MARCH QUARTERLY UPDATE (Q3 FY2019)

Strong Growth in Sales Orders
Cashflow Breakeven Target On Track

Highlights

- Sales orders $3.1M for the quarter, up 19% since December '18
- CARR $7.6M at end of quarter, up 13% since December '18
- HAHK purchase orders of $1.7M for the quarter
- March cashflow positive $650k
- Free cashflow break-even 12-month target on track

Melbourne, Australia; 24 April 2019: Mach7 Technologies Limited ("Mach7" or the "Company") (ASX:M7T) is pleased to provide this quarterly update to its shareholders in conjunction with the release of the Appendix 4C – Quarterly Cash Flow Report.

Strong Growth in Sales Orders

Following on from a strong Q2, Mach7 has had another strong quarter of sales growth, generating more than $3.1M (total contract value) of new sales orders this quarter, +19% growth since the end of last quarter.

Mach7 won two new customers during the quarter, Sampson Regional Medical Center and Loyola University Health System. In addition to these new customers, Mach7 has procured a further five sales orders from its existing customer base, the headline sales order being from Sentara Healthcare for their PACS modernisation project. Upon implementation of Sentara's PACS product, Mach7 will generate an additional $420k per year in recurring revenue. Sentara is expected to be fully implemented later this calendar year.

With the above sales, Mach7's annual recurring revenue under contract ("CARR") has reached $7.6M, an additional $865k since the end of last quarter (+13% growth for the quarter).

Since the quarter ended, Mach7 has contracted another new customer, Children's of Alabama. This contract has a sales order value in excess of $700k and will add $70k per year to recurring revenue once implementation is completed.

Progress on Hospital Authority Hong Kong ("HAHK") Project

During the quarter Mach7 received purchase orders totalling $1.7M from HAHK, which includes both software and services, and will be recognised as revenue in full this financial year. Implementation is now underway and making good progress. Mach7 expects to receive further purchase orders from HAHK prior to 30 June 2019.
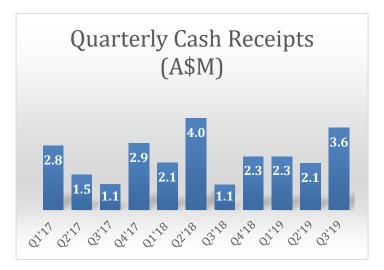
Software Deployments

Customer implementations are progressing well, with Eric Rice now fully dedicated to Mach7's largest implementation projects. Mississippi State University recently completed First Productive Use and Mach7 continues to make good progress on its 12 active deployments.

Q3 Cash Report

This quarter generated $3.6M of cash receipts, the highest quarter this year, and the second highest quarter in the last three years. This was largely due to the HAHK purchase order mentioned above.

Operating payments for the quarter totalled $4.2M, which included a payment to Mach7's partner, Client Outlook, for viewer software currently being deployed at HAHK, which is unlikely to be repeated. This quarter also includes most of the planned restructuring costs, with two small amounts to be recorded in the next two quarters. Cash on hand at 31 March is $2.7M.

Quarterly Cash Receipts (A$M)

Quarter	Value
Q1'17	2.8
Q2'17	1.5
Q3'17	1.1
Q4'17	2.9
Q1'18	2.1
Q2'18	4.0
Q3'18	1.1
Q4'18	2.3
Q1'19	2.3
Q2'19	2.1
Q3'19	3.6

Positive Free Cashflow for March 2019 – On Track for 12-month Free Cashflow Breakeven Target

Pleasingly Mach7 generated $650k of positive free cashflow for the month of March 2019. This was despite the month including certain restructuring costs. All planned cost reduction initiatives have now been implemented.

In addition to recent sales orders, a positive free cashflow result for March 2019 has Mach7 on track to deliver its 12-month free cashflow breakeven target for the period ending February 2020.

About Mach7 Technologies:

Mach7 Technologies (ASX:M7T) develops innovative data management 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 Mach7t.com.

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