) (**U.S. Persons**). None of this Offer Booklet, the Chairman's letter, nor the Entitlement and Acceptance Form may be distributed to or released in the United States. The New Shares (and Additional New Shares as defined below) offered in the Entitlement Offer have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares (and Additional New Shares) may not be offered, or sold, or resold, in the United States or to, or for the account or benefit of, any U.S. Persons, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any applicable securities laws of any state or other jurisdiction of the United States. The New Shares (and Additional New Shares) may not be deposited in any existing unrestricted American Depositary Receipt Facility or such future program with respect to the securities of Micro-X that has been or may be established until 40 days following the completion of the Entitlement Offer.

Forward looking statements, opinion and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on the interpretations of current market conditions. Forward looking statement including projections, guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

## Summary of the Entitlement Offer

<b>Issue Price</b>	\$0.40 per New Share
<b>Your entitlement</b>	1 New Share for every 10 existing shares ( <b>Existing Shares</b> ) held on the Record Date (as defined below)
<b>Top-Up Facility</b>	Eligible Shareholders (as defined below) taking up their entitlements in full will have the opportunity to apply for and be allocated Additional New Shares in accordance with the "Allocation Policy" outlined in section 1 below

## Key Dates\*

Record Date	7.00pm (AEST), 13 April 2017
Entitlement Offer opens	20 April 2017
Last day to extend the Entitlement Offer closing date	27 April 2017
Entitlement Offer closes	5.00pm (AEST), 2 May 2017
Micro-X notifies ASX of under subscriptions	5 May 2017
Issue of New Shares under the Entitlement Offer	9 May 2017
Normal trading of New Shares issued under the Entitlement Offer expected to commence on ASX	10 May 2017
Dispatch of holding statements	10 May 2017

\*Dates and times are indicative only and subject to change. All times refer to Australian Eastern Standard Time (AEST).

Micro-X, in consultation with Wilsons Corporate Finance Ltd, reserves the right to extend these dates without prior notice subject to the Corporations Act, ASX Listing Rules and other applicable laws.

## Enquiries

For any enquiries please call Computershare Investor Services Pty Limited, Micro-X's Share Registry, on 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia) or contact your stockbroker, accountant or other professional adviser.

12 April 2017

Dear Shareholder

On behalf of Micro-X Limited (**Micro-X**), I am pleased to invite you to participate in the recently announced 1 for 10 non-renounceable entitlement offer of new Micro-X ordinary shares (**New Shares**) at an issue price of \$0.40 per New Share (**Entitlement Offer**).

On 10 April 2017, Micro-X announced its intention to raise approximately \$4.8 million under the Entitlement Offer and a successfully completed placement to institutional and sophisticated/professional investors raising \$5.2 million (**Institutional Placement**) (the Institutional Placement and the Entitlement Offer collectively, **Capital Raising**). This booklet (**Offer Booklet**) relates to the Entitlement Offer. The Entitlement Offer will be fully underwritten by Wilsons Corporate Finance Ltd (for an amount of \$2.8 million) and Como Capital Pty Ltd (for an amount of \$1,976,389). Como Capital is acting for its own account and also on behalf of an existing major shareholder of Micro-X, Harman Nominees Pty Ltd.

The proceeds of the Capital Raising will be used primarily to support the commercialisation of the DRX Revolution Nano, for general working capital purposes including working capital requirements for first orders, to advance and complete the development of the Rover and advance the development of the Mobile Backscatter Imager, and to cover costs associated with the Capital Raising.

Under the Entitlement Offer, eligible shareholders have the opportunity to invest at the price of \$0.40 per New Share, which is the same price as the institutional and sophisticated/professional investors who participated in the Institutional Placement, as set out in the personalised Entitlement and Acceptance Form (**Entitlement**) enclosed with this Offer Booklet.

If you take up your Entitlement in full, you can also apply for additional shares under a 'top-up' facility (refer to section 1 of this Offer Booklet for more information).

The issue price of \$0.40 per New Share represents a 16.7% discount to the last traded price of Micro-X shares before the Entitlement Offer was announced (being \$0.48 on 5 April 2017).

The majority of the Directors who currently hold shares in the Company have advised that they intend to take up their New Shares under the Entitlement Offer respectively. In compliance with the ASX Listing Rules, participating Directors will not be applying for any additional shares under the 'top-up' facility.

The Entitlement Offer is non-renounceable and will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements they do not take up. I encourage you to consider this offer carefully.

#### **Other Information**

This Offer Booklet contains important information, including:

- instructions on how to apply, detailing how to participate in the Entitlement Offer if you choose to do so, and a timetable of key dates; and
- instructions on how to take up all or part of your Entitlement.

A personalised Entitlement and Acceptance Form accompanies this Offer Booklet. This form details your Entitlement. If you want to participate in the Entitlement Offer this form must be completed in accordance with the instructions contained in the form.

**The Entitlement Offer closes at 5.00pm AEST on 2 May 2017.**

Please read carefully the details on how to submit your application, which are set out in this Offer Booklet.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

On behalf of the Board of Micro-X, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. O'Brien', with a long horizontal flourish extending to the right.

**Patrick O'Brien**  
**Chairman**

## 1. THE ENTITLEMENT OFFER

Eligible Shareholders (as defined in Important Information (see Section 3 below)) are being offered the opportunity to apply for 1 New Share for every 10 ordinary shares in Micro-X held at 7.00pm (AEST) on 13 April 2017, at the issue price of \$0.40 per New Share.

Eligible Shareholders may also apply for New Shares in excess of their Entitlement (**Additional New Shares**) in a 'top-up' facility (**Top-Up Facility**). The Top-Up Facility is only offered to Eligible Shareholders who have fully taken up their Entitlements. The Top-Up Facility is not capped but no Eligible Shareholder may receive any New Shares and Additional New Shares which would result in the relevant shareholder having voting power in the Company in excess of 20% of the total issued share capital of the Company.

There is no guarantee that any application for Additional New Shares under the Top-Up Facility will be successful. Any New Shares in excess of Entitlements will be limited to the extent that there are sufficient New Shares from Eligible Shareholders who do not take up their full Entitlements. Subject to the foregoing, Micro-X may apply any scale-back (in its absolute discretion). The Company will not issue Additional New Shares under the Top-Up Facility where to do so would be likely to result in a breach of its constitution, the Corporations Act or the ASX Listing Rules.

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow certain rights issues to be made without a prospectus. As a result, it is important for Eligible Shareholders to read and understand the information on Micro-X and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement or applying for Additional New Shares. In particular, please refer to this Entitlement Offer Booklet and Micro-X's other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 10 Existing Shares you held as at the Record Date of 7.00pm (AEST) on 13 April 2017 rounded up to the nearest whole New Share. If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Micro-X ordinary shares on issue.

Note: the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you are permitted to take up where, for example, you are holding Existing Shares on behalf of a U.S. Person.

### **Nominees**

The Entitlement Offer is being made to all shareholders on the register of Micro-X at 7:00pm (AEST) on 13 April 2017 with an address in Australia or New Zealand that are not in the United States and are neither a U.S. Person nor acting for the account or benefit of a U.S. Person. Micro-X is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Existing Shares. **Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.** Any person in the United States or any person that is, or is acting for the account or benefit of, a U.S. Person with a holding through a nominee may not participate in the Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be a U.S. Person. Micro-X is not able to advise on foreign laws.

## 2. HOW TO APPLY

If you wish to take up all or part of your entitlement, or you wish to apply for Additional New Shares, you can do either of the following:

## **Payment by BPAY®**

If you wish to pay by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- You do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- If you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies; and
- If you pay for more than your full Entitlement, you are deemed to have applied for as many Additional New Shares as your excess amount will pay for in full (subject to the Allocation Policy and any scale-back determined by Micro-X in its absolute discretion).

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5.00pm (AEST) on 2 May 2017. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on the front of your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that form. If you inadvertently use the same Customer Reference Number for more than one of your Entitlements, you will be deemed to have applied only for New Shares (and Additional New Shares) on the Entitlement to which that Customer Reference Number applies.

## **Payment by cheque, bank draft or money order**

If you wish to pay by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the application monies, payable to "Micro-X Limited - Entitlement Offer" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- for an amount equal to \$0.40 multiplied by the number of New Shares (and if applicable, Additional New Shares) that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

Cash payments will not be accepted. Receipts for payment will not be issued.

Shareholders who make payment via cheque, bank draft or money order should mail their completed personalised Entitlement and Acceptance Form together with application monies using the reply paid or self-addressed envelope provided with this Offer Booklet to:

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3179, Australia

You should ensure that sufficient funds are held in relevant account(s) to cover the application monies. If the amount of your cheque is insufficient to pay in full for the number of New Shares

(and if applicable, Additional New Shares) you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares (and if applicable, Additional New Shares) as your cleared application monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

### **Representations, allotment and refunds**

If you take no action, you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

By completing and returning your personalised Entitlement and Acceptance Form with application monies or making a payment by BPAY®, you will be deemed to have represented:

- (a) that you are an Eligible Shareholder (as defined in Important Information (see Section 3 below)); and
- (b) on behalf of each person on whose account you are acting that: (i) you are not in the United States and are neither a U.S. Person nor acting for the account or benefit of a U.S. Person; (ii) you acknowledge that the New Shares (and any Additional New Shares) have not been and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares (and any New Additional Shares) may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws; and (iii) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or that is, or is acting for the account or benefit of, a U.S. Person.

If you take up and pay for all or part of your Entitlement before the close of the Entitlement Offer at 5.00pm (AEST) on 2 May 2017, you will be allotted your New Shares on 9 May 2017. If you apply for Additional New Shares under the Top-Up Facility then, to the extent your application for Additional New Shares is accepted (in whole or part), you will be issued the Additional New Shares on the same day. Micro-X's decision on the number (if any) of Additional New Shares to be allocated to you will be final and binding.

Cash payments will not be accepted. Receipts for payment will not be issued.

Any application monies received for more than your final allocation of New Shares and Additional New Shares will be refunded to you as soon as practicable. No interest will be paid to you on any application monies received or refunded.

If you have a query on how to complete the Entitlement and Acceptance Form, you should contact Computershare Investor Services Pty Limited, Micro-X's Share Registry, on 1300 850 508 within Australia and +61 3 9415 4000 outside Australia

### **3. IMPORTANT INFORMATION**

This Offer Booklet (including the Chairman's letter) and accompanying personalised Entitlement and Acceptance Form have been prepared by Micro-X. The information in this Offer Booklet is dated 12 April 2017.

This Offer Booklet should be read in conjunction with Micro-X's other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

No party other than Micro-X has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.



**This information is important and requires your immediate attention.**

You should read the information in this Offer Booklet carefully and in its entirety before deciding whether to invest in New Shares (and Additional New Shares). In particular, you should consider the risk factors outlined in Appendix 1 - "Risk Factors" of the investor presentation released to ASX on 10 April 2017 any of which could affect the operating and financial performance of Micro-X or the value of an investment in Micro-X.

You should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Entitlement Offer.

### **3.1 Eligible Shareholders**

The Entitlement Offer in this Offer Booklet contains an offer of New Shares to Eligible Shareholders in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2017/84.

**Eligible Shareholders** are those holders of Existing Shares who:

- are registered as holders of Existing Shares as at 7.00pm (AEST) on 13 April 2017;
- have a registered address on the Micro-X's share register in Australia or New Zealand;
- are not in the United States and are not "U.S. persons" (as defined under Regulation S under the United States Securities Act of 1933, as amended) (**U.S. Persons**) or acting for the account or benefit of U.S. Persons; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Shareholders who do not satisfy the above criteria are ineligible shareholders.

### **3.2 Effect of the Entitlement Offer**

If all entitlements are accepted by shareholders to the full extent, then the Entitlement Offer will not result in any change to the control of Micro-X.

If all entitlements under the Entitlement Offer are not accepted to the full extent, then the shareholding interest of non-participating shareholders will be diluted.

### **3.3 Allocation policy and scale-back**

If there are oversubscription applications under the Top-Up Facility, Micro-X reserves the right to scale back applications for Additional New Shares.

In the event of a scale-back, the difference between the application monies received, and the number of Additional New Shares allocated to you multiplied by the offer price of \$0.40 will be refunded following allotment. No interest will be paid on any application monies received and returned.

### **3.4 Continuous disclosure**

Micro-X is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations including an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information of which it is or becomes aware concerning Micro-X and which a reasonable person would expect to have a material effect on the price or the value of shares. All such disclosures are available at [www.asx.com.au](http://www.asx.com.au). You have the opportunity to access any information about Micro-X which has previously been disclosed to ASX. In particular, please refer to the Micro-X Half Year Report for the 6 months ended 31 December 2016 and the Micro-X Annual Report for the financial year

ended 30 June 2016. You should also have regard to any further announcements which may be made by Micro-X to ASX after the date of this Offer Booklet.

### **3.5 No Entitlements trading**

Entitlements are non-renounceable and are not tradeable on ASX or otherwise transferable.

### **3.6 Taxation**

You should be aware that there may be taxation implications associated with participating in the Entitlement Offer and receiving New Shares (and Additional New Shares).

Micro-X does not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for New Shares (and Additional New Shares) under the Entitlement Offer. Micro-X, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares (and Additional New Shares) under this Offer Booklet.

### **3.7 Rounding of Entitlements**

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

### **3.8 Ranking of New Shares (and Additional New Shares)**

The New Shares (and Additional New Shares) will be issued on a fully paid basis and will rank equally in all respects with Existing Shares. The rights and liabilities attaching to the New Shares (and Additional New Shares) are set out in Micro-X's constitution, a copy of which is available at [www.micro-x.com](http://www.micro-x.com).

### **3.9 Future performance and forward-looking statements**

Neither Micro-X nor any other person warrants or guarantees the future performance of the New Shares (and Additional New Shares) or any return on any investment made pursuant to the Entitlement Offer. This Offer Booklet contains certain "forward-looking statements". Forward-looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including forecasts, projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements only speak as at the date of this Offer Booklet and Micro-X assumes no obligation to update such information. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Micro-X and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward-looking statements in this Offer Booklet.

You should also refer to Appendix 1 - "Risk Factors" of the investor presentation released to ASX on 10 April 2017.

### **3.10 Past performance**

Investors should note that the past share price performance of Micro-X shares provides no guidance as to future share price performance. For further information, please see past announcements released to ASX.

### **3.11 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares (and Additional New Shares). You cannot withdraw your application once it has been accepted.

### **3.12 Not investment or financial product advice**

This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Micro-X is not licensed to provide financial product advice in respect of the New Shares (and any Additional New Shares). The information contained in the Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares (and Additional New Shares).

Before deciding whether to apply for New Shares (and any Additional New Shares), you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits and risks involved. If, after reading the information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant, solicitor or other independent professional adviser.

### **3.13 Governing law**

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in South Australia, Australia. Each applicant for New Shares (and Additional New Shares) submits to the non-exclusive jurisdiction of the courts of South Australia, Australia.

### **3.14 Optionholders**

Existing Micro-X optionholders are not entitled in that capacity to participate in the Entitlement Offer.

### **3.15 Foreign jurisdictions**

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia.

#### *New Zealand*

This document does not constitute a New Zealand product disclosure statement or other disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in connection with the Financial Markets Conduct Act 2013 (NZ). Participation in New Zealand in the Entitlement Offer is open only to persons to whom financial products may be offered in New Zealand pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (or any replacement of that notice).

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. The offer of New Shares (and Additional New Shares) may involve a currency exchange risk as they will be quoted on the ASX in Australian dollars.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

### *Other foreign jurisdictions*

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares (and Additional New Shares), or otherwise permit the public offering of the New Shares (and Additional New Shares), in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside Australia and New Zealand is restricted by law. If you come into possession of this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

The Entitlements and the New Shares (and Additional New Shares) have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares (and Additional New Shares) have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be offered or taken up by, and the New Shares (and Additional New Shares) may not be offered, sold or resold to, persons in the United States, persons who are U.S. persons, or persons who are acting for the account or benefit of a U.S. Person, and the New Shares (and Additional New Shares) may not be offered, sold or resold in the United States or for the account or benefit of, a U.S. Person, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

### **3.16 Underwriting**

The Entitlement Offer is fully underwritten by Wilsons Corporate Finance Ltd (for an amount of \$2.8 million) and Como Capital Pty Ltd (for an amount of \$1,976,389) (collectively the **Underwriters**), subject to the terms and conditions of the Underwriting Agreement dated 10 April 2017 (and as amended on 12 April 2017). Como Capital is acting for its own account and also on behalf of an existing major shareholder of Micro-X, Harman Nominees Pty Ltd.

The obligations of the Underwriters are subject to the satisfaction of certain conditions precedent set out in the Underwriting Agreement which are customary in such agreements.

The Underwriters may terminate the Underwriting Agreement and be released from their obligations if any of a range of events occur and provided in some instances that, in the reasonable opinion of the Underwriters, the event (i) has had or is likely to have, a materially adverse effect on the outcome or success of the Entitlement Offer, or on the ability of the Underwriters to meet their obligations in respect of the Entitlement Offer or the shortfall in shares under the Entitlement Offer; or (ii) could give rise to a material contravention by the Underwriters of, or incur a material liability for the Underwriters under the Corporations Act or any applicable laws. The Underwriters will be remunerated by the Company for providing these underwriting services at market rates and be reimbursed for certain expenses.

It is important to note that the Underwriters will be acting for and providing services to the Company in relation to the Entitlement Offer and will not be acting for or providing services to Shareholders. The Underwriters have been engaged solely as independent contractors and are acting solely in a contractual relationship on an arm's length basis with the Company. The engagement of the Underwriters by the Company is not intended to create any agency or other relationship between the Underwriters and shareholders.

### **3.17 Disclaimer of representations**

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by Micro-X, or its related bodies corporate in connection with the Entitlement

Offer. Except as required by law, and only to the extent so required, none of Micro-X, or any other person, warrants or guarantees the future performance of Micro-X or any return on any investment made pursuant to this Offer Booklet.

## **CORPORATE DIRECTORY**

### **Head Office**

A14, 6 MAB Eastern Promenade, Tonsley, Clovelly Park, South Australia 5042

### **Directors**

Mr Patrick O'Brien (Chairman)

Mr Peter Rowland

Mr Richard Hannebery

Mr Alexander Gosling

Mr David Symons

Ms Yasmin King

### **Company Secretary**

Ms Georgina Carpendale

### **Underwriters**

Wilsons Corporate Finance Ltd  
Governor Macquarie Tower,  
Level 32, 1 Farrer Place  
Sydney NSW 2000

Como Capital Pty Ltd  
19 Como Avenue  
South Yarra VIC 3141

### **Legal Adviser**

#### ***MinterEllison***

Rialto Towers  
Level 23, 525 Collins Street  
Melbourne VIC 3001

### **Registry**

#### ***Computershare Investor Services Pty Limited***

Yarra Falls, 452 Johnston Street  
Abbotsford VIC 3067

### **Shareholder enquiries:**

Telephone: 1300 850 505 within Australia and +61 3 9415 4000 outside Australia  
Website: [www.micro-x.com](http://www.micro-x.com)

### **Postal address for return of acceptances:**

C/- Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne VIC 3001  
Australia

# MICRO-X

Micro-X Limited  
ABN 21 153 273 735

## For all enquiries:

**Phone:**  
 (within Australia) 1300 XXX XXX  
(outside Australia) 61 3 9415 xxxx

**Web:**  
 [www.investorcentre.com/contact](http://www.investorcentre.com/contact)

MX1  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## Make your payment:



See overleaf for details of the Offer and how to make your payment

## Non-Renounceable Entitlement Offer — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (AEST) Tuesday, 2 May 2017**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

### Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New Shares. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Offer Booklet dated 12 April 2017.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment. If the amount of your payment received is more than the amount payable for your full Entitlement, you will be taken to have applied for Additional New Shares.

**By Mail:** Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Micro-X Limited - Entitlement Offer**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted. Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Micro-X Limited Non-Renounceable Entitlement Offer  
Payment must be received by 5:00pm (AEST) Tuesday, 2 May 2017

Entering your contact details is not compulsory, but will assist us if we need to contact you.

#### Declaration:

The Offer Booklet and this Entitlement and Acceptance Form do not constitute an offer or invitation to acquire New Shares (or Additional New Shares) in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. By completing and submitting this Entitlement and Acceptance Form or by using the BPAY® facility by 5:00pm (AEST) Tuesday, 2 May 2017, you will be accepting the Entitlement Offer and be deemed to have represented, warranted, acknowledged and agreed for the benefit of Micro-X Limited that you are entitled to exercise such Entitlements and subscribe for New Shares (including any Additional New Shares) in accordance with all applicable laws, and that: you make and agree to be subject to and bound by all representations, declarations, warranties and agreements in the Offer Document; the New Shares (and Additional New Shares) will be issued under the terms of the Offer Booklet and holders of New Shares (and Additional New Shares) are bound by the terms of the constitution of Micro-X Limited as amended from time to time; you acknowledge that the Entitlements, the New Shares and any Additional New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand. Accordingly, neither the New Shares nor any Additional New Shares may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction in the United States; you are not in the United States and you will not send the Offer Document, the Entitlement and Acceptance Form or any other material relating to the Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand; and if you are acting as a nominee for other persons you must not send any documents related to the Entitlement Offer to any person in the United States or any person in respect of whom it would be unlawful in the circumstances under applicable laws (including foreign laws) to acquire New Shares or Additional New Shares for the account or benefit of.

**Turn over for details of the Offer →**





12 April 2017

[inset Shareholder Address Details]  
[inset Shareholder Address Details]  
[inset Shareholder Address Details]  
[inset Shareholder Address Details]

Dear Sir/Madam,

**Non-renounceable Entitlement Offer - Letter to ineligible shareholders**

On 10 April 2017 and 12 April 2017, Micro-X Limited ACN 153 273 735 (**Company** or **Micro-X**) announced a fully underwritten pro rata non-renounceable entitlement offer of fully paid ordinary shares to existing shareholders at A\$0.40 per new share to raise up to approximately A\$4.8 million (**Entitlement Offer**) and the completion of a placement to institutional and sophisticated/professional investors at A\$0.40 per new share which raised A\$5.2 million.

***Terms of the Entitlement Offer***

The Entitlement Offer gives Eligible Shareholders (as defined below) the opportunity to participate on the basis of 1 new fully paid ordinary share for every 10 existing fully paid ordinary shares held at 7:00 pm (Melbourne time) on 13 April 2017 at an offer price of A\$0.40 per new share (**New Shares**).

***Eligibility***

The Entitlement Offer is being made to Micro-X's shareholders with a registered address in Australia or New Zealand.

'Eligible Shareholders' are those holders of existing shares who:

1. are registered as holders of existing shares as at 7.00pm (Melbourne time) on 13 April 2017;
2. have a registered address on the Company's Share register in Australia or New Zealand;
3. are not in the United States and are not 'U.S. persons' or acting for the account or benefit of 'U.S. Persons' (to the extent such a person holds securities in Micro-X for the account or benefit of such persons in the United States); and
4. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus, disclosure document, or any lodgement, filing, registration or qualification.

PHONE +61 8 7099 3966  
EMAIL admin@micro-x.com  
WEBSITE www.micro-x.com

Tenancy A14  
6 MAB Eastern Promenade  
Tonsley SA 5042  
Australia

ABN: 21 153 273 735

This letter is to inform you that the Company has determined that you are not an Eligible Shareholder and you are therefore ineligible to participate in the Entitlement Offer. The Company considers it generally unreasonable on this occasion to extend the Entitlement Offer to shareholders with a registered address outside of Australia or New Zealand having regard to the small number of those shareholders and the costs of complying with legal and regulatory requirements in each of those jurisdictions. I trust you understand the Company's position on this matter.

**You are not required to do anything in response to this letter.**

Thank you for your continued support of Micro-X.

Yours sincerely



Patrick O'Brien  
Chairman

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

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