Acquisition of Client Outlook (“eUnity”)
Fully Underwritten Placement and Non-renounceable Entitlement Offer

10 June 2020

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This presentation has been prepared by Mach7 Technologies Limited (**M7T**) in connection with the proposed acquisition by M7T of the entire issued share capital in Client Outlook Inc., (**Client Outlook**) (**Acquisition**) and an offer (**Offer**) comprising an accelerated non-renounceable pro rata entitlement offer of new fully paid ordinary shares (**New Shares**) to be made under section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (**Entitlement Offer**) as notionally modified by the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) (**ASIC Instrument**) and an institutional placement of New Shares to institutional investors (**Placement**) to partially fund the Acquisition. The Offer is fully underwritten by Morgans Corporate Limited (**Lead Manager**).

The Entitlement Offer will be made available to eligible institutional shareholders of M7T (**Institutional Entitlement Offer**) and eligible retail shareholders of M7T (**Retail Entitlement Offer**).

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Disclaimer (continued)

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MACH7 TECHNOLOGIES

Transaction Overview	• Mach7 to acquire 100% shares in Client Outlook • Purchase price ~$40.8M (CA$38.5M), all cash deal • Represents 4.86x historical revenue multiple (pre-synergies) • Expected to complete by 10 July 2020
About Client Outlook	• Single enterprise viewing and integration platform • Highly complementary technology to Mach7's enterprise imaging platform • >90 customers, $8.8M revenues FY20, 48% CAGR last 4 years
Strategic Rationale	• Expand addressable market from US$0.75BN to US$2.75BN • Immediate expansion of customer install base • Additional $40M revenue opportunities in near term
Financials	• Combined LTM revenues $21.8M • Combined CARR $14.75M • Positive EBITDA and Cash flow forecast
Fund Raising	• Accelerated Non-renounceable Entitlement Offer (ANREO) + Placement to raise $34.8M (before costs) • Offer fully underwritten by Morgans Corporate Limited

Note: All $ values in this presentation are AU$ unless otherwise stated. AUD:CAD fx rate of 0.9433 has been used for the purchase price.

MACH7 TECHNOLOGIES

ABOUT CLIENT OUTLOOK

Company

- Founded 2002
- Incorporated & HQ Ontario, Canada
- Privately held
- **58 employees** (3 based in US, 55 in Canada)
- 2 founder executives

eUnity Enterprise Viewer

- Industry's first and only **zero-footprint viewing & integra-tion platform**
- Differentiated in its own category as "Healthcare's first SMARTviewer"
- KLAS* highest rated Universal Viewer in the market (2019)

Customers

- **~100 customers** across North America & Asia including:
  - Stanford
  - Duke Health
  - Sentara Healthcare
  - University of Maryland
  - UCSF
  - Hong Kong Health Authority

Financials

- **Revenues $8.8m** FY20 (31 Jan. 20)
- **48%** CAGR last 3 years
- EBITDA loss $950k FY20 (before R&D Tax Credits) – profits have been reinvested back into the business (R&D)
- EBITDA positive forecast CY21

*KLAS Research is a healthcare IT data and insights company providing the industry with "accurate, honest, and impartial" research on the software and services used by providers and payers worldwide (taken from KLAS website)

MACH7 TECHNOLOGIES

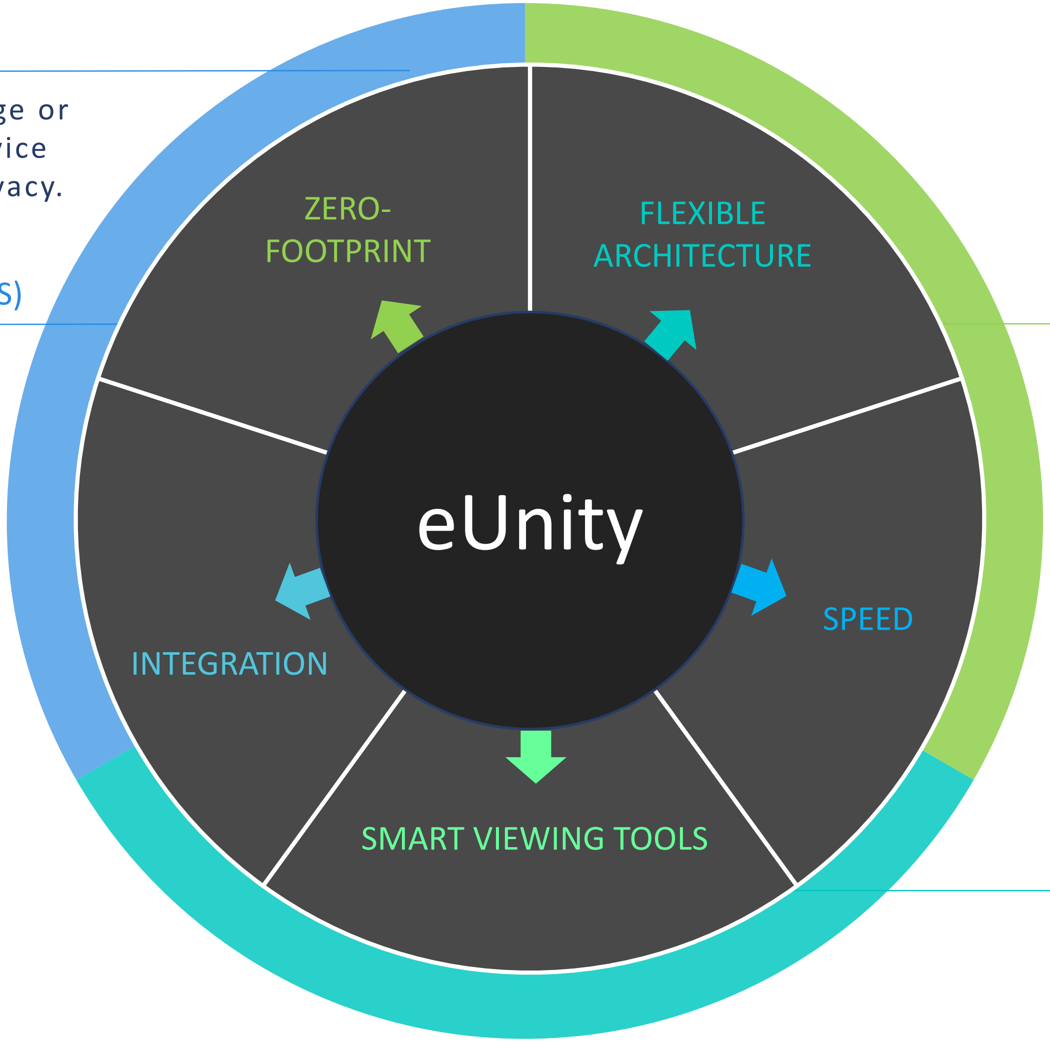
eUnity Solves Enterprise Imaging Challenges

ZERO-FOOTPRINT

- eUnity does not leave any image or patient information on any device ensuring maximum patient privacy.

MANY DISPARATE SYSTEMS (DATA ACCESS ISSUES)

- eliminate the pervasive integration problem
- access multiple image sources
- manage inevitable technology changes
- consolidate info from inherited PACS systems through mergers and acquisitions



HARDWARE INTENSIVE (COSTLY)

- reduce heavy hardware requirements that monopolizes IT resources (costly) and doesn’t scale

DIVERSE CLINICAL USERS (INEFFICIENCIES)

- one viewer for physicians and radiologists
- one viewer for IT to manage

MACH7 TECHNOLOGIES

eUnity – one of two viewing specialists

	Major healthcare technology vendors	Large and mid-size imaging IT specialists	Viewing specialists	Data management specialists
Priority 1	Managed service business models and operational and workflow toolset	Platform approach and four core competency layers	Performance / efficiency savings	Foundation for enterprise imaging and "image enabling" EMR
Priority 2	Strength of diagnostic portfolio and breadth of offering	Lowering total cost of ownership (TCO) for enterprise radiology	Seamless UI/UX and integration with other platforms/partners	Mobile access and reducing need for data migration
Priority 3	Scalability and professional service network	Flexibility and modularity of offering	Mobile access and security	Routing and fetching to improve data liquidity supporting AI use
Priority 4	Scalability and execution of major contracts	Cybersecurity and legacy application retirement	Breadth of diagnostic tools	Lowering cost of ownership and legacy application retirement

The above table is from Signify Research

STRATEGIC RATIONALE

MACH7 TECHNOLOGIES

enterprise imaging data platform (back end)

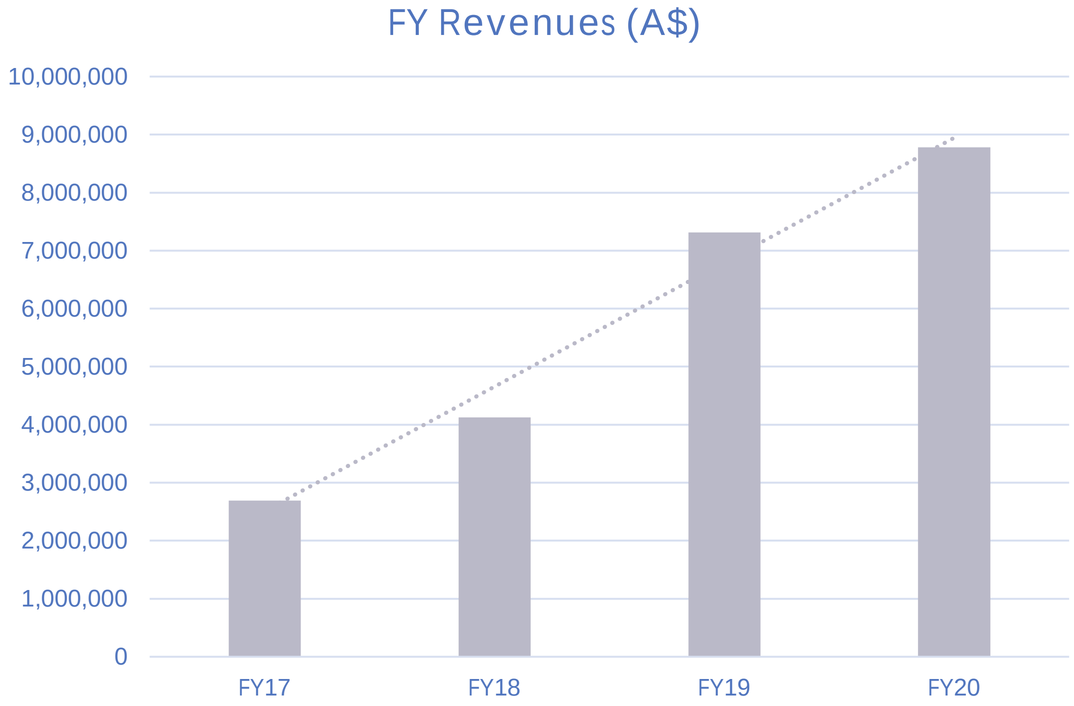
eUnity™ by client outlook INC

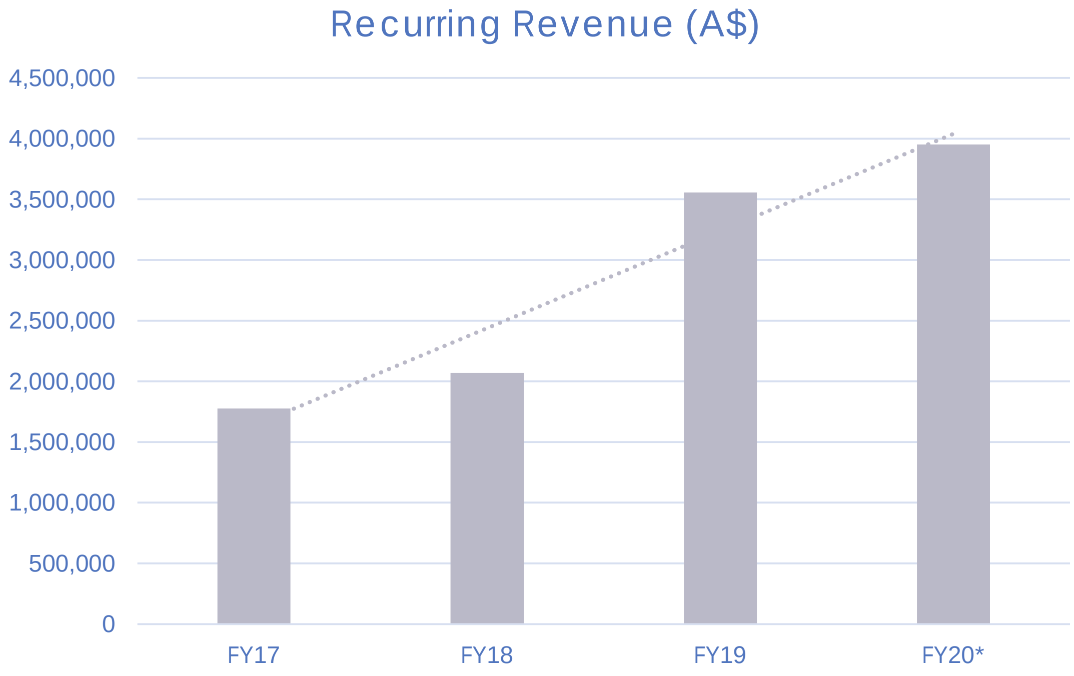
One single platform viewing solution (front end)

- **Complete Enterprise Imaging Solution provider** (front + back end) – delivers significant commercial opportunity
- Can now offer departmental clinical diagnostic PACS solution - significantly **increasing market opportunity to US$2.75BN** (from US$0.75BN)
- Increases sales pipeline by ~50% - with **$40M** of contracted revenue opportunities near term
- Increases customer install base by ~200% from 51 to ~150 customers
- Increases contracted annual recurring revenue by 70% to $14.75M
- Low integration risk - current re-seller partnership. Client Outlook is a well known entity, team and product to Mach7

Client Outlook Revenues

Strong revenue growth for last 3 years – **CAGR 48%**
High proportion of recurring revenue **(45%)**





**constant A$ exchange rate for all years*

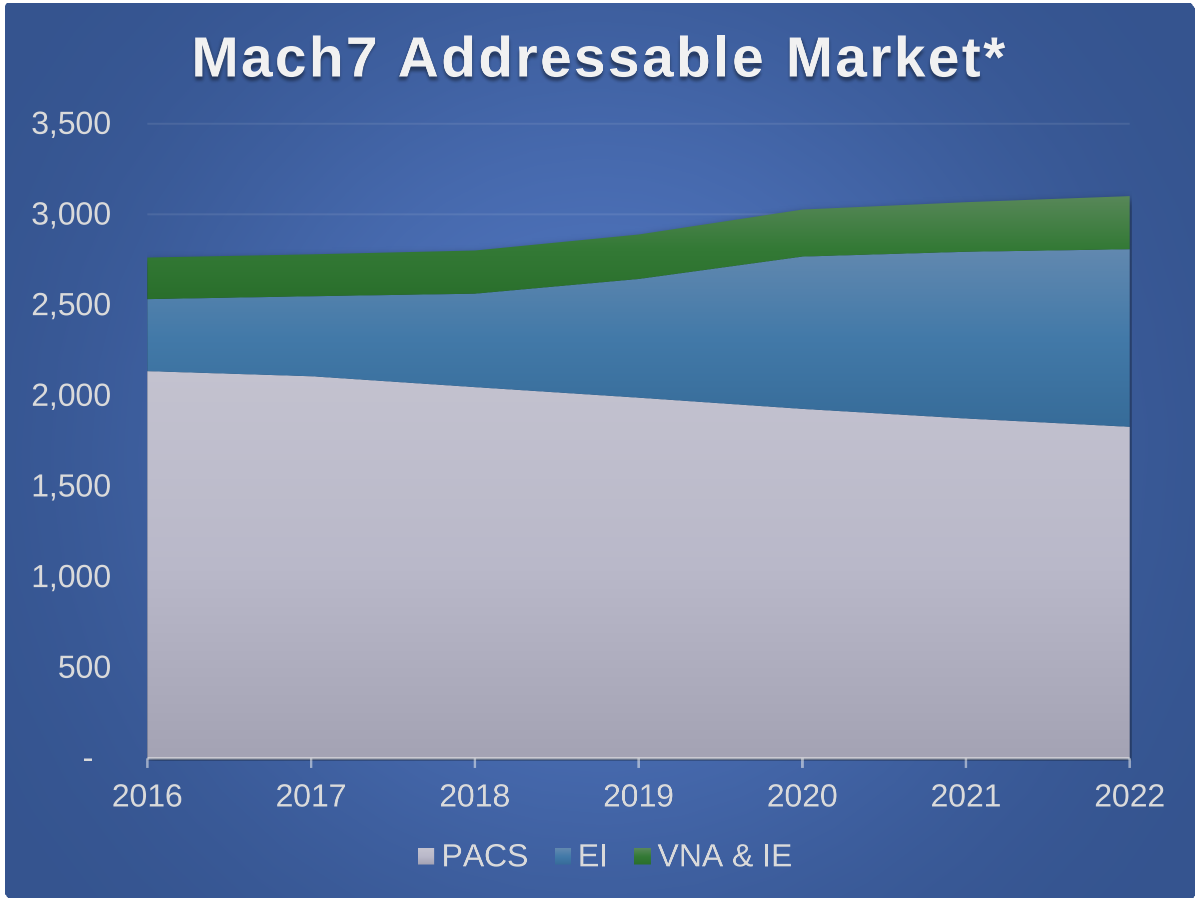
MACH7 TECHNOLOGIES

Significant Commercial Opportunities...

Business transforming acquisition

- Brings in-house one of two viewing specialist products on market today - to offer total image management package & PACS system
- Expands the Mach7 client offering into US$2Bn PACS market
- Client Outlook enterprise viewer represents the surest path forward from a land and expand sales effort for the entire combined technology stack
- Unifies sales pitch and simplifies customer interaction
- Builds ‘critical mass’ for future tenders
- Can now compete more effectively against bigger players such as GE Health, Fuji, Agfa, Pro Medicus
- eUnity already fully integrated with Mach7 Platform at multiple sites across US and Asia
- Allows Mach7 to accelerate its revenue growth – client outlook revenue CAGR = 48% over past 4 years

Expanded Addressable Global Imaging Market



**Market Data from Signify Research 2017*
PACS = Picture Archive Communication System
EI = Enterprise Imaging
VNA = Vendor Neutral Archive
IE = Image Exchange

Mach 7 alone
(US$0.75 BN 2018)

Mach 7 + Client Outlook
(US$2.75 BN 2018)

- Total Market ~US$3BN by 2020 – growing 5-6% CAGR
- Enterprise Imaging Market (EI) **US$520M** 2018, forecast growth **~30% p/a for next two years**
- Departmental PACS **US$2BN 2018**

MACH7 TECHNOLOGIES

Near term* tender opportunities

#1 M7 & CO bidding together (same customer)	**$13M**	Both M7 & CO finalists; Vendor of Choice to be awarded before end of the year
#2 M7 bidding joint solution (as CO's reseller)	**$16M**	Finalists
#3 M7 bidding to existing CO customer	**$6M**	Acquisition offers customer simplified contracting process and supply chain
#4 CO bidding to existing M7 customer	**$1M**	CO down to final two; Competitor lock out
#5 CO only near term contract opportunities	**$4M**	Customers where CO is bidding alone
TOTAL	**$40M**	High Margins (additive)

Tender “win” chances **significantly enhanced** if M7 + CO one company

*Note: all values are total contract value in A$M. *6-12 mths*

COLORADO IMAGING ASSOCIATES P.C.

Singapore General Hospital
SingHealth

مؤسسة حمد الطبية
Hamad Medical Corporation
HEALTH • EDUCATION • RESEARCH
صحة • تعليم • بحوث

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MGH 1811

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El Camino Hospital®
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London Imaging Centre

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WAKE RADIOLOGY

SDi
SAN DIEGO imaging

AdvocateAuroraHealth

Penn Medicine

THE University of Vermont
MEDICAL CENTER

raleigh radiology

醫院管理局
HOSPITAL AUTHORITY

Children's of Alabama®

Customer Expansion

Mach7 + Client Outlook

YUMA REGIONAL MEDICAL CENTER

MDIG

CAREMOUNT MEDICAL

AULTMAN

SDI southwest diagnostic imaging

Radiological Physician Associates, Inc.
700 Village Drive, Fairmont, West Virginia 26554

ARA DIAGNOSTIC IMAGING

iCARE RADIOLOGY

Sunnybrook
HEALTH SCIENCES CENTRE

seeing you well

TriRivers

Marshfield Clinic®

UCSF Medical Center

MACH7 TECHNOLOGIES

Immediate Customer Expansion

Acquisition:

- ✓Immediately expands Mach7's customer base by ~100
- ✓Provides access to new territories (Canada, Italy, China)
- ✓Allows for Mach7 to combine PACS & VNA in single tender - & retain 100% of the profits
- ✓Increases the number of tender opportunities available for bidding
- ✓Enhances chances of winning new customers
- ✓Increases today's active sales pipeline by >50% to ~$150 million
- ✓Increases Contracted <u>Annual</u> Recurring Revenue by 70% to > $14.75 million

MACH7 TECHNOLOGIES

Benefits of Acquisition

LOW RISK

- Well known - both companies are in partnership today – reselling each other's product
- No technology risk - deep technology integration already completed
- Team is already familiar with skills and strength/weakness of each team

REVENUE SYNERGIES

- One deployment team for entire solution will lead to a better customer experience
- Single support contract will eliminate the argument of continued supply chain issues
- Similar geographies currently in the book of business - leading to cross sales opportunities without the need for further regulatory approvals
- M7T will have a technology advantage over its largest competitor - Hyland Imaging
- Opens market entry into PACS market
- Contracted Annual Recurring Revenue increases to $14.75M (p/a) immediately

COST SYNERGIES, EBITDA/Free Cashflow Growth

- Access to more cost effective engineering labour in Canada vs. US
- Multiple internal systemic redundancy that will lead to cost savings
- Streamlined FDA filings leading to consultant cost savings
- Combined trade show participation – cost of booth savings

MACH7 TECHNOLOGIES

Post-Acquisition

- **Executive Retention** - two founder executives, VP Sales, and VP Engineering will be retained in the business going forward, providing important continuity and additive skills to the Mach7 team. They will be incentivized to build shareholder growth through the Mach7 Long Term Incentive Plan
- **Integration Plan** - Mach7 expects to hire an Integration Manager to manage the integration which is expected to be largely completed by 31 December 2020
- **COVID–19 -** has slowed sales for VNA and PACS in the US, impacting both businesses in the short term. However, there is now a growing realization that remote Telehealth software is more important than ever. The eUnity Enterprise Viewer can assist clinicians with the fast and easy visualization tools required to deliver Telehealth

MACH7 TECHNOLOGIES

FINANCIALS

Pro-forma

Combined historical LTM

- Revenues **$21.8M**, with **$9.5M (43.5%)** recurring
- EBITDA **+$0.2M**

Post Acquisition

- CARR **$14.75M**
- Cash reserves **~$15M**
- No debt

Forecast

Combined – CY2021

- **$27M (f)** revenue for CY21
  - allows 6 months for integration and re-development of product marketing strategy.
- **$2M (f) p/a** in cost synergies by 31 December 2021
  - system integrations, marketing, R&D, admin
- **$5M-$7M (f)** EBITDA CY2021, positive free cash flow

Notes:

- LTM = "Last Twelve Months" being 1 April 2019 to 31 March 2020. FX rates used for LTM are the average FX rates for that 12 month period, being USD:AUD 0.6818 and CAD:AUD 0.9065. Transactions between Mach7 and Client Outlook during these periods have been eliminated in full
- Post acquisition values have been determined using closing FX rates at 5 June 2020
- Forecasts include estimated revenues from existing customer contracts and also pipeline opportunities which may or may not come to fruition. Forecasted expenses include existing run-rates less cost synergies estimates. Closing FX rates at 5 June 2020 have been used for Forecasts
- Revenues and costs are largely earned/incurred in USD, and a USD:AUD FX Rate of 0.70 has been used
- EBITDA = Earnings Before Interest Tax Depreciation and Amortisation
- CARR = Contracted Annual Recurring Revenue

MACH7 TECHNOLOGIES

FUND RAISING

Offer Size & Structure	▪ A fully underwritten Equity Raising of approximately $34.8 million (Equity Raising or Offer) via: – an institutional Placement of $3.7 million; – a 1 for 4 pro-rata accelerated non-renounceable entitlement offer of approximately $31.1 million ▪ Approximately 51.18 million new fully paid ordinary shares in the Company (New Shares) to be issued under the Equity Raising, representing approximately 28% of existing shares on issue in the Company
Offer price	▪ All shares under the Placement and Entitlement Offer will be issued at a fixed price of $0.68 per New Share (Offer Price). ▪ This Offer Price represents a 13.9% discount to the last traded price of $0.79 on 9 June 2020 and 11.2% discount to TERP of $0.7659
Placement & Institutional Entitlement Offer	▪ The Placement and Institutional Entitlement Offer will be conducted by way of a bookbuild process between Wednesday 10 June 2020 and Thursday 11 June 2020 ▪ Entitlements under the Institutional Entitlement Offer that are not taken up and entitlements of ineligible institutional shareholders under the Entitlement Offer will be offered for sale in the bookbuild
Retail Entitlement Offer	▪ The Retail Entitlement Offer will open on Wednesday, 17 June 2020 and closes on Friday, 26 June 2020 ▪ Eligible retail shareholders who take up their entitlement in full can also apply for additional shares in excess of their entitlement up to a maximum of 50% of their entitlement under a 'top up' facility
Use of Funds	▪ The funds raised will be used for the sole purpose of acquiring Client Outlook
Ranking	▪ New Shares will rank equally with existing fully paid ordinary shares from their time of issue. New Shares issued under the Placement will not be entitled to participate in the Entitlement Offer

[1] Refer to Note 1 on slide 2

[2] The Retail Entitlement Offer is only available to eligible retail shareholders with a registered address in Australia or New Zealand on the Record Date – see the Retail Offer Booklet for further details on eligibility once available.

[3] Theoretical ex-rights price ("TERP") includes the shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is the theoretical price at which Shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Shares trade on ASX immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of the Company's Shares as traded on ASX on 9 June 2020, being the last trading day prior to the announcement of the Offer.

MACH7 TECHNOLOGIES

Timetable

Event	Date (2020)
Announcement of the Offer	10 June
Institutional Placement and Entitlement Offer opens	10 June
Announcement of results of Institutional Placement and Entitlement Offer	12 June
“Ex” Date (being the date that Shares start trading without Entitlements to participate in Entitlement Offer)	12 June
Record Date for the Entitlement Offer	12 June
Dispatch of Retail Entitlement and Acceptance Form	17 June
Retail Entitlement Offer opens	17 June
Settlement of Institutional Placement and Entitlement Offer	17 June
Allotment of Institutional Placement and Entitlement Offer Shares	18 June
Retail Entitlement Offer closes	26 June
Announcement of results under Retail Entitlement Offer	1 July
Settlement of Retail Entitlement Offer	2 July
Issue and allotment of New Shares under the Retail Entitlement Offer	3 July
Normal trading of New Shares under the Retail Entitlement Offer expected to commence on ASX	6 July
Completion of Client Outlook Transaction	By 10 July

MACH7 TECHNOLOGIES

KEY RISKS

This section outlines some of the key risks associated with an investment in the Company's shares, together with risks relating specifically to participation in the Offer. This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance.

Additional risks not presently known to the Company, or that are not presently considered by the Company to be material, may also become important factors that adversely affect the Company. If any of the following risks materialise, the Company’s business, financial condition and financial performance, and the price of its shares may be adversely affected. Investors should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside of the control of the Company, its directors and senior management.

In deciding whether to participate in the Offer, you should read this presentation in its entirety and carefully consider the risks outlined in this section. You should also read this presentation in conjunction with the Company’s other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (“ASX”), which are available at www.asx.com.au (ASX:M7T). You should also have regard to your own investment objectives, financial situation and particular needs, and consider consulting your financial or legal adviser for professional guidance so as to ensure you fully understand the terms of the Offer and the inherent risks.

The risks are categorised as follows:

1. **Acquisition Risks;**
2. **Business Risks;**
3. **General Risks; and**
4. **Offer Risks.**

References to the Company in the key risks section of this presentation include the Company and its related bodies corporate (as defined in the Corporations Act), where the context requires. While the risks set out in this section are stated to relate to the Company and its business, investors should consider that these risks will also apply to Client Outlook and its business, which the Company will own following completion of the Acquisition.

Acquisition Risks

Information risk

- The Company undertook a due diligence process in respect of Client Outlook, which relied in part on the review of financial and other information (including unaudited financial information) concerning the business and corporate structure of Client Outlook, which was provided to the Company by the vendors of Client Outlook. Despite making reasonable efforts, the Company has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, the Company has prepared (and made assumptions in the preparation of) the financial information relating to Client Outlook (on a stand-alone basis and also with the Company post-Acquisition of Client Outlook) included in this presentation from financial and other information (including unaudited financial information) provided by the vendors of Client Outlook. The Company is unable to verify the accuracy, reliability or completeness of all of this information. If any of the data or information provided to and relied upon by the Company in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Client Outlook and the combined group may be materially different to the financial position and performance expected by the Company and reflected in this presentation.

- Furthermore, there is a risk that due diligence conducted has not identified issues that would have been material to the decision to enter into the Acquisition. A material adverse issue that was not identified prior to entry into the Acquisition could have an adverse impact on the financial performance or operations of the Company. As is usual in the conduct of acquisitions, the due diligence process undertaken by the Company identified a number of risks associated with Client Outlook, which the Company had to evaluate and manage. The mechanisms used by the Company to manage these risks included in certain circumstances the acceptance of the risk as tolerable on commercial grounds such as materiality. There is a risk that the approach taken by the Company may be insufficient to mitigate the risk, or that the materiality of these risks may have been underestimated or unforeseen, and hence they may have a material adverse impact on the Company's operations, earnings and financial position.

Future earnings

- The Company has undertaken financial and business analysis of Client Outlook in order to determine its attractiveness to the Company and whether to pursue the Acquisition. It is possible that such analysis, and the best estimate assumptions made by the Company, draw conclusions and forecasts in relation to guidance and synergy statements that are inaccurate or which will not be realised in due course. To the extent that the actual results achieved by Client Outlook are different than those anticipated or any unforeseen difficulties emerge in integrating the operations of Client Outlook, there is a risk that the future earnings of the operations of the Company may differ (including in a materially adverse way) from the performance as described in this presentation.

Integration risk

- The integration of a business of the size and nature of Client Outlook carries risk, including potential delays or costs in implementing necessary changes and difficulties in integrating various operations. The success of the Acquisition, and the ability to realise the expected benefits of the Acquisition outlined in this presentation, is dependent on the effective and timely integration of Client Outlook's business alongside the Company's business following completion of the Acquisition. A failure to fully integrate the operations of Client Outlook, or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance and position of the Company.

Uncovered warranty and indemnity breaches

- The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the agreements for, and related to, the Acquisition. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be expensive and time consuming.

- The Company may suffer a loss as a result of the conduct of the vendors of Client Outlook for which the representations, warranties and indemnities under the agreement for the Acquisition turn out to be inadequate in the circumstances. Any inability to recover amounts claimed under the agreement for the Acquisition could materially adversely affect the Company's financial position and performance.

Completion risk

- If any of the conditions precedent are not satisfied or waived or take longer than anticipated to satisfy, completion of the Acquisition may be deferred or delayed, or may not occur on the current terms or at all. There is no guarantee that the Company will obtain all necessary approvals to complete the Acquisition within any particular timeframe, or at all.

- If the Acquisition is not completed as a result of a failure to satisfy conditions (or otherwise), the Company would need to consider alternative uses for the proceeds of the Offer, or ways to return such proceeds to shareholders. If completion of the Acquisition is delayed, the Company may incur additional costs and it may take longer than anticipated for the Company to realise the benefits of the Acquisition. Any failure to complete, or delay in completing, the Acquisition and/or any action required to be taken to return capital raised to shareholders may have a material adverse effect on the Company's financial position and performance.

Business Risks

Effect of COVID-19

- The COVID-19 pandemic has had and continues to have an impact on the Company's business. In particular, the Company has observed a slowdown in the buying market for its new products resulting from the temporary reduction of revenue in the healthcare sector.
- There are also other changes in the domestic and global macroeconomic environment associated with the events relating to COVID-19 that are beyond the control of the Company and may be exacerbated in an economic recession or downturn. These include but are not limited to:
  - (a) **changes in inflation, interest rates and foreign currency exchange rates;**
  - (b) **changes in employment levels and labour costs;**
  - (c) **changes in aggregate investment and economic output; and**
  - (d) **other changes in economic conditions which may affect the revenue or costs of the Company.**
- The events relating to COVID-19 have recently resulted in significant market falls and volatility including in the prices of securities trading on the Australian Securities Exchange (ASX) (including the price of the Company's shares) and on other foreign securities exchanges. There continues to be considerable uncertainty as to the duration and further impact of COVID-19, including (but not limited to) in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantines, and travel restrictions.
- The impact of some or all of these factors, which are beyond the Company's control, could cause significant disruption to the Company's operations and financial performance and result in declines in the market or fair value of assets recorded in the consolidated balance sheet.

Commercialisation and technology risk

- The principal activity of the Company is the provision of enterprise imaging data storage sharing, storage and interoperability for healthcare enterprises. There is a risk that the Company will be unable to attract sufficient customers to be sufficiently profitable to fund future operations. In addition, commercial success of new technology is subject to inherent uncertainty due to unknown variables.

Completion and new technologies

- The industry in which the Company is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company undertakes all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of its business. For instance, the image management platform may be superseded by new and cheaper technology creating competitive pressures, in which case, the Company's revenues and profitability could be adversely affected.

Regulatory risk

- The Company operates in a highly regulated market both in Australia and internationally. Success can be impacted by changes to the regulatory environment. The Company continues to monitor changes and proposed changes to the regulatory environment to which it is exposed. Changes to government policy, law or regulations, or the introduction of new regulatory regimes may lead to an increase in operational costs and may have a materially adverse effect on the operations, financial performance and prospects of the Company.

Dependence on key personnel

- The Company depends on the talent and experience of its personnel, and as such any departure of key personnel may be materially adverse to the Company's prospects. It may be difficult to replace key personnel or to do so in a timely manner or at a comparable expense. Additionally, if any key personnel were to leave to work for or establish a competitor, this could further impact the Company's prospects. The Company has sought to mitigate this risk with equity incentives, but these incentives cannot remove the risk altogether.

General Risks

Macroeconomic and Socioeconomic factors

- The performance of the Company will continue to be influenced by the overall condition of the economy in Australia and other jurisdictions in which the Company operates and any deterioration in economic growth could adversely affect the Company's business.
- In light of recent Australian and global macroeconomic events, including though not limited to the impact of COVID-19, Australia or other jurisdictions in which the Company operates may experience an economic recession or downturn of uncertain severity and duration which will which continue to impact on the operating and financial performance and prospects of the Company.
- The Company's operating and financial performance is influenced by a variety of other general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies.

General market and share price risks

- There are general risks associated with any investment in the share market. The price of the Company shares may increase or decrease due to a number of factors. Those factors include fluctuations in domestic or global financial markets and general economic conditions, including interest rates, inflation rates, exchange rates, changes to government fiscal, monetary or regulatory policies, legislation or regulation, the removal or inclusion of the Company from market indices, and the nature of markets in which the Company operates. These factors may cause the price of the Company shares to trade below the price at which they are offered under the Offer, notwithstanding the Company's financial position or performance.

Tax and accounting

- Australian and international accounting standards and tax laws (including GST and stamp duty taxes), or the way they are interpreted, are subject to change from time to time, which may impact the Company's financial position or performance.

Litigation

- Legal proceedings and claims may arise from time to time in the ordinary course of the Company's business and may result in high legal costs, adverse monetary judgments and/or damage to the Company's reputation which could have an adverse impact on the Company's financial position or performance and the price of its shares.

Offer Risks

Equity raising risk

The Company has entered into an Underwriting Agreement with Morgans Corporate Limited (**Lead Manager**) (**Underwriting Agreement**), pursuant to which the Lead Manager has agreed to fully underwrite the Offer on the terms and conditions of the Underwriting Agreement.

If certain conditions are not satisfied or certain events occur, the Lead Manager may terminate the Underwriting Agreement. Termination of the Underwriting Agreement would have an adverse impact on the total amount of proceeds that could be raised under the Offer.

The Lead Manager's obligations under the Underwriting Agreement, including to manage and underwrite the Offer, are conditional on certain matters, including the timely delivery of due diligence process sign-offs and other documents.

The events which may trigger termination of the Underwriting Agreement include (but are not limited to) the following:

(a) the Company ceases to be admitted to the official list of ASX or the Offer shares are suspended from trading on, or cease to be quoted on, ASX;

(b) the Company indicating that it does not intend to proceed with all or any part of the Offer;

(c) there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency, which makes it illegal for the Lead Manager to satisfy a material obligation under the Underwriting Agreement, or to market, promote or settle the Offer;

(d) a contravention by the Company of the Corporations Act, its Constitution, any of the Listing Rules, any other applicable law or regulation;

(e) the Company is prevented from allotting and issuing the securities the subject of the Offer by virtue of the Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government agency;

(f) a director or senior manager of the Company is charged with an indictable offence relating to financial or corporate matters or a director of the Company is disqualified from managing a corporation;

(g) a change in the senior management or board of directors of the Company occurs before completion of the Offer without the prior written consent of the Lead Manager (such consent not to be unreasonably withheld);

(h) there is an alteration to the Company's capital structure without the prior consent of the Lead Manager;

(i) the S&P/ASX 300 Index falls to a level which is 10% or more below the level of that index on the close of trading on the business day before the date of this presentation and closes at or below that level on the close of trading on any business from the date of this presentation to the settlement of the retail component of the Entitlement Offer;

(j) any one of the following occurs:

  i. ASIC issues or threatens to issue proceedings in relation to the Offer or commences any formal inquiry or investigation into the Offer (or announces its intention to do so);

  ii. there is an application to any other government agency (which, in the Lead Manager's bona fide opinion, is a serious action with reasonable prospects of success) for any order, declaration or other remedy, or any other government agency commences any other investigation or hearing or announces its intention to do so, in each case in connection with the Offer (or any part of it);

  iii. ASIC or any other government agency commences or gives notice of an intention to commence a prosecution of the Company or any director or employee of the Company; or

  iv. ASIC or any other government agency commences or gives notice of an intention to commence a hearing or investigation into the Company;

Offer Risks (continued)

k) the Company becomes required to give, or gives, in respect of a cleansing notice issued in connection with the Offer which is defective, a notice in accordance with subsection 708AA(12) or subsection 708A(9) of the Corporations Act, as the case may be, to correct that cleansing notice;

l) ASX refuses to grant, or withdrawals approval for, official quotation of the new shares to be issued in connection with the Offer;

m) certain delays in the timetable occur without the prior written consent of the Lead Manager;

n) the information made available by or on behalf of the Company as part of the due diligence process to the Lead Managers is misleading or deceptive;

o) in respect of a contract that is material to the business of the Company, all or any part of the contract:

- is amended or varied without the consent of the Lead Manager;
- is terminated;
- is breached;
- ceases to have effect, otherwise than in accordance with its terms; or
- is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being terminated, rescinded or avoided or of limited force and effect, or its performance is or becomes illegal;

p) a representation or warranty made or given by the Company under the Underwriting Agreement is or becomes incorrect, untrue or misleading;

q) the Company or any of its affiliates, directors or officers (as those terms are defined in the Corporations Act) engage in any fraudulent conduct or activity whether or not in connection with the Offer;

r) there is a material adverse change, or an event occurs that is likely to give rise to a material adverse change, in the assets, liabilities, financial position, results, condition, operations or prospects of the Company;

s) a statement contained in the materials of the Offer is false, misleading or deceptive or a matter required to be included in the materials of the Offer to comply with all applicable laws is omitted from the materials of the Offer;

t) there occurs a new circumstance that has arisen since the date of this presentation that would have been required to be included in the materials of the Offer if it had arisen before the Offer materials were given to ASX;

u) the materials of the Offer include any forecast, expression of opinion, belief, intention or expectation which is not, in the reasonable opinion of the Lead Manager, based on reasonable grounds;

v) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority or ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of this presentation) any of which does or is likely to prohibit or regulate the Offer, capital markets or stock markets;

w) any of the following occurs:

Offer Risks (continued)

- a general moratorium on commercial banking activities in, or any adverse change or disruption to the existing financial markets of Australia, Hong Kong, New Zealand, Canada or the United States of America is declared by the relevant central banking authority in any of those countries or there is a material disruption in commercial banking or share settlement or clearance services in any of those countries;

- trading of all securities quoted on ASX, LSE or NYSE is suspended or limited in a material respect; or

- any adverse change or disruption to the existing political or economic conditions of Australia, New Zealand, Hong Kong, Canada, the European Union, the United Kingdom or the United States of America or the international financial markets or any change in national or international political, financial or economic conditions;

w) in respect of, Australia, New Zealand, Canada, Hong Kong, Japan, South Korea, any member of the European Union, Israel, the People's Republic of China, Russia or the United States of America

- hostilities not presently existing commence (whether war has been declared or not); or

- a major escalation in existing hostilities occurs (whether war has been declared or not); or

- a major terrorist act is perpetrated anywhere in the world.

The ability of the Lead Manager to terminate the Underwriting Agreement in respect of some events will depend on whether the Lead Manager has reasonable grounds to believe that the event:

1. has, or is likely to have, individually or in the aggregate, a material adverse effect on the success, marketing or settlement of the Offer, the value of the shares to be issued under the Offer or the willingness of investors to subscribe for shares under the Offer;

2. has, or is likely to have, individually or in the aggregate, a material adverse effect on the business, financial position or prospects of the Company; or

3. leads, or is likely to lead:

- to a contravention by the Lead Manager (or one of its affiliates) of, or the Lead Manager (or one of its Affiliates) being involved in a contravention of, the Corporations Act or any other applicable law; or

- to a liability for the Lead Manager (or one of its affiliates) under the Corporations Act or any other applicable law.

For the purposes of the Underwriting Agreement, the effect of any matter on the success of the Offer is determined by assessing the likely effect of that matter on the settlement of the Offer or on a decision of an investor to invest in shares under the Offer as if that decision to invest were made after the occurrence of that matter and not by considering the number and extent of applications received before the occurrence of that matter. The Company also gives certain representations, warranties and undertakings to the Lead Manager and an indemnity to the Lead Manager and its affiliates subject to certain carve-outs.

Dilution

Shareholders who do not participate in the Placement and/or take up all of their entitlements under the Entitlement Offer, will have their percentage of shareholding in the Company diluted and will not be exposed to future increases or decreases in the Company's share price in respect of the new shares which would have been issued to them had they participated in the Placement or taken up their entitlement under the Entitlement Offer. Shareholders may have their investment diluted by future capital raisings by the Company.

Entitlement Offer Not Renounceable

Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Accordingly, shareholders who do not take up their entitlement will not receive any value for those entitlements.