

Micro-X Limited ACN 153 273 735

Retail Offer Booklet

For an accelerated non-renounceable pro-rata entitlement offer of 1 New Share for every 10 Shares held by Eligible Retail Shareholders at the Record Date (7.00pm (Sydney time) on Monday, 10 February 2025) at an issue price of A\$0.07 per New Share to raise approximately A\$2.7m (before costs) under this retail entitlement offer.

The retail entitlement offer opens at 10.00am on Thursday, 13 February 2025 and closes at 5.00 pm (Sydney time) on Friday, 28 February 2025. Valid acceptances must be received before that time.

The Entitlement Offer is lead managed by Hawkesbury Partners Pty Limited and Morgans Corporate Limited.

IMPORTANT INFORMATION

Please read the instructions in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form regarding the acceptance of your entitlement under the Entitlement Offer.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, LAWYER OR OTHER PROFESSIONAL ADVISER.

This Retail Offer Booklet is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or other disclosure document and has not been lodged with ASIC.

This Retail Offer Booklet may not be released to US wire services or distributed in the United States.



Important notice

This Retail Offer Booklet has been issued by Micro-X Limited ACN 153 273 735 (**Micro-X**).

This Retail Offer Booklet is dated 13 February 2025 and relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by Micro-X. Capitalised terms in this section have the meaning given to them in Section 7 of this Retail Offer Booklet.

The Retail Entitlement Offer is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) (**Corporations Act**) for the offer of New Shares without disclosure to investors under a prospectus or other disclosure document.

This Retail Offer Booklet is not a prospectus, a product disclosure statement or other disclosure document under the *Corporations Act* and has not been lodged with ASIC or any other foreign regulator. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus, product disclosure statement or other disclosure document. As a result, it is important for you to read and understand the publicly available information in relation to Micro-X and the Entitlement Offer (e.g. the information available on Micro-X's website at <https://micro-x.com/> or on ASX's website at www.asx.com.au) prior to deciding whether to accept your Entitlement and apply for New Shares in accordance with the terms of this Retail Offer Booklet. The information in this Retail Offer Booklet does not constitute financial product, legal, tax or other advice and does not take into account your personal circumstances, including your investment objectives, financial situation or other needs.

Please contact your professional adviser or the Company on +61 8 7099 3966 between 8.30am and 5.30pm (Sydney time) on Monday to Friday if you have any questions.

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Section 8 of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Micro-X. Please refer to the 'Key risks' section of the Investor Presentation incorporated in Section 8 for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues and obtain advice from your professional adviser.

In addition to reading this Retail Offer Booklet in conjunction with Micro-X's other periodic and continuous disclosure announcements including the Investor Presentation and Micro-X's announcements to ASX and on its website, you should conduct your own independent review, investigations and analysis of Micro-X and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in Micro-X before making any investment decision.

By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

Entitlement and Acceptance Form

The Entitlement and Acceptance Form accompanying this Retail Offer Booklet is important. To participate in the Entitlement Offer, you must complete the Entitlement and Acceptance Form and pay the Application Money before 5.00 pm (Sydney time) on the Closing Date.

Please refer to the instructions in Section 4 regarding the acceptance of your Entitlement.

No overseas offering

This Retail Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Retail Shareholders.

This Retail Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions, including those set forth below. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of Micro-X with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013*. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

Neither this Retail Offer Booklet nor the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Retail Offer Booklet (or any part of it), the accompanying ASX Announcements and Investor Presentation nor the accompanying Entitlement and Acceptance Form may be distributed, directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered under the *U.S. Securities Act of 1933*, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States, and the New Shares may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the *U.S. Securities Act* and applicable securities laws of any state or other jurisdiction of the United States.

Definitions

Defined terms used in this Retail Offer Booklet are contained in Section 7.

Taxation

There may be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares.

Micro-X recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

Micro-X collects information about each Applicant for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Micro-X.

By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you will be providing personal information to Micro-X (directly or through the Share Registry). Micro-X collects, holds and will use that information to assess your Application. Micro-X collects your personal information to process and administer your shareholding in Micro-X and to provide related services to you. Micro-X may disclose your personal information for purposes related to your shareholding in Micro-X, including to the Share Registry, Micro-X's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Micro-X holds about you. To make a request for access to your

personal information held by (or on behalf of) Micro-X, please contact Micro-X through the Share Registry.

Governing law

This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law of South Australia, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of South Australia, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer that is not contained in this Retail Offer Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Retail Offer Booklet may not be relied upon as having been authorised by Micro-X or any of its officers.

Past performance

Investors should note that Micro-X's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) Micro-X's future performance including Micro-X's future financial position or share price performance.

Future performance

This Retail Offer Booklet contains certain forward-looking statements with respect to the financial performance and position, results of operations, projects and business of Micro-X and certain plans and objectives of the management of Micro-X. Forward-looking statements include those containing words such as 'anticipate', 'believe', 'expect', 'estimate', 'should', 'will', 'plan', 'could', 'may', 'intends', 'guidance', 'project', 'forecast', 'target', 'likely' and other similar expressions, and include, but are not limited to, statements regarding the outcome and effects of the Retail Entitlement Offer. Any forward-looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Micro-X and the Lead Manager Parties (as defined in Section 7). This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements may include projections, guidance on future revenues, earnings, dividends and estimates.

These forward-looking statements contained in this Retail Offer Booklet involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

You are strongly cautioned not to place undue reliance on forward-looking statements.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither Micro-X, nor any other person, gives any representation, warranty, assurance or guarantee (express or implied) that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Retail Offer Booklet in light of those disclosures.

The forward-looking statements are based on information available to Micro-X as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), Micro-X is under no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

The Lead Manager Parties have not authorised, approved or verified any forward-looking statements contained in this Retail Offer Booklet.

Joint Lead Managers

Morgans Corporate Limited and Hawkesbury Partners Pty Limited are acting as Joint Lead Managers of the Entitlement Offer. Neither the Joint Lead Managers, their respective affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together, the **Lead Manager**

Parties), nor the advisers to Micro-X or any other person (other than Micro-X) has authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by Micro-X) and none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them. The Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage fees (including in relation to acting as Joint Lead Managers of the Entitlement Offer) or other benefits from, Micro-X.

Disclaimer

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Micro-X and the Joint Lead Managers. To the maximum extent permitted by law, Micro-X and the Lead Manager Parties disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

To the maximum extent permitted by law, the Lead Manager Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Retail Offer Booklet being inaccurate or incomplete (in any respect) or due to information being omitted from this Retail Offer Booklet, whether by way of negligence or otherwise, and make no guarantee, representation or warranty (express or implied) as to the currency, accuracy, reliability, fairness or completeness of the information contained in this Retail Offer Booklet.

The Lead Manager Parties take no responsibility for any part of this Retail Offer Booklet or any action taken by you on the basis of that information. To the maximum extent permitted by law, the Lead Manager Parties exclude and disclaim all liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with the Entitlement Offer.

The Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties (express or implied) to you concerning the Entitlement Offer or any such information. By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Lead Manager Parties in relation to the New Shares or the Entitlement Offer in any respect.

The Joint Lead Managers are financial institutions engaged in various activities, which may include trading, financing, financial advisory, investment management, research, principal investment, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses. The Joint Lead Managers are acting for and providing services to Micro-X in relation to the Entitlement Offer and are not, and will not be, acting for or providing services to Micro-X Shareholders or potential investors. The engagement of the Joint Lead Managers is not intended to create any fiduciary obligations, agency or other relationship between the Lead Manager Parties, Micro-X, Micro-X's Shareholders or potential investors.

All representations, warranties and disclaimers (or other limitations of liability) contained in this Retail Offer Booklet is given or included (as applicable) to the maximum extent permitted by law, and only to that extent.

Risks

Refer to the 'Key risks' section of the Investor Presentation included in Section 8 of this Retail Offer Booklet for a summary of general and specific risk factors that may affect Micro-X. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

No cooling off

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been accepted.

Times and dates

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time. Refer to the timetable in Section 1 of this Retail Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (\$ or A\$).

Rounding

Any discrepancies between totals and sums and components in tables contained in this Retail Offer Booklet are due to rounding.

Trading New Shares

Micro-X will have no responsibility and disclaims all liability (to the maximum extent permitted by law and only to that extent) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Micro-X or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

Disclaimer of representations

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

To the maximum extent permitted by law, and only to that extent, any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by Micro-X, its officers or its related bodies corporate in connection with the Retail Entitlement Offer.

If you are in any doubt as to these matters, you should first consult with your stockbroker, lawyer, accountant or other professional adviser.

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Chair's letter

Dear Shareholder,

On behalf of the Board of Micro-X Limited ACN 153 273 735 (**Micro-X**), I am pleased to invite you to participate in a non-underwritten 1 for 10 accelerated non-renounceable pro rata entitlement offer of new fully paid ordinary shares in Micro-X (**New Shares**) at an offer price of \$0.07 per New Share (**Entitlement Offer**).

Overview - Capital Raising & Strategic Partnership

On 6 February 2025, Micro-X launched a \$6.0m capital raising, comprised of a \$2.0m placement to institutional and sophisticated investors (**Placement**) and the Entitlement Offer to raise approximately \$4.0m, each at \$0.07 per share (**Offer Price**). This capital raising followed the commitment we received on 5 February 2025 by our latest strategic partner in security, Billion Prima Sdn Bhd (**Billion Prima**), who will acquire approximately 4.4% of Micro-X through a strategic placement of \$2.4m at \$0.09 a share (**Strategic Placement**).

We were pleased to announce on 10 February 2025, that we have successfully completed the Placement, raising the \$2.0m targeted, including \$0.3m from our Board and key management team, with the director participation subject to shareholder approval. We also announced completion of the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), which raised approximately \$1.3m. Pleasingly, this included two of our substantial shareholders taking up all of their entitlements and we welcome their ongoing support in addition to participating in the Placement.

Micro-X has recently announced a revised strategy focused on our range of commercial and development stage medical imaging products and the \$5.7m raised to date (being \$3.3m from the Placement and Institutional Entitlement Offer plus the \$2.4m Strategic Placement), strengthens our balance sheet at a pivotal moment, enabling us to execute on our strategy. The funding will be deployed to advance the Micro-X business through to a cashflow stable position, based on our leading range of medical imaging products, all underpinned by Micro-X's revolutionary NEX Technology.

We believe we have a number of near-term commercial milestones to deliver shareholder value. Our Rover Plus mobile X-ray unit has advanced to the final stages of an opportunity with a major US hospital operator and group purchasing organisation. Our Head CT unit for mobile stroke detection is scheduled to commence human imaging trials at three Australian hospitals this year, ahead of a regulatory submission and then commercial launch. Also, design work has commenced on our next generation Full Body CT scanner, under the recently awarded contract with ARPA-H for up to A\$25m in non-dilutive funding. We also plan to monetise our current security applications via strategic partnerships with third parties, which may be similar to that announced with Billion Prima. Finally, we have rationalised our overall operations, by discontinuing Argus and reducing ongoing overheads.

All of these planned activities will be further supported by the Strategic Placement with Billion Prima, who will be working with Micro-X to launch the world's first baggage and parcel scanner using Micro-X's NEX Technology, within the next twelve months. This commercialisation work with Billion Prima will include \$3.2m of additional payments to Micro-X as we deliver on agreed milestones, up to the commercial launch.

Rationale for the Entitlement Offer

We are now launching the retail component of the Entitlement Offer (**Retail Entitlement Offer**) in this Retail Offer Booklet, targeting a further \$2.7m being the balance of the \$6.0m capital raising we targeted. The funds targeted from the Retail Entitlement Offer, will help us achieve our capital raising target, extending our available capital and better enabling us to execute all of our strategies focused on medical imaging.

To find further information on our business, strategies and planned milestones, I would direct Eligible Shareholders to our Investor Presentation, which can be found in Section 8 of this Retail Offer Booklet.

Details of the Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same Offer Price of \$0.07 per New Share as the Institutional Entitlement Offer. The number of New Shares for which you are entitled to apply under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form, sent to Eligible Shareholders by Computershare, with this Retail Offer Booklet.

If you are an Eligible Shareholder and you wish to accept your Entitlement pursuant to the Retail Entitlement Offer, you will need to provide appropriate application moneys so that they are received not later than **5.00pm AEDT on the Closing Date of 28 February 2025** (unless extended).

All Entitlements are non-renounceable and cannot be traded on the ASX or otherwise transferred. This means that if you choose not to take up your Entitlement you will not receive any value in respect of your Entitlement and your percentage interest in Micro-X will reduce.

Top-Up Facility

The Entitlement Offer includes a shortfall facility under which Eligible Shareholders who take up their full Entitlement may apply for New Shares in the Entitlement and Acceptance Form from a pool of those Entitlements not taken up by other Eligible Shareholders (**Top-Up Facility**). There is no guarantee that applicants under this Shortfall Facility will receive all or any of the additional New Shares applied for under the Shortfall Facility. The Board reserves the right to allocate New Shares under the Shortfall Facility at its absolute discretion.

Key Information

This Retail Offer Booklet contains important information, including:

- Micro-X's ASX announcements relating to the Entitlement Offer, including the Investor Presentation, which provides information about Micro-X, the Entitlement Offer and key risks for you to consider;
- instructions on how to take up all or part of your Entitlement, and additional New Shares in excess of your Entitlement under the Top-Up Facility, via BPAY®; and
- timetable of key dates.

Instructions on how to apply are set out in this Retail Offer Booklet and your Entitlement and Acceptance Form and can be made at www.computersharecas.com.au/MX1offer. For further information regarding the Retail Entitlement Offer, call +61 8 7099 3966 between 8.30am to 5.30pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period.

If you do not wish to take up any of your Entitlement, you do not have to take any action. If you are uncertain about taking up your Entitlement you should consult your stockbroker, lawyer, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

The Company's ability to pursue the commercial opportunities being targeted will be substantially enhanced by the participation of shareholders in this Entitlement Offer. On behalf of the Directors and all of the team of Micro-X, we appreciate your support.

Yours faithfully



Patrick O'Brien
Chair
Micro-X Limited

1 Summary and key dates

1.1 Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 10 Existing Shares
Offer Price	\$0.07 per New Share
Number of Shares	Approximately 19.2m New Shares under the Institutional Entitlement Offer, and Approximately 39.2m New Shares under the Retail Entitlement Offer
Gross proceeds	Approximately \$4.0m, comprising approximately \$1.3m under the Institutional Entitlement Offer and approximately \$2.7m under the Retail Entitlement Offer

1.2 Key dates

Activity	Date
Announcement of Entitlement Offer	6 February 2025
Institutional Entitlement Offer opens	6 February 2025
Institutional Entitlement Offer closes	7 February 2025
Announcement of results of Institutional Entitlement Offer and Placement - Shares recommence trading	10 February 2025
Record Date for Entitlement Offer	7.00pm (Sydney time) 10 February 2025
Retail Entitlement Offer opens	13 February 2025
Retail Offer Booklet and Entitlement and Acceptance Form dispatched	13 February 2025
Allotment of New Shares under the Institutional Entitlement Offer and Placement	18 February 2025
Commencement of trading of New Shares issued under the Institutional Entitlement Offer and Placement	19 February 2025
Retail Entitlement Offer closes	5.00pm (Sydney time) 28 February 2025
Settlement of the Retail Entitlement Offer	4 March 2025
Results of the Retail Entitlement Offer announced to ASX	Before 9:00am, 6 March 2025
Allotment of New Shares under the Retail Entitlement Offer	Before 12:00pm, 6 March 2025
Commencement of trading of New Shares issued under the Retail Entitlement Offer	7 March 2025
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	11 March 2025

This timetable is indicative only and may change. Micro-X in consultation with the Joint Lead Managers, reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Micro-X reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late Applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. Micro-X also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Money (without interest) will be returned in full to Applicants.

1.3 Enquiries

Call +61 8 7099 3966 between 8.30am and 5.30pm (Sydney time) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on 28 February 2025 (unless extended). Alternatively, contact your stockbroker, lawyer, accountant or other professional adviser.

2 Summary of options available to you

If you are an Eligible Retail Shareholder, you may take one of the following actions:

- (a) take up all of your Entitlement only;
- (b) take up all of your Entitlement and also apply for additional New Shares under the Top-Up Facility;
- (c) take up part of your Entitlement and allow the balance to lapse; or
- (d) do nothing, in which case your entire Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Retail Entitlement Offer closes at **5.00pm (Sydney time) on 28 February 2025**.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an '**Ineligible Retail Shareholder**'. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Options available to you	Key considerations	Further information
1 Take up all of your Entitlement	<ul style="list-style-type: none"> You may elect to purchase New Shares at the Offer Price for your full Entitlement (see Section 4 for instructions on how to take up your Entitlement). The New Shares will rank equally in all respects with Existing Shares. Your percentage shareholding in the Company will not be diluted.¹ 	Section 4
2 Take up all of your Entitlement and also apply for additional New Shares in excess of your Entitlement under the Top-Up Facility	<ul style="list-style-type: none"> If you take up all of your Entitlement, you may also apply for additional New Shares under the Top-Up Facility at the Offer Price. There is no guarantee that you will be allocated any additional New Shares under the Top-Up Facility. Your percentage shareholding in the Company will not be diluted. 	Section 4.2
3 Take up part of your Entitlement	<p>You may elect to purchase some New Shares at the Offer Price, being less than your full Entitlement. If you do not take up your Entitlement in full:</p> <ul style="list-style-type: none"> those Entitlements not taken up will lapse and you will not receive any payment or value for them. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements that are not taken up are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred; 	Sections 4.3 and 4.5

¹ This only relates to dilution from the Retail Entitlement Offer and does not apply to dilution caused by the Placement and Strategic Placement both of which will have a dilutionary effect on your shareholding. You should consult your professional adviser before making an investment decision.

Options available to you	Key considerations	Further information
	<ul style="list-style-type: none"> you will not be entitled to apply for additional New Shares under the Top-Up Facility; and you will have your percentage holding in Micro-X reduced as a result of not participating in the Entitlement Offer to the fullest allowable extent. <p>Sections 4.3 and 4.5 for further information, including instructions on how to apply for part of your Entitlement.</p>	
4 Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	<p>If you do not take up your Entitlement:</p> <ul style="list-style-type: none"> you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred; and you will have your percentage holding in Micro-X reduced as a result of not participating in the Entitlement Offer. <p>See Sections 4.4 and 4.5 for further information.</p>	Sections 4.4 and 4.5

Please also note that if you are an Eligible Retail Shareholder who is a 'related party' in relation to Micro-X (as that term is defined in the ASX Listing Rules) or are otherwise a person to whom Listing Rule 10.11 applies, you may apply to take up your Entitlement in part or in full without Shareholder approval being required, but may not apply for any additional New Shares under the Top-Up Facility.

3 Overview of the Entitlement Offer

3.1 Overview

Micro-X intends to raise approximately \$4.0m by undertaking the Entitlement Offer, pursuant to which Micro-X is offering Eligible Shareholders the opportunity to apply for 1 New Share for every 10 Existing Shares held on the Record Date. The Offer Price per New Share is \$0.07. The Entitlement Offer is intended to raise approximately \$4.0m, comprising approximately:

- (a) \$1.3m under the Institutional Entitlement Offer; and
- (b) \$2.7m under the Retail Entitlement Offer.

In addition, as announced on 10 February 2025, the Company has received commitments for a placement of \$2.0m to institutional and sophisticated investors (including approximately \$0.30m from Directors and management) at \$0.07 per Share (**Placement**), with approximately \$0.2m placed to Directors being subject to shareholder approval at an extraordinary general meeting to be convened shortly.

This Retail Offer Booklet relates to the Retail Entitlement Offer to raise up to approximately \$2.7m.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

Please refer to the ASX Announcements and the Investor Presentation² included in Section 8 of this Retail Offer Booklet for information on the rationale for the Entitlement Offer, the use of proceeds of the Entitlement Offer and the key risks associated with an investment in Micro-X.

3.2 Institutional Entitlement Offer

Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlements under the Institutional Entitlement Offer at the Offer Price of \$0.07 per New Share.

The Institutional Entitlement Offer was undertaken and closed on 7 February 2025, raising approximately \$1.3m. Please see Micro-X's ASX announcement dated 10 February 2025 for further information about the outcome of the Institutional Entitlement Offer.

New Shares are expected to be issued under the Institutional Entitlement Offer on 18 February 2025.

New Shares not applied for under the Institutional Entitlement Offer by Eligible Institutional Shareholders (**Shortfall Shares**) may be issued to new investors or existing Shareholders within 3 months of close of the Entitlement Offer at a price no less than the Offer Price. The allocation of Shortfall Shares will be within the discretion of Micro-X, having regard to factors such as:

- (a) Micro-X's desire for an informed and active trading market;
- (b) Micro-X's desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors;
- (c) the likelihood that particular investors will be long-term shareholders; and
- (d) any other factors Micro-X considers appropriate.

² The ASX Announcements and the Investor Presentation are current as at the date of their release. There may be other announcements that are made by Micro-X after 13 February 2025 and before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on 28 February 2025 that may be relevant in your consideration of whether to take part in the Retail Entitlement Offer. Therefore, before submitting an Application, you should check whether any further ASX Announcements have been made by Micro-X.

3.3 Retail Entitlement Offer

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act, which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

Eligible Retail Shareholders are being invited to apply for all or part of their Entitlement and are being sent this Retail Offer Booklet with a personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders who take up all of their Entitlement may also apply for additional New Shares in excess of their Entitlement under the Top-Up Facility.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Shareholders, being Shareholders who on the Record Date:

- (a) have an address on the Micro-X register in Australia or New Zealand, or are Institutional Investors who were not invited to participate in the Institutional Entitlement Offer;
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (c) are not Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of Micro-X. Micro-X and the Joint Lead Managers disclaim any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

The Retail Entitlement Offer seeks to raise approximately \$2.7m. The Offer Price under the Retail Entitlement Offer is the same as the Offer Price under the Institutional Entitlement Offer.

The Retail Entitlement Offer opens at 10.00am on 13 February 2025 and is expected to close at 5.00pm (Sydney time) on 28 February 2025.

The Retail Entitlement Offer is **not** underwritten.

3.4 Ineligible Retail Shareholders

The restrictions upon eligibility to participate in the Entitlement Offer arise because the Company has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to extend the Entitlement Offer to Ineligible Retail Shareholders. This decision has been made after taking into account the relatively small number of Shareholders in the jurisdictions in which the Ineligible Retail Shareholders are located, the relatively small number and value of New Shares to which those Shareholders would otherwise be entitled to subscribe for and the potential costs of complying with legal and regulatory requirements in the jurisdictions in which the Ineligible Retail Shareholders are located.

The Company, in its absolute discretion, may extend the Entitlement Offer to any Shareholder if it is satisfied that the Entitlement Offer may be made to the Shareholder in compliance with all applicable laws. The Company may determine whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder. To the maximum extent permitted by law, the Company disclaims all liability in respect of such determination.

3.5 Your Entitlement

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 10 Shares held on the Record Date (i.e. 7.00pm (Sydney time) on 10 February 2025) with fractional entitlements rounded up to the nearest whole number of New Shares) accompanies this Retail Offer Booklet. Eligible Retail Shareholders may apply for all or part of their Entitlement.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Eligible Retail Shareholders should be aware that an investment in Micro-X involves risks. The key risks identified by Micro-X are set out in the section entitled 'Key risks' from pages 29 to 33 of the Investor Presentation (enclosed in Section 8).

Top-Up Facility – Application for Additional Shares

Any Entitlement not taken up pursuant to the Retail Entitlement Offer (**Shortfall Shares**) will be offered under a Top-Up Facility.

Eligible Retail Shareholders who take up all of their Entitlement (excluding any Listing Rule 10.11 Parties) may apply for additional New Shares up to 400% of their Entitlement (**Additional Shares**).

If you apply for Additional Shares, and if your application is successful (in whole or in part), your Additional Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer. If you apply for Additional Shares, there is no guarantee that you will be allocated any Additional Shares.

Additional Shares will only be allocated to Eligible Retail Shareholders:

- (a) if there are Shortfall Shares available; and
- (b) subject to the Corporations Act, Listing Rules and other applicable laws and regulations.

Top-Up Facility – Scale back

If Eligible Retail Shareholders apply for more Additional Shares than there are Shortfall Shares available, the Company will scale back allocations. Micro-X will scale back applications for Additional Shares in its absolute discretion, which may include:

- (a) having regard to the pro rata Entitlement of Eligible Retail Shareholders who apply for Additional Shares; and
- (b) to ensure compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

See Section 4.2 for further detail.

Application Monies received by the Company in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many Additional Shares as that excess amount will pay for in full at the Offer Price (subject to the maximum number of Additional Shares and allocation policy referred to above).

Top-Up Facility – Shortfall

If, following allocation of New Shares under the Top-Up Facility, there remain Shortfall Shares which have not been allocated, the Shortfall Shares may be issued in accordance with Section 4.5.

4 How to apply

4.1 Options available to you

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Retail Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may also apply for additional New Shares (**Additional Shares**) under the Top-Up Facility (refer to Section 4.2);
- (b) take up part of their Entitlement, in which case the part of the Entitlement not taken up would lapse (refer to Section 4.3); or
- (c) do nothing and allow their entire Entitlement to lapse (refer to Section 4.4).

Ineligible Retail Shareholders may not participate in the Retail Entitlement Offer.

Micro-X reserves the right to reject any Application that is received after the Closing Date. The Directors reserve the right to issue any shortfall under the Entitlement Offer at their discretion.

The Closing Date for acceptance of the Retail Entitlement Offer is 5.00pm (Sydney time) on 28 February 2025.

4.2 Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Top-Up Facility

If you wish to take up all of your Entitlement, you must complete the Entitlement and Acceptance Form and pay the Application Money by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than **5.00pm (Sydney time) on 28 February 2025**.

If you apply to take up all of your Entitlement, you may also apply for Additional Shares under the Top-Up Facility. Any Application Money received for more than your full Entitlement of New Shares will be treated as applying for as many additional New Shares as it will pay for in full. Please refer to Section 3.5 for additional information.

If you apply for Additional Shares under the Top-Up Facility, and if your application is successful (in whole or in part), your Additional Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer.

If you apply for Additional Shares, there is no guarantee that you will be allocated any Additional Shares. Additional Shares will only be allocated to Eligible Retail Shareholders:

- (a) if available; and
- (b) subject to compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

If Eligible Retail Shareholders apply for more Additional Shares than available under the Top-Up Facility, Micro-X will scale back applications for Additional Shares in its absolute discretion, which may include:

- (a) having regard to the pro rata Entitlement of Eligible Retail Shareholders who apply for Additional Shares; and
- (b) to ensure compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

No interest will be paid to Applicants on any Application Money received or refunded. Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid by direct credit to the nominated bank account as noted on the share register as at the Closing Date. If you

wish to advise or change your banking instructions with the Share Registry you may do so by going to <https://www-au.computershare.com/Investor/#Home>.

4.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, you must complete the Entitlement and Acceptance Form and pay the Application Money by following the instructions set out on the personalised Entitlement and Acceptance Form.

If you wish to take up part of your Entitlement, you will not be entitled to apply for Additional Shares under the Top-Up Facility.

If Micro-X receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Money will pay for in full.

4.4 Allowing your Entitlement to lapse

If you do not wish to take up all or any part of your Entitlement, do not take any further action and all or that part of your Entitlement will lapse.

4.5 Consequences of not taking up all or part of your Entitlement

Lapsing of Entitlement

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, your Entitlement will lapse. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your interest in Micro-X will also be diluted to the extent that New Shares are issued under the Entitlement Offer.

Allocation policy

With respect to any New Shares that relate to the portion of your Entitlement that has not been taken up, those Shortfall Shares will be allocated as follows:

- (a) those Shortfall Shares may be acquired by Eligible Retail Shareholders under the Top-Up Facility, refer to Section 3.5 and Section 4.2 for details; and
- (b) any Shortfall Shares not taken up under the Top-Up Facility will then be issued in accordance with the below.

The Directors reserve the right to issue any New Shares not issued in the Entitlement Offer (**Final Shortfall Shares**) to new investors or existing Shareholders within 3 months of the close of the Entitlement Offer at a price no less than the Offer Price. The allocation of Final Shortfall Shares will be within the complete discretion of Micro-X, having regard to factors such as:

- (a) Micro-X's desire for an informed and active trading market;
- (b) Micro-X's desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors;
- (c) the likelihood that particular investors will be long-term shareholders; and
- (d) any other factors Micro-X considers appropriate.

4.6 Payment

You can pay in the following ways:

- (a) make a payment directly by BPAY®. Make payment by BPAY® as shown on your personalised Entitlement and Acceptance Form, (you do not need to return an Entitlement and Acceptance Form under this option); or
- (b) by electronic funds transfer (EFT) for Eligible Retail Shareholders in New Zealand only.

Cash payments will not be accepted. Additionally, payments by cheque, bank draft or money order will not be accepted. Receipts for payment will not be issued.

Micro-X will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement, and in respect of any excess amount applying for as many Additional Shares under the Top-Up Facility as it will pay for in full.

Any Application Money (greater than \$2.00) received for more than your final allocation of New Shares (and Additional Shares if relevant) will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Money received or refunded.

(c) Payment by BPAY®

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

When paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that by paying by BPAY®:

- (i) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 4.7;
- (ii) 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 Moneys; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional New Shares (if any) under the Top-Up Facility, to the extent of the excess.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 28 February 2025. 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 in the timing of when you make payment.

(d) Payment using EFT (For Eligible Shareholders in New Zealand only)

For payment by EFT, please follow the instructions on the personalised Entitlement and Acceptance Form. When paying by EFT, please make sure you use the specific account details and your Unique Reference Number on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the Unique Reference Number specific to that

holding. If you do not use the correct Unique Reference Number specific to that holding your Application will not be recognised as valid.

Please note that by paying by EFT:

- (i) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 4.7;
- (ii) 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 Moneys; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional New Shares (if any) under the Top-Up Facility, to the extent of the excess.

It is your responsibility to ensure that your EFT payment is received by the Share Registry by no later than **5.00pm (Sydney time) on 28 February 2025**. 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 in the timing of when you make payment.

4.7 Entitlement and Acceptance Form is binding

A payment made through BPAY® or EFT constitutes a binding offer to acquire New Shares (or Additional Shares, as the case may be) on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. Micro-X's decision on whether to treat an acceptance as valid is final.

By making a payment by BPAY® or EFT, you will also be deemed (to the maximum extent permitted by law) to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) you have received and read, and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and Micro-X's constitution;
- (c) you authorise Micro-X to register you as the holder(s) of New Shares issued to you under the Retail Entitlement Offer;
- (d) all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- (e) if you are a natural person, you are 18 years of age or over and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) you accept that there is no cooling off period under the Retail Entitlement Offer and that once Micro-X receives any payment of Application Money via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- (g) you agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Money via BPAY®, at the Offer Price;
- (h) if you apply for Additional Shares under the Top-Up Facility, you declare that you are not a 'related party' (as that term is defined in the ASX Listing Rules) or a person to whom Listing Rule 10.11 applies;

- (i) you authorise Micro-X, the Joint Lead Managers, the Share Registry and each of their respective officers, employees or agents to do anything on your behalf reasonably necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (j) you acknowledge and agree that:
 - (i) determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Micro-X and the Joint Lead Managers; and
 - (ii) Micro-X, the Joint Lead Managers, and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (k) you represent and warrant (for the benefit of Micro-X, the Joint Lead Managers and each of their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder under the Institutional Entitlement Offer and are otherwise eligible to participate in the Retail Entitlement Offer;
- (l) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (m) the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (n) this Retail Offer Booklet is not a prospectus or other disclosure document, does not contain all of the information that you may require in order to assess an investment in Micro-X and is given in the context of Micro-X's past and ongoing continuous disclosure announcements to ASX;
- (o) you acknowledge the statement of risks in the 'Key risks' section of the Investor Presentation included in Section 8 of this Retail Offer Booklet, and that an investment in Micro-X is subject to risks;
- (p) none of Micro-X, the Joint Lead Managers, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the New Shares or the performance of Micro-X, nor do they guarantee the repayment of capital from Micro-X;
- (q) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (r) you authorise Micro-X to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (s) the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (t) you are an Eligible Retail Shareholder;

- (u) you acknowledge that the New Shares have not been, and will not be, registered under the U.S. Securities Act or under the laws of any state or other jurisdiction of the United States and that, accordingly, the Entitlements may not be taken up by a person in the United States;
- (v) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person acting for the account or benefit of a person in the United States, or to any country outside Australia and New Zealand (except that nominees or custodians may send such materials to Institutional Investors);
- (w) if you decide to sell or otherwise transfer the New Shares in the future, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, including in regular way transactions on ASX or otherwise where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (x) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Application is resident in Australia or New Zealand or is an Institutional Investor and is not in the United States and is not acting for the account or benefit of a person in the United States; and
- (y) you make all other representations and warranties set out in this Retail Offer Booklet.

4.8 Brokerage and stamp duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for the grant of the Entitlement, or for exercising the Entitlement in order to apply for New Shares under the Retail Entitlement Offer or for additional New Shares under the Top-Up Facility.

4.9 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from Micro-X. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States or elsewhere outside Australia and New Zealand, except that nominees may take up Entitlements and send documents related to the Entitlement Offer to Institutional Investors.

4.10 Withdrawal of the Entitlement Offer

Subject to applicable law, Micro-X reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case Micro-X will refund any Application Money already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

To the fullest extent permitted by law, you agree that any Application Money paid by you to Micro-X will not entitle you to receive any interest and that any interest earned in respect of Application Money will belong to Micro-X.

4.11 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the Company on **+61 8 7099 3966** at any time **from 8.30am to 5.30pm (Sydney time) on Monday to Friday**, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on 28 February 2025 (unless extended). If you have any further questions, you should contact your stockbroker, lawyer, accountant or other professional adviser.

Eligible Retail Shareholders should be aware that an investment in Micro-X involves risks. The key risks identified by Micro-X are set out from page 29 to 33 of the Investor Presentation (in Section 8).

5 Control implications and capital structure

5.1 Capital structure as at the date of this Retail Offer Booklet and on completion of the Entitlement Offer

	Shares	Options	Rights
Securities on issue as at the date the Entitlement Offer was announced	583,719,993	31,118,256	55,588,699
Securities anticipated to be issued under the Institutional Entitlement Offer ¹	19,207,247	-	-
Securities anticipated to be issued under the Placement ²	28,571,429	-	-
Securities anticipated to be issued under the Strategic Placement ³	26,666,667	-	-
Retail Entitlement Offer ⁴	39,164,752	-	-
TOTAL	697,330,088	31,118,256	55,588,699

Notes:

- 19,207,247 New Shares will be issued under the Institutional Entitlement Offer on 18 February 2025 with the balance to be placed by Micro-X and the Joint Lead Managers within three months after the close of the Entitlement Offer.
- Includes New Shares to be issued to Directors under the Placement which is subject to Shareholder approval, expected to be sought in March 2025. If approved those New Shares will be issued to Directors in March 2025.
- As announced on 6 February 2025, Micro-X has undertaken a strategic placement of \$2.4m at \$0.09 per Share to Billion Prima Sdn Bhd. The 26,666,667 Shares to be issued to Billion Prima under the Strategic Placement are anticipated to be issued on 18 February 2025.
- Approximate. The final number of New Shares issued under the Retail Entitlement Offer will be subject to Shareholder reconciliation and rounding.
- The above table does not take into account 650 Convertible Notes currently on issue which, if converted would amount to 162,500 additional shares.

5.2 Substantial Shareholders and Directors' interests in Securities

The table below sets out the interests of substantial Shareholders, both before and after completion of the Entitlement Offer, Placement and Strategic Placement.

Substantial Shareholder	Current ¹		After Entitlement Offer, Placement & Strategic Placement ²	
	Number of Shares	Voting Power (%)	Number of Shares	Voting Power (%)
Perennial Value Management Limited	69,422,508	11.89%	86,565,365	12.41%
Acorn Capital Limited	59,660,886	10.22%	71,089,457	10.19%
Varex Imaging Corporation	54,130,053	9.27%	54,130,053	7.76%
TIGA Trading Pty Ltd and Thorney Technologies Limited	45,152,777	7.74%	45,152,777	6.48%

- Current as at the date of Retail Booklet, which is prior to the issue of New Shares under the Placement, Strategic Placement and the Institutional Entitlement Offer.
- Assumes the issue of all New Shares under the Placement, the Institutional Entitlement Offer and the Strategic Placement as well as the New Shares under the Retail Entitlement Offer (assuming full take up), as summarised in Section 5.1.

The table below sets out the interests of Directors in Micro-X before and after completion of the Institutional Entitlement Offer and Placement.

Director	Current			After Capital Raising & Strategic Placement		
	Shares	Options	Rights	Shares ¹	Options	Rights
Patrick O'Brien	8,859,020	526,316	-	10,287,592	526,316	-
James McDowell	880,180	78,947	-	1,594,466	78,947	-
Ilona Meyer	210,818	52,631	127,877	567,961	52,631	127,877
Andrew Hartmann	-	-	-	357,143	-	-

1. The Directors have committed to take up \$0.2m of New Shares under the Placement, subject to Shareholder approval, and will not take up their Entitlements under the Retail Entitlement Offer. The disclosures in the table assume Shareholder approval has been obtained for the issue of the New Shares under the Placement.

5.3 Potential Dilution Effect

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 5.95% (on an undiluted basis), assuming the Retail Entitlement Offer is fully subscribed and assuming completion of the Placement, Strategic Placement, and Institutional Entitlement Offer.

The following are examples of how any dilution may affect you if you do not participate in the Entitlement Offer, assuming the maximum number of New Shares are issued under the Entitlement Offer.

Example Shareholder	Holdings as at Record Date	% as at Record Date	% Prior to Retail Entitlement Offer ¹	Entitlements Under the Retail Entitlement Offer	After Entitlement Offer, Placement & Strategic Placement	
					% following allotment of New Shares (if full entitlement taken up) ²	% following allotment of New Shares (if entitlement not taken up) ²
Shareholder 1	1,000,000	0.17%	0.15%	100,000	0.16%	0.14%
Shareholder 2	2,000,000	0.34%	0.30%	200,000	0.32%	0.29%
Shareholder 3	5,000,000	0.86%	0.76%	500,000	0.79%	0.72%
Shareholder 4	10,000,000	1.71%	1.52%	1,000,000	1.58%	1.43%
Shareholder 5	20,000,000	3.43%	3.04%	2,000,000	3.15%	2.87%

1. % Prior to Retail Entitlement Offer assumes that the New Shares have been issued under the Placement, Strategic Placement and Institutional Entitlement Offer.
2. The dilution in the above table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Top-Up Facility. If Entitlements not accepted are not subsequently placed under the Top-Up Facility, those New Shares may be placed in accordance with clause 4.5.

5.4 Impact of Entitlement Offer on control of the Company

General

Shareholders should note that if they do not participate in the Entitlement Offer and the Entitlement Offer is subscribed as detailed in Section 5.1 their holdings are likely to be diluted as detailed in Section 5.3 (as compared to their holdings as at the date of this Retail Offer Booklet).

Under section 606 of the Corporations Act, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of a transaction in relation to securities of that company, a person's Voting Power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

Rights issue exception not available

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in Item 10 of Section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% Voting Power threshold in section 606 of the Corporations Act as a result of acceptance of their Entitlement should seek professional advice before completing and returning the Entitlement Form.

On this basis, it is not anticipated that the Entitlement Offer will have any effect on the control of Micro-X.

The impact on the capital structure of the Company will be as set out in the table at Section 5.1:

5.5 Use of funds

Funds from the Placement and Entitlement Offer will be applied as follows:

Proceeds of the Entitlement Offer	Full Subscription (\$)
Medical imaging – commercial activities, product support & manufacturing	\$2.15 m
Head CT – capital expenditure, productisation, regulatory approval and launch of product	\$1.50 m
Working Capital	\$1.90 m
Expenses of the Entitlement Offer ¹ & the Placement	\$0.45 m
Total	\$6.00 m

Notes:

1. Refer to Section 6.11 of this Retail Offer Booklet for further details relating to the estimated expenses of the Entitlement Offer.

The above table is a statement of current intentions as of the date of this Retail Offer Booklet. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

It should be noted that the Company's budgets and forecasts are subject to modification on an ongoing basis depending on the results achieved from its business activities and operations. The table above is a statement of the Board's current intentions as at the date of this Retail Offer Booklet.

6 Additional information

6.1 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date (i.e., 7.00pm (Sydney time) on 10 February 2025) who:

- (a) have an address on the Micro-X register in Australia or New Zealand, or are Institutional Investors who were not invited to participate in the Institutional Entitlement Offer;
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (c) are not Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Micro-X has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand.

6.2 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

6.3 Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares to be issued under the Entitlement Offer. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. You should seek independent legal advice to obtain such a statement.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available on the Company's website and for inspection at the Company's registered office during normal business hours.

General meeting and notices:	Notice of a general meeting must be given in accordance with the Corporations Act to each eligible shareholder. Except as permitted by the Corporations Act, general meetings must be called on at least the minimum number of days' notice required by the Corporations Act (which at the date on which the Constitution was adopted is 28 days) and otherwise in accordance with the procedures set out in the Corporations Act.
Voting rights:	<p>Subject to the Constitution and to any rights or restrictions attaching to any class of Shares:</p> <ul style="list-style-type: none"> • every member may vote; • subject to the Constitution and the Corporations Act, on a show of hands every member has one vote; and • on a poll every member has: <ul style="list-style-type: none"> ○ for each fully paid share held by the member, one vote; and ○ for each partly paid share held by the member, a fraction of a vote equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable, whether or not called

	<p>(excluding amounts credited), on the share. An amount paid on a share in advance of a call is not to be taken as paid for this purpose; and</p> <ul style="list-style-type: none"> o during a breach of the Listing Rules relating to shares which are Restricted Securities (as defined in the Listing Rules), or a breach of a restriction agreement, the holder of the relevant Restricted Securities is not entitled to any voting rights in respect of those Restricted Securities.
Issue of further securities:	The Directors, may, on behalf of the Company, issue shares and grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights and restrictions attached to a class of shares.
Variation of rights:	<p>The rights attached to Shares or any other class of shares in the Company may be varied in accordance with the Corporations Act.</p> <p>The rights conferred on the holders of any class of shares in the Company are taken as not having been varied by the creation or issue of further shares in the Company ranking equally with them.</p>
Transfer of Shares:	Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.
Partly paid shares:	The Directors may, subject to compliance with the Constitution, the Corporations Act and Listing Rules, issue partly paid shares upon which there are outstanding amounts payable. These shares will have limited voting rights.
Dividend rights:	<p>The Directors may by resolution either:</p> <ul style="list-style-type: none"> • declare a dividend and fix the amount, the time for and method of payment; or • determine a dividend or interim dividend is payable and fix the amount and the time for and method of payment.
Winding up:	<p>If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company:</p> <ul style="list-style-type: none"> • divide among the members in kind all or any of the Company's assets; and • for that purpose, determine how he or she will carry out the division between the different classes of members, <p>but may not require a member to accept any Shares or other securities in respect of which there is any liability.</p> <p>The liquidator may, with the sanction of a special resolution of the Company, vest all or any of the Company's assets in a trustee on trusts determined by the liquidator for the benefit of the contributories.</p>

6.4 Dividend policy

Micro-X does not intend to declare or pay a dividend in the immediate future. Any future determination as to the payment of dividend by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6.5 Allotment

Micro-X will apply for quotation of the New Shares on ASX in accordance with ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, Micro-X will repay all Application Money (without interest) to Applicants.

Trading of New Shares will, subject to ASX approval, occur shortly after issue and allotment. It is expected that issue and allotment of the New Shares under the Retail Entitlement Offer will take place on 6 March 2025. Application Money will be held by Micro-X on trust for Applicants until the New Shares are issued and allotted. No interest will be paid on Application Moneys.

Subject to approval being granted by the ASX, it is expected that the New Shares issued and allotted under the Retail Entitlement Offer will commence trading on a normal basis on 7 March 2025.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk and the Joint Lead Managers disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Micro-X or the Share Registry or otherwise.

6.6 Reconciliation

In any entitlement offer, investors may believe that they own more Existing Shares on the Record Date than they ultimately do. This may result in a need for reconciliation to ensure all Eligible Shareholders have the opportunity to receive their full Entitlement.

Micro-X may need to issue a small quantity of additional New Shares to ensure all Eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Micro-X also reserves the right to reduce the number of an Entitlement or New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Shareholders.

6.7 Rights issue exception not available

No nominee has been appointed for Ineligible Retail Shareholders under section 615 of the Corporations Act and, as such, Eligible Retail Shareholders will not be able to rely on the exception for rights issues in Item 10 of Section 611 of the Corporations Act. Accordingly, when an Eligible Retail Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Retail Shareholders who may be at risk of exceeding the 20% Voting Power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning the Entitlement and Acceptance Form.

6.8 Taxation

The taxation consequences of any investment in New Shares will depend upon your particular circumstances. Potential investors must make their own enquiries concerning the taxation consequences of an investment in the Company. Applicants should consult their tax adviser for advice applicable to their individual needs and circumstances. The Company considers that it is not appropriate to give advice regarding the tax consequences of the Entitlement Offer for each individual Shareholder and recommends that you consult your professional tax adviser. The Company, to the maximum extent permitted by law, disclaims all liability with regard to taxation advice.

6.9 Joint Lead Managers

The Joint Lead Managers were retained under a mandate executed by Micro-X on 5 February 2025 (**Lead Manager Mandate**). Under the terms of the Lead Manager Mandate, the Joint Lead Managers will be paid a fee comprising 6% of the gross proceeds of the Placement and the Entitlement Offer. The Joint Lead Manager Mandate otherwise contains customary terms for a transaction of this nature.

6.10 Continuous disclosure

Micro-X is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Micro-X is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Micro-X has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Micro-X shares. That information is available to the public from ASX.

This Retail Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or that investors ought to have regard to in deciding whether to subscribe for New Shares under the Entitlement Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website <https://micro-x.com/> or the ASX's website at www.asx.com.au.

6.11 Expenses of the Entitlement Offer

The total expenses of the Entitlement Offer and the Placement are estimated to be approximately \$450,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Expense type	\$
Joint Lead Managers' fees	\$360,000
Legal fees	\$50,000
Other costs ¹	\$40,000
Total	\$450,000

1. This includes costs relating to Registry fees, printing and other miscellaneous items.

7 Definitions

\$ or cents means Australian dollars or cents.

Additional Shares means New Shares that are in excess of the Entitlement of an Eligible Retail Shareholder to be offered under the Top-Up Facility.

Applicant means an Eligible Retail Shareholder who has submitted a valid Application.

Application means the arranging for payment of the relevant Application Money through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Application Money means the aggregate amount payable for the New Shares applied for through BPAY®.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and the securities exchange operated by it.

ASX Announcements means the initial announcement in relation to the Entitlement Offer released to ASX on 10 February 2025 and the announcement in relation to the completion of the Institutional Entitlement Offer released to ASX on 13 February 2025 incorporated in Section 8 of this Retail Offer Booklet.

ASX Listing Rules means the official listing rules of ASX.

BPAY means BPAY Pty Ltd (ABN 69 079 137 518).

Closing Date means 5.00pm (Sydney time) on 28 February 2025, the day the Retail Entitlement Offer closes.

Corporations Act means the *Corporations Act 2001* (Cth) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

CRN means the unique Customer Reference Number on the personalised Entitlement and Acceptance Form.

Directors means the directors of Micro-X.

Eligible Institutional Shareholder means a Shareholder who:

- (a) is an Institutional Investor on the commencement of the Institutional Entitlement Offer; and
- (b) is not an Ineligible Institutional Shareholder; and
- (c) successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee).

Eligible Retail Shareholder has the meaning given in Section 61.

Eligible Shareholders means Eligible Institutional Shareholders and Eligible Retail Shareholders.

Entitlement means the right to apply for 1 New Share for every 10 Existing Shares held by Eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form accompanying this Retail Offer Booklet.

Entitlement Offer means the Institutional Entitlement Offer and the Retail Entitlement Offer.

Existing Options means the Options already on issue on the Record Date.

Existing Shares means the Shares already on issue on the Record Date.

Governmental Agency means a government, government department or any governmental, semi-governmental or judicial entity or authority, including a stock exchange or a self-regulatory organisation established under statute.

GST means goods and services tax, as defined in the GST Act.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Ineligible Institutional Shareholder means a Shareholder who is an institutional investor but is not an Eligible Institutional Shareholder.

Ineligible Retail Shareholder means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder, Ineligible Institutional Shareholder or Eligible Retail Shareholder.

Institutional Entitlement Offer means the pro rata accelerated non-renounceable entitlement offer to Eligible Institutional Shareholders.

Institutional Investor means investors selected by the Company who are:

- (a) in Australia, investors who are an "exempt investor" as defined in *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*; and
- (b) in New Zealand, they are a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification).

Investor Presentation means the presentation to investors released to ASX on 6 February 2025 incorporated in Section 8 of this Retail Offer Booklet.

Joint Lead Managers means Morgans Corporate Limited and Hawkesbury Partners Pty Limited.

Lead Manager Parties means the Joint Lead Managers, their respective affiliates and related bodies corporate (as that term is defined in the Corporations Act), and each of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers.

Micro-X means Micro-X Limited ACN 153 273 735.

New Shares means Shares to be allotted and issued under the Entitlement Offer.

Offer Price means \$0.07 per New Share.

Option means an option exercisable into a Share.

Retail Entitlement Offer means the pro rata non-renounceable offer to Eligible Retail Shareholders to apply for 1 New Share for every 10 Existing Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of \$0.07 per New Share pursuant to this Retail Offer Booklet.

Retail Offer Booklet means this document.

Section means a section in this document.

Share means a fully paid ordinary share in the capital of Micro-X.

Share Registry means Computershare Investor Services Pty Ltd.

Shareholder means a holder of Shares.

Shortfall Shares means any New Shares not taken up under the Entitlement Offer or under the Top-Up Facility (as relevant).

Timetable means the indicative timetable set out in the 'Key dates' section of this Retail Offer Booklet.

Top-Up Facility means the opportunity for Eligible Retail Shareholders who take up all of their Entitlement to also apply for additional New Shares up to 400% of their Entitlement in excess of their Entitlement as set out in Section 4.2 of this Retail Offer Booklet.

U.S. Securities Act means the *U.S. Securities Act of 1933*, as amended.

8 ASX Announcement & Investor Presentation

See page over.



MICRO-X ANNOUNCES \$6.0M CAPITAL RAISING

Additional \$2.4m Strategic Investment from Billion Prima at premium to Capital Raising

Adelaide, Australia, 6 February 2025: Australian hi-tech company Micro-X Ltd (ASX:MX1) (**Micro-X** or the **Company**), a leader in cold cathode x-ray technology for health and security markets globally, is pleased to announce that it is undertaking a placement to sophisticated and professional investors (the **Placement**) and a 1 for 10 entitlement offer (the **Entitlement Offer**) each at 7.0 cents per share (the **Offer Price**), to raise approximately \$6.0m (the **Capital Raising**). This Capital Raising is in addition to the strategic investment of \$2.4m at 9.0 cents per share by Billion Prima (the **Strategic Placement**) announced earlier today.

Key Points

- **\$6.0m Capital Raising to fund the new strategic focus on medical imaging and the Micro-X range of mobile X-ray and CT products, through to cashflow stability, comprising**
 - **Placement of approximately \$2.0 million at 7.0 cents per share to Professional and Sophisticated investors under the Company's placement capacity ("Institutional Placement")**
 - **1 for 10 accelerated non-renounceable pro rata entitlement offer to existing eligible shareholders at 7.0 cents per share, to raise up to approximately \$4.0 million ("Entitlement Offer")**
- **Offer Price for the Placement and Entitlement Offer of 7.0 cents per share is a 10.3% discount to the close on 30 January 2025, 14.1% discount to the 15-day VWAP, and 13.9% discount to the 30-day VWAP**
- **All Directors and Key Management are participating in the Capital Raising, with commitments for \$0.28m, subject to shareholder approval**
- **Additional \$2.4m investment by Billion Prima at 9.0 cents per share, as part of their \$5.6m strategic partnership in security for baggage and parcel screening technology in South-East Asia**
- **On completion of the Capital Raising and Strategic Placement, Micro-X will have \$10.35m pro forma cash at 31 December 2024**
- **Micro-X is pursuing multiple near term upside opportunities including**
 - **An ongoing evaluation of Rover Plus by a major US hospital and group purchasing organisation**
 - **Monetising its security technology through additional partnerships in discussion**

Strategy reset and Capital raising to bridge to cashflow stability

Micro-X has launched a \$6.0m Capital Raising, through the Placement and Entitlement Offer, to fund the business through to a cashflow stable position, in line with its revised strategy and focus on medical imaging, as announced on 31 January 2025. This narrowed focus is intended to facilitate better execution on tangible commercial outcomes, all underpinned by the Micro-X revolutionary CNT X-ray technology. In order to achieve and resource this focus on medical imaging, the Company's current security applications will be monetised via strategic partnerships with third parties.

The first strategic partnership which will deliver \$5.6m to Micro-X has been entered into with Billion Prima, a Malaysian based developer and manufacturer of specialised screening products for baggage, parcels and freight cargo. As part of this partnership, Billion Prima will acquire approximately 4.4% of the Company's shares, prior to the Capital Raising, for an investment of \$2.4m at 9.0 cents per share. This premium to both the last closing price and also the share price of the Capital Raising, reflects the value of the Micro-X technology and the partnership. Micro-X is also in advanced discussions with several other parties regarding partnering and monetisation initiatives for its Security applications.

The Company's focus on medical imaging is underpinned by its recently announced ARPA-H development contract, which provides up to \$25m in non-dilutive funding over the next five years to enable the Company to develop a lightweight, ruggedised Full Body medical CT device. This contract will build upon the Company's proprietary NEX Technology platform and leverage the development of the Head CT.

The funds raised in the Capital Raising will be used by Micro-X for:

- Medical Imaging commercial activities, product support and manufacturing
- Head CT capex, productisation, regulatory approval and launch
- Working capital and costs of the Capital Raising

Morgans Corporate Limited and Hawkesbury Partners Pty Limited are acting as Joint Lead Managers.

Capital raise details

Placement

The Placement will be conducted under Micro-X's available issue capacity under ASX Listing Rule 7.1 and is expected to raise A\$2.0 million in gross proceeds.

Micro-X has received confirmations from several existing substantial shareholders that they intend to invest in the Placement. All Directors and Key Management have also confirmed their intention to invest approximately \$0.3m in the Placement, with participation by Directors subject to shareholder approval. The Placement is not underwritten.

The New Shares under the Placement are expected to be issued on Tuesday, 18 February 2025.

Entitlement Offer

The Entitlement Offer comprises both the Institutional Entitlement Offer and the Retail Entitlement Offer. All holders of Shares in Australia and New Zealand (**Eligible Shareholders**) will have the opportunity to apply for 1 new Share for every 10 Shares they hold as at the Record Date (being 7:00pm (Sydney time) on Monday, 10 February 2025).

All Shares issued to Eligible Shareholders under the Entitlement Offer will be issued at the Offer Price. The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or be otherwise transferable. Eligible Shareholders who do not take up their full entitlement will not receive any payment and their interest in Micro-X may be diluted. The Entitlement Offer is not underwritten.

Institutional Entitlement Offer

The Institutional Entitlement Offer is being conducted on Thursday, 6 February 2025 and Friday, 7 February 2025. Certain institutional, professional, and sophisticated investors who are holders of Micro-X's Shares (**Eligible Institutional Shareholders**) may receive an offer to participate in the Institutional Entitlement Offer provided they are not an Ineligible Institutional Shareholders (as defined below).

Under the Institutional Entitlement Offer, Eligible Institutional Shareholders can choose to take up all, part or none of their entitlement. Any New Shares not allocated to Eligible Institutional Shareholders may be placed in accordance with the terms of the Joint Lead Manager agreement between Micro-X and the Joint Lead Managers (the **JLM Agreement**) within three months after the close of the Entitlement Offer.

Ineligible Institutional Shareholders are registered holders of Micro-X Shares as at the Record Date and who are institutional or professional investors with a registered address outside of Australia and New Zealand, or whom the Joint Lead Managers and Micro-X otherwise determine will be an Ineligible Institutional Securityholder for the purpose of the Institutional Entitlement Offer and who is not an Eligible Retail Securityholder (defined below).

Retail Entitlement Offer

Eligible retail Shareholders with a registered address in Australia or New Zealand as at the Record Date (**Eligible Retail Shareholders**) have the opportunity to take up their entitlement for Shares at the Offer Price, on the terms



and conditions that will be set out in the Retail Offer Booklet to be sent to Eligible Retail Shareholders on Thursday, 13 February 2025. The Retail Entitlement Offer is anticipated to close on Friday, 28 February 2025.

Eligible Retail Shareholders can choose to take up all, part, or none of their entitlements. Furthermore, the Retail Entitlement Offer will include a 'top-up' Facility under which Eligible Retail Shareholders who take up their entitlement in full may also apply for additional New Shares representing up to 400% of their entitlement (**Top-Up Facility**). There is no guarantee that applicants under the Top-Up Facility will receive all or any of the additional New Shares for which they apply. New Shares allocated under the Top-Up Facility will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. Any shortfall from the Retail Entitlement Offer may be placed within three months in accordance with the terms of the JLM Agreement.

New Shares under the Retail Entitlement Offer are expected to be issued on Thursday, 6 March 2025. Micro-X will, upon issue of the Shares under the Retail Entitlement Offer, seek quotation of the Shares on ASX. Please note that Retail Shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer. Shareholders who are on the register on the Record Date will be notified by Micro-X if they are ineligible to participate in the Entitlement Offer. Eligible Retail Shareholders will receive a Retail Offer Booklet which will provide further details of how to participate in the Retail Entitlement Offer.

Key dates for Entitlement Offer^{1,2}

Event	Date
Announcement of Capital Raising and Entitlement offer to ASX	Thursday, 6 February 2025
Announcement of completion of Placement and Institutional Entitlement Offer and recommence trading	Monday, 10 February 2025
Record date for Retail Entitlement Offer	7.00pm, Monday, 10 February 2025
Retail Entitlement Offer documentation despatched and Retail Entitlement Offer opening date	Thursday, 13 February 2025
Settlement of Shares issued under the Placement and Institutional Entitlement Offer	Monday, 17 February 2025
Allotment of Shares issued under the Placement and Institutional Entitlement Offer	Tuesday, 18 February 2025
Retail Entitlement Offer close date	5.00pm, Friday, 28 February 2025
Settlement of Retail Entitlement Offer	Tuesday, 4 March 2025
Announcement of Results of Retail Entitlement Offer	before 9:00am, Thursday, 6 March 2025
Allotment of Shares under the Retail Entitlement Offer	before 12:00pm Thursday, 6 March 2025
Normal Trading of Retail Entitlement Offer Shares	Friday, 7 March 2025

1. The Lead Managers and the Company reserve the right to vary these dates.
2. All times are Australian Eastern Daylight Time unless otherwise indicated

Micro-X shares will remain suspended from trading, pending completion and announcement of the results of the Placement and the Institutional Entitlement Offer.

This ASX Announcement is authorised by the Board of Micro-X.

– ENDS –



About Micro-X

Micro-X Limited is an ASX listed hi-tech company developing and commercialising a range of innovative products for global health and security markets, based on proprietary cold cathode, carbon nanotube (CNT) emitter technology. The electronic control emitters with this technology enables x-ray products with significant reduction in size, weight, and power requirements, enabling greater mobility and ease of use in existing x-ray markets and a range of new and unique security applications. Micro-X has a fully vertically integrated design and production facility in Adelaide, Australia. A growing technical and commercial team based in Seattle is rapidly expanding Micro-X's US business.

Micro-X's product portfolio spans a number of high margin, product applications in health and security. The first mobile digital radiology products are currently sold for diagnostic imaging in global healthcare, military and veterinary applications. The US Department of Homeland Security has contracted Micro-X to design a next-generation Airport security checkpoint. A miniature brain CT imager for pre-hospital stroke diagnosis in ambulances, is being developed with funding from the Australian Government's Medical Research Future Fund. In November 2024, US Government agency ARPA-H contracted Micro-X to develop a full-body CT.

For more information visit: www.micro-x.com

Contacts

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MICRO-X

STRATEGIC PLACEMENT, COMMERCIALISATION AGREEMENT AND CAPITAL RAISING

Strategy reset to focus on medical imaging,
commercial sales & funded development

Kingsley Hall
Chief Executive Officer

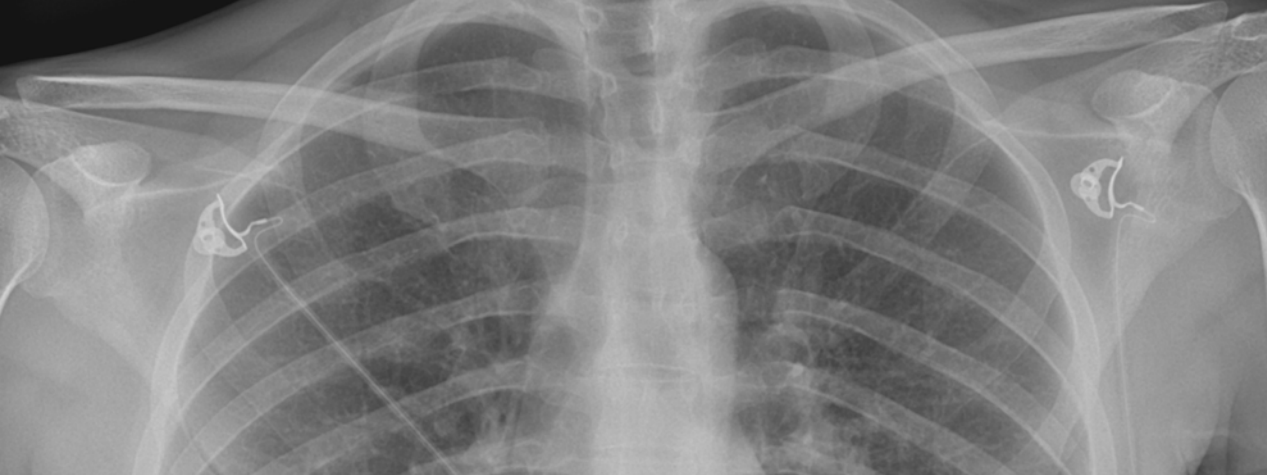
6 February 2025



EXECUTIVE SUMMARY

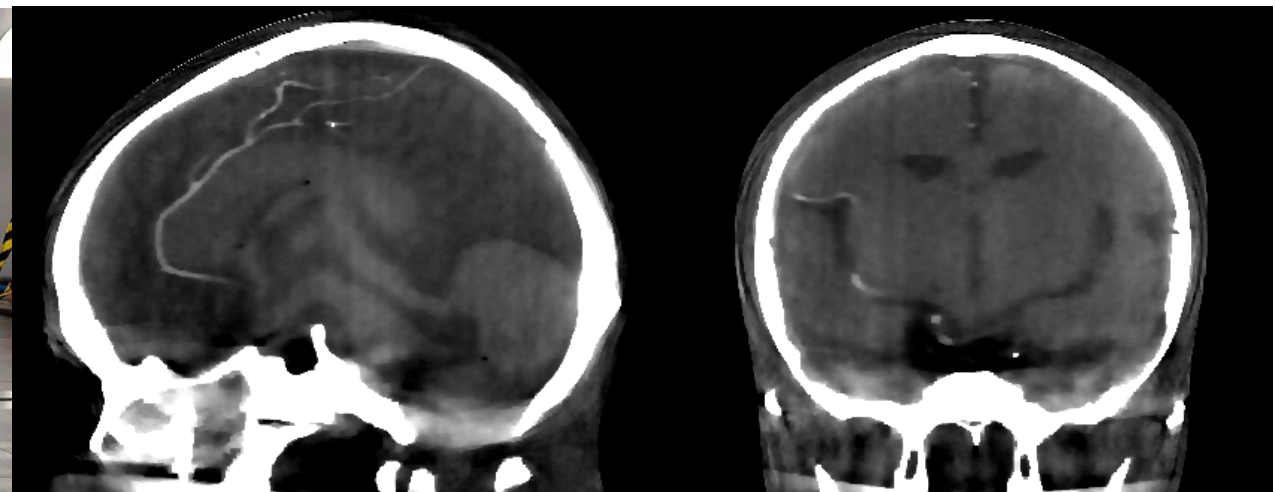
MICRO-X

Strategic refocus	<ul style="list-style-type: none"> • Micro-X has undertaken a strategic reset for FY25 to become a medical imaging focused company • Narrowing the focus of Micro-X will help drive execution with a focus on tangible outcomes • As a result, Micro-X is discontinuing Argus operations which is expected to contribute a material cost reduction • Micro-X's patented NEX Technology platform is smaller than current technology offering access to a range of new applications
Monetising checkpoints and security	<ul style="list-style-type: none"> • Micro-X is focused on realising value created within its Security applications • There are currently two baggage scanner prototypes which are supporting TSA testing with a checkpoint module on track to be delivered to the DHS in early 2025. Key validation work completed as part of a \$29m contract between DHS and Micro-X
Head CT	<ul style="list-style-type: none"> • Micro-X's NEX Technology offers major advantages over traditional CT • The global CT market has revenues of US\$7.4 billion with over 375 million CT images scanned annually • The Micro-X platform offers a simpler, cost effective, small and portable system relative to current technology in the market
Strategic investment from Billion Prima	<ul style="list-style-type: none"> • Micro-X has executed its first security partnership with Billion Prima Sdn Bhd (Billion Prima), a developer and manufacturer of hi-tech baggage, parcel and cargo scanning solutions in Malaysia. • The Billion Prima partnership will deliver Micro-X a total of A\$5.6m over approximately 12 months, structured as: <ul style="list-style-type: none"> • an upfront equity investment of A\$2.4 million at 9 cents per share (representing a 15% to last close) (the Strategic Placement); and, • A\$3.2m agreement to fund commercialisation of a new portable baggage and parcel scanner.
Capital raising details	<ul style="list-style-type: none"> • Capital raising of approximately A\$6.0 million via the issue of approximately 86.9 million New Securities at A\$0.07 per New Security comprising: <ul style="list-style-type: none"> • Placement: of approximately \$2.0 million to Professional and Sophisticated investors (Placement) under the Company's existing placement capacity under ASX Listing Rule 7.1. • Accelerated Non-Renounceable Entitlement Offer: a 1 for 10 pro-rata entitlement offer of approximately \$4.0 million (Entitlement Offer) to eligible shareholders. • The Entitlement Offer is non-underwritten. The Company reserves the right to accept oversubscriptions under the Placement and to place the shortfall in the Entitlement Offer and eligible shareholders will be entitled to bid for additional Shares above their entitlements. • Following completion of the Placement, the Entitlement Offer and the Strategic Placement, Micro-X will have approximately 697.3 million Shares on issue and an additional 87.3 million unlisted securities being performance rights, options and notes.



CREATING REVOLUTIONARY X-RAY IMAGING TO BETTER LIVES

Curious | Collaborative | Determined



WORLD FIRST IMAGING TECHNOLOGY

MICRO-X

Micro-X has created a world first technology platform that delivers transformative imaging solutions



Lighter



Cold cathode



Fast pulse



Smaller



Long life



Reliable and robust



Micro-X proprietary CNT technology

- Cold cathode emitter made of millions of nanotubes emits digitally controlled electrons
- generates high quality x-ray images

Nano Electronic X-ray (NEX) Technology tube increases portability and is more energy efficient.

Micro-X proprietary high-power generator delivers up to 160KvA enabling a wide range of applications.

Micro-X proprietary software drives CT image reconstruction.

EXPERIENCED LEADERSHIP

Commercially focused to accelerate growth

MICRO-X



Kingsley Hall – Chief Executive
25+ years exp in senior operational and finance roles



Patrick O'Brien – Chair
Former Senior MD Macquarie Group, McKinsey and Minter Ellison



Anthony Skeats – COO
25+ years exp R&D, Program and Engineering management in high technology products



Brian Gonzales, PhD – CEO Americas
Recognised industry leader in x-ray physics, CNT technology and x-ray imaging



Ilona Meyer, Non-Exec
General Counsel Nuix, former Boehringer Ingelheim, ResMed, Medtronic



Andrew Hartmann, Non-Exec
Senior VP Varex Imaging, former Phillips, Carestream and Siemens



Jim McDowell, Non-Exec
Deputy Sec. Naval Shipbuilding and Sustainment Group, former CEO of BAE Systems Saudi Arabia and Australia

MICRO-X

FIRST SECURITY PARTNERSHIP - \$5.6M

\$2.4M Equity investment at 15% premium to last traded price

\$3.2M Commercialise technology in SE Asia

FIRST PARTNERSHIP DEAL IN SECURITY FOR SE ASIA

MICRO-X

\$5.6m deal with Billion Prima - Specialist cargo and baggage scanner provider

Strategy - \$5.6m for monetising baggage scanner in SE ASIA with long term opportunity for supply of X-ray tubes and generators

- **\$2.4m equity subscription and \$3.2m development agreement**
- Billion Prima are a **specialist in baggage and cargo scanning technology in Malaysia**
- Micro-X will work with Billion Prima to commercialise and **launch their NEX technology baggage scanner in 2026**
- Partnership provides Micro-X with **\$5.6m in cash - \$3.35m now – balance across 2025¹**
- Opportunity for **long term revenue from sale by Micro-X** of CNT X-ray tubes and generators
- Micro-X retains right to sell the unit outside SE Asia and to license technology to third parties in other regions

\$2.4m Equity investment at 9c per share – 15% premium to last close²

- Subscription for 26.67m shares at 9c for \$2.4m (approximately US\$1.5m)
- 4.4% holding in Micro-X – becomes 3.8% holding on completion of \$6.0m Placement & ANREO
- 12 month escrow on all shares – no transfer except to wholly owned subsidiaries / affiliates

Aligns with strategy to secure partnerships for market entry & funding

- **Monetises** the baggage scanner development
- Targeting **additional security partnerships in other regions and security applications**

1. Payments for the balance of monies due under the Development Agreement are due on achieving milestones, the dates of which can vary. The launch of the Billion Prima scanner with Micro-X CNT X-ray tubes and generators is estimated for early 2026 but this date may vary based on the development timeline and any regulatory approvals.
2. Billion Prima investment at 9 cents is a 15% premium to the last traded price on 30 January 2025



**BILLION
PRIMA**

Revolutionising the scanner industry
by deploying the safest and fastest
solutions - driven by AI

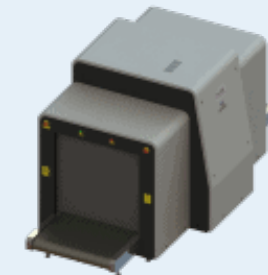
Founded in 2007 - based in Johor, Malaysia

R&D and Manufacturing - 80 staff

Multiple certifications - ISO QMS 9001 2026

Offering - Baggage /Parcel Scanners, Vehicle
Scanners, Radiation Detection Equipment

Key Markets - Security inspection at borders, ports,
airports, prisons and critical infrastructure



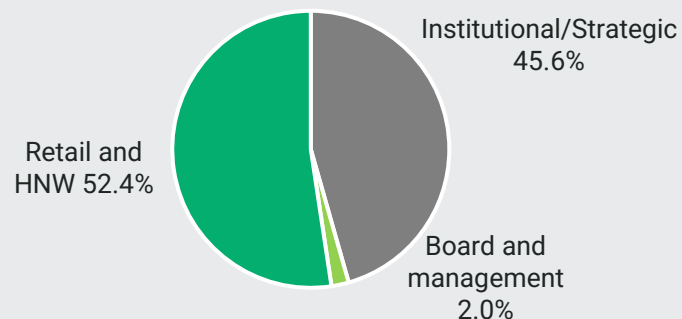
CORPORATE & FINANCIALS



\$15.2m
FY24 Revenue



\$6.4m
R&D Rebate received Dec-24



FINANCIALS & SHAREHOLDERS

Cash	~\$2.4m (31 Dec 2024) [Prior to Capital Raising]
Revenue	\$15.2m (FY2024) (\$6.4m product revenue ↑70%)
Institutions & Strategic Investors	Perennial (12.2%), Varex (9.3%), Thorney (7.8%), Acorn (7.8%), <i>Billion Prima (3.8% post-Offer)*</i>
Board & Mgmt	2.0% excl Mgmt Performance rights

* Assumes the \$6.0m Capital Raising at 7 cents

SHARE CAPITAL (30 January 2025)

Share price	\$0.078 per share
Total shares on issue	583.7 million
Options (ex. 13.5c) Performance rights	31.1 million 55.6 million
Market cap	\$45.5 million

MICRO-X

2025 STRATEGY RESET

B u i l d i n g a b u s i n e s s n o t j u s t a t e c h n o l o g y

FY25 STRATEGY RESET – MEDICAL FOCUSED

MICRO-X

Narrowing our focus to drive execution with a focus on tangible outcomes

- 1 | **Focus on Medical Imaging** – Medical CT is the future of Micro-X
- 2 | **Monetise Security Division** – execute on ongoing partnering negotiations
- 3 | **Discontinuing Argus Operations** – material cost reduction
- 4 | **Build Rover Plus Sales** – major hospital evaluation underway
- 5 | **Build Commercial Partnerships for Medical CT** – in addition to ARPA-H

FOCUS ON MEDICAL IMAGING

MICRO-X

Smaller and smarter X-ray and CT enabled through Micro-X's patented NEX technology platform

Medical

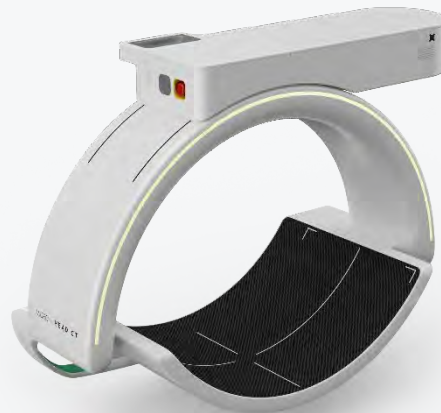
MOBILE DIGITAL RADIOLOGY

Lightweight and ultra-mobile x-ray systems delivering high quality images in any treatment area – hospital, out of hospital & humanitarian uses



MEDICAL CT

Head CT – mobile out of hospital stroke/TBI/other diagnosis
Full Body CT – bringing health care to the patient



Security

CHECKPOINTS & BAGGAGE CT SCANNER

Baggage CT scanner for security checks in a range of environments - integrated airport Checkpoint for passport, body and baggage scanning



MONETISING OUR CHECKPOINTS & SECURITY BUSINESS MICRO-X

Realising value from our fully funded development work with the US Department of Homeland Security

Two Baggage Scanner prototypes – supporting TSA testing

- Remainder of contract focused on developing deep learning algorithms to enhance the identification and detection of threats

Checkpoint module on track - delivered to DHS in early 2025

- Key validation work completed as part of **total \$29m contract between DHS and Micro-X**
- Currently building full Checkpoint module in Micro-X's Seattle facility



Strategy – Partnerships to monetise technology now to help fund focus on Medical Imaging

Value created in Security CT will help fund focus on Medical CT commercialisation

- DHS & TSA Airport Checkpoint and Baggage Scanner development to continue – funded by DHS
- First Security Partnership secured with Billion Prima
- Negotiating further partnerships to take IP and technology to market, including:
 - Selling the imaging chain for the baggage scanner
 - Selling complete baggage scanner design to other parties to manufacture and distribute
 - Selling the self-screening checkpoint to other parties to manufacture and distribute

ARGUS – DISCONTINUING OPERATIONS

Realigning our focus to higher value opportunities

MICRO-X

Review of Current Position

- Argus was first launched commercially in March 2024
- Extensive customer demonstrations undertaken globally – interest not sufficient to generate meaningful sales
- Argus was further enhanced with the Pexray transmission capability in late 2024 – generated stronger engagement

Current reality of Argus

- Customer need has changed since product inception with no active EOD threats in most of the world
- Slow sales ramp up & difficulty disrupting currently available technology
- Micro-X does not believe Argus, in its current form, represents a viable commercial opportunity



Streamlined Security Division – Argus discontinued

- Argus will no longer be actively marketed with no further investment into product
- Micro-X will continue to seek opportunities to commercialise the imaging chain and the transmission kit
- Realigned approach will generate material costs savings – cost savings of \$0.7m per annum*

* Following one off costs

COMPUTED TOMOGRAPHY - CT

MICRO-X

Concentrating efforts on high value medical CT markets where Micro-X has a key advantage

The Micro-X CT Advantage

- CT imaging is state-of-the art in high-resolution diagnostic imaging
- Micro-X NEX technology enables the delivery of a smaller, lighter, simpler, cheaper, more robust, and lower dose CT scanner

Validation of Micro-X NEX CT Advantages

- ✓ **Micro-X awarded \$62M** in government development contracts based on Micro-X NEX CT
- ✓ **World leading researchers** have partnered with Micro-X to develop NEX CT - Johns Hopkins, MIT, Harvard, Monash
- ✓ Varex (NASDAQ.VREX) strategic partnership is focused on CT using multibeam NEX CT - \$15m funding

Micro-X high-level CT Strategy

- Medical and security CT have very different market dynamics, **Medical CT** will be the focus:
 1. Two funded Medical CT developments underway - *Head CT and ARPA-H Full Body CT*
 2. Rapidly growing market, with growth limited by accessibility of CT rather than end-customer need
 3. Micro-X has experience achieving FDA (US) certification and is growing a brand and sales presence in medical imaging

ADVANTAGES OF MICRO-X CT

MICRO-X

Micro-X NEX technology offers major advantages over traditional CT

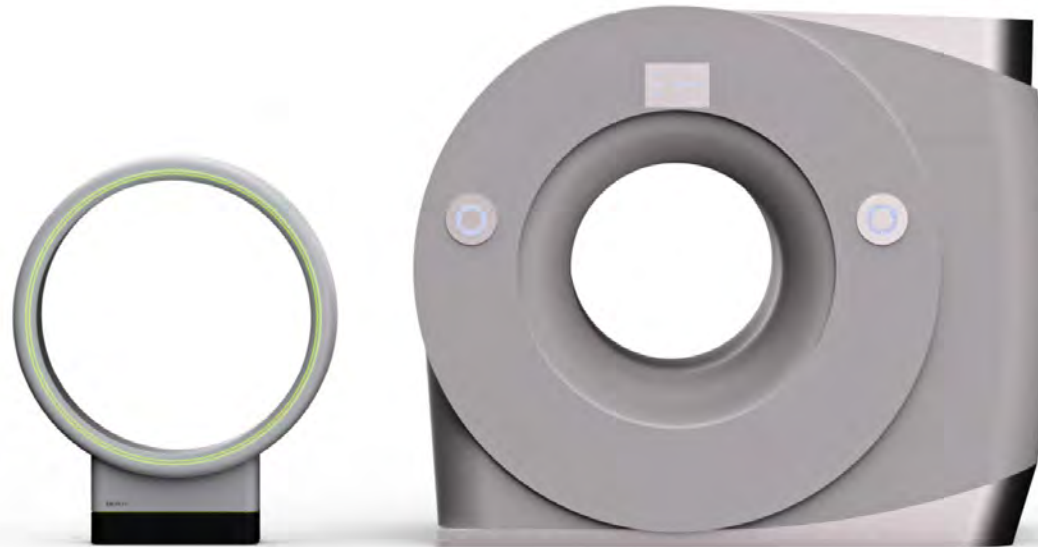
US\$7.4 billion global market with **over 375 million** CT images annually^{1,2}

SIMPLER SYSTEM

- No rotating slip ring
- No oil cooling
- Simple CNT tubes

SMALL & PORTABLE

- Smaller & lighter system is both portable and suits remote locations



COST EFFECTIVE

- More cost effective system to build and install
- Cheaper to maintain & operate

PATIENT BENEFITS

- Lower X-ray dosage
- More comfortable process
- More accessible & available

¹Research and Markets, Computed Tomography (CT) Scanners Market - Technologies, Applications and End-Users, Nov 2024

²Collective Minds, Number of CT Scans Per Year Worldwide: Overview of global Computer Tomography utilization, Nov 2024

DELIVERED WORLD FIRST 3D HEAD CT IMAGES

MICRO-X

Preparing hospital systems for human clinical trials in 2025 to support approval for stroke detection

Saving lives with stroke diagnosis in any ambulance

- Mobile – 70kg unit suitable for all road and air ambulances
- Accurate – 8 second scan for 3D imaging down to 2ml bleed
- Enabler – Life saving response time
- Economical – improved patient outcomes reduces burden on healthcare system

\$8m funding pathway to imaging trials

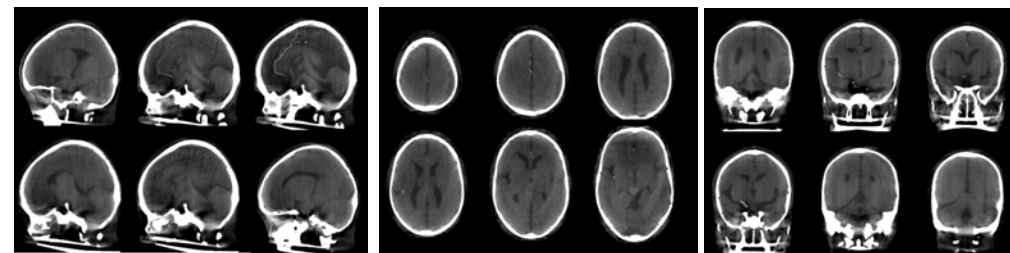
- A\$8m partnership with the Australian Stroke Alliance
- Johns Hopkins Hospital and Fujifilm technical partners

Successful 3D CT images - diagnostic milestone

- 3 x Human imaging trials in Australian hospitals planned Q2 2025
- Planning for Ambulance fitment trial in 2025

Co-chair of the Australian Stroke Alliance, Professor Geoffrey Donnan AO:

"The strength of this technology is its lightweight portable structure, which will make it ideal for use in prehospital settings, particularly in remote locations".



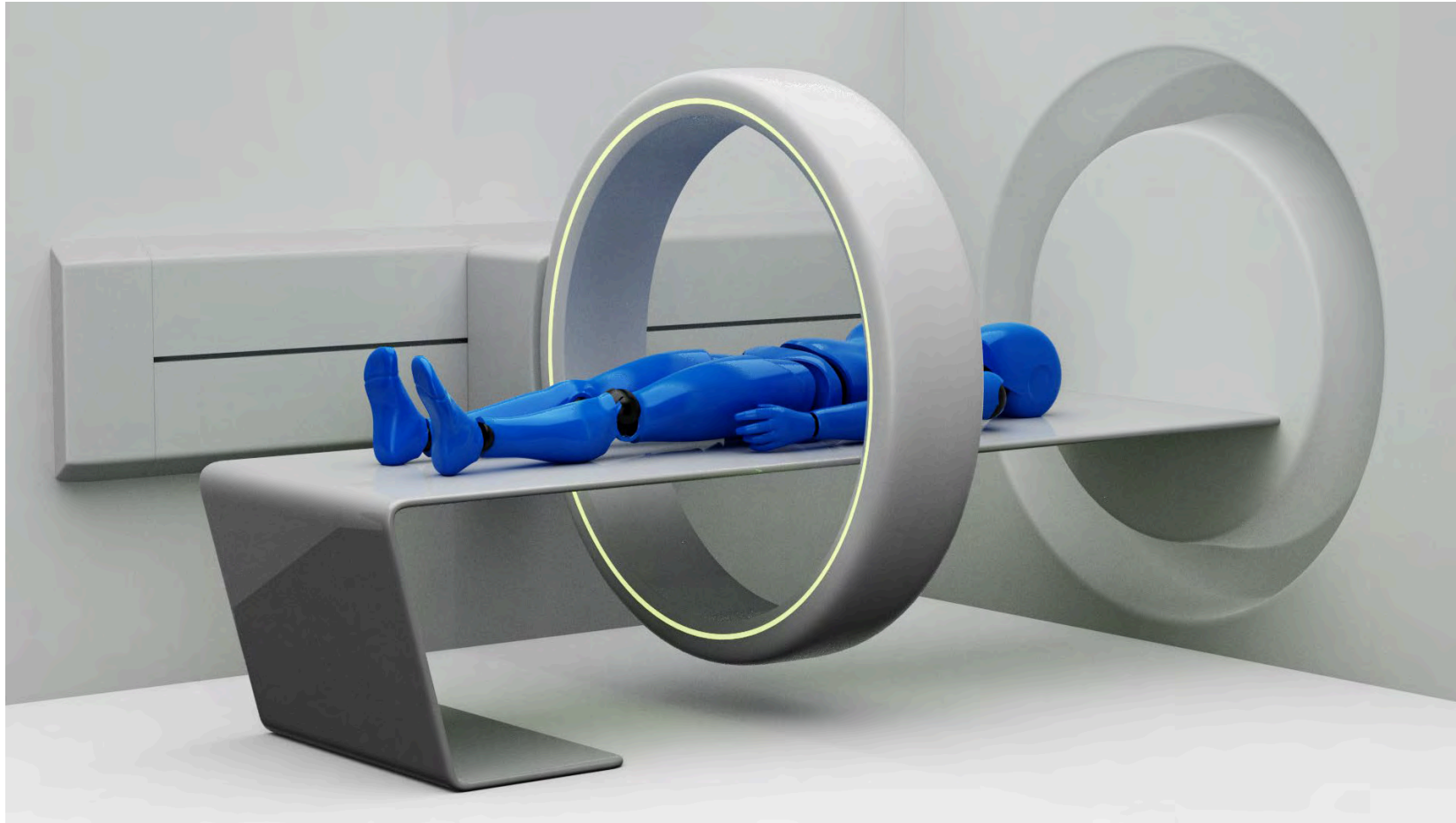
Above: Head CT images showing the skull and soft tissue structure of the brain of an anthropomorphic head phantom



MICRO-X FULL BODY CT SOLUTION

Extension of current Micro-X NEX technology to bring CT scanning to the patient

MICRO-X



UP TO \$25M NON-DILUTIVE FUNDING CONTRACT*

Fully funds the development of Micro-X proprietary, portable, Full Body CT scanner

MICRO-X

Micro-X Inc. has signed a \$25m development funding contract

- Funding to design and deliver a lightweight, rugged, and portable CT scanner for integration into a “hospital on wheels” vehicle
- Up to \$25M for a total of 5 years, through to FDA 510k certification and vehicle integration and testing in rural US
- Initial funding of \$12.5M for first 2 years



US Advanced Research Projects Agency for Health (ARPA-H)

- US Government agency with US\$1.5B budget
- Advancing high-potential, high-impact biomedical and health research
- ARPA-H awardees are developing entirely new ways to tackle the hardest challenges in health

Staged work program with all intellectual property retained

- Builds on the core technology platform developed through the Head CT and Baggage CT projects
- Regular contracted payments to Micro-X Inc. have commenced



* Micro-X Inc. contract with ARPA-H is a two year \$12.5M contract and an option for a further three year \$12.5M contract extension

BUILDING ROVER PLUS SALES

Targeting larger opportunities and establishing Medical CT sales channels

Focus on Rover Plus sales to grow profitability & Medical CT sales channels

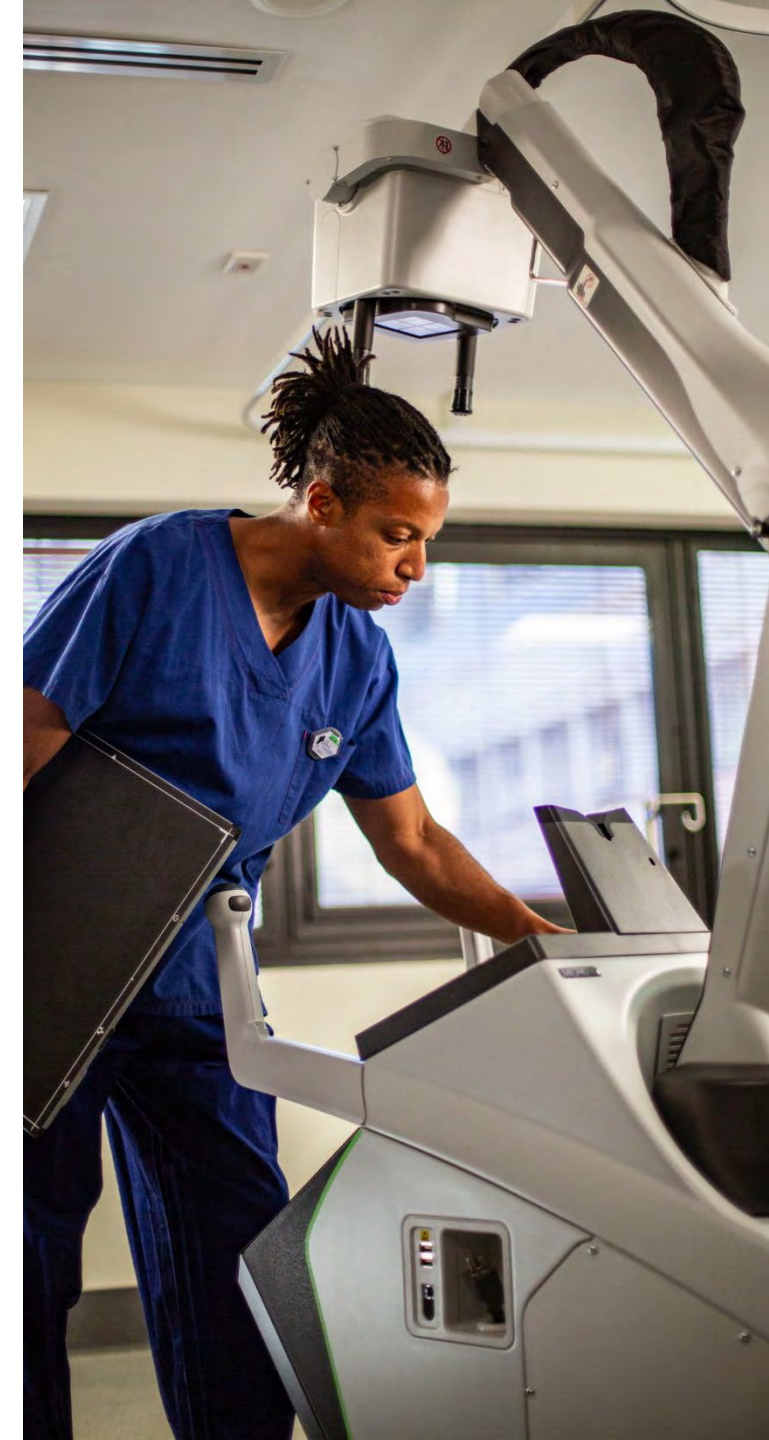
- Rover Plus is no longer limited in technique range, it is one of the lowest cost high power mobile X-Ray carts in market, easy to use, reliable and excellent image quality with lower dose
- New Sales team is creating a widening funnel of opportunities to sell Rover
- Direct selling is more profitable - manufacturing is mature
- Margin improvement is achievable with minimal investment once demand increases

Diversifying through imaging chain sales & new opportunities

- Sale of core Micro-X imaging technology to non-competing companies
- Supply agreement entered with DMS Imaging from France – launched “Onyx product”
- Varex multi-beam tubes powered by Micro-X high voltage generators
- Customer research has identified a strong demand for an even more portable system for home care imaging

Trial underway with major US Hospital Operator & Group Purchasing Organisation

- Final stage evaluation underway – multiple units in trial
- Outcome expected 1H 2025



MEDICAL CT PARTNERSHIPS

MICRO-X

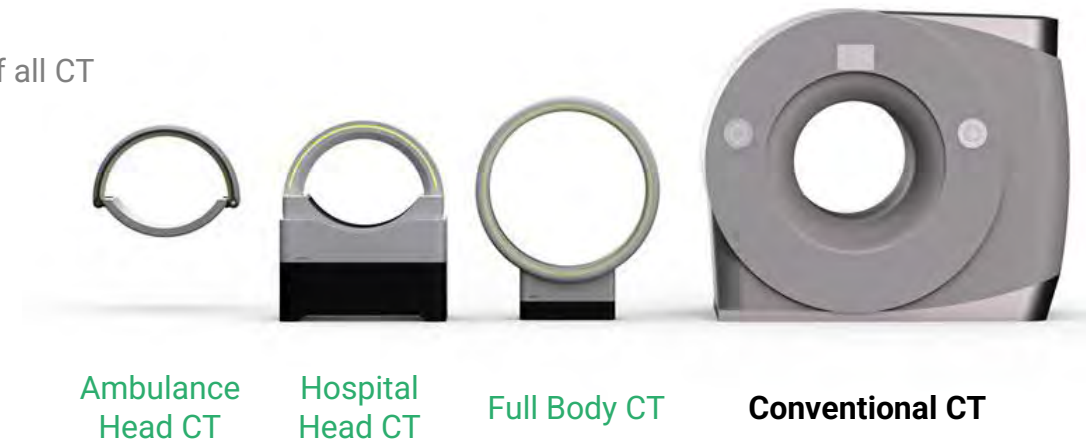
A number of global CT leaders are in discussion to partner or commercialise the Head CT product

Head CT offers a new category in Point of Care Stroke imaging

- A new market in road and air ambulances with a strong clinical need
- Head imaging for bleeds in ER and ICU is an established need driving more than half of all CT scan requests
- Head CT also offers opportunity for TBI screening, given the very low dose procedure

Multiple potential future funded development products

- Low dose lung screening
- Contrast enhanced Breast CT



Active partnership discussions over the last three years

- **Discussions with multiple global leaders in CT** are poised for commercialisation pending human imaging trials in 2025
- A range of concepts including OEM supply, branded or non-branded distribution, imaging chain commercialisation, licensing design for manufacture and/or software licensing

OBJECTIVES & MILESTONES 2025

MICRO-X

Key near-term operational objectives

Commercial products

Mobile DR

> Execute near term Rover Plus hospital tender

- Compete & win **large tendering opportunities**
- **Grow European presence** and customers
- **Expand direct sales** of tubes & generators

Argus

> Discontinue operations – remove costs

- **Material costs savings** of \$0.7m per annum*
- **Seeking to commercialise** or partner the Argus imaging chain, software and kit

Products In Development

Head CT & Full Body CT

> Commence Head CT imaging trials

- Delivery of **hospital prototypes**
- Commence **human imaging trials**
- **Commence design of full body CT system**

Security & Checkpoints

> Partner out to monetise technology short term

- **Execute** optimal Partner deals – to provide short term cashflow & long term revenues
- Deliver **first Checkpoints module**
- **Extended Baggage Scanner work** with DHS

Corporate & Financial

Corporate

> Carefully manage financial resources

- **Argus cost savings**
- **Monetise security development**
- Continue to drive commercial capabilities & **leverage technology**
- **Manage capital** resources prudently

* Following one off costs

MICRO-X

CAPITAL RAISING

Funding strategy reset in medical imaging

RATIONALE FOR FUNDING

MICRO-X

Focus on Medical Imaging provides the best opportunity to maximise value of Micro-X

Strategic focus

- Focusing on leveraging core-technology and funded development in Medical Imaging

Technology platform has matured and is de-risked

- Core technology platforms: four unique CT X-ray tubes, two high-powered generators, and advanced in-house CT image reconstruction software

Significant development and commercialisation funding secured

- Total \$23m funded development received in past 5 years
- Up to **\$39m contracted looking forward¹** plus **A\$3.2m from Billion Prima** (from February 25)

Closing in on large funding and revenue opportunities

- Strategic partnership for Airports application - multiple late-stage discussions to monetise technology
- Final stage of Rover product trial with significant US hospital operator and buying group

KEY TERMS OF CAPITAL RAISING

MICRO-X

Transaction Overview	<p>Micro-X is undertaking a capital raising of approximately A\$6.0 million via the issue of approximately 86.9 million New Securities (representing approximately 14.9% of existing Securities on issue), comprising of:</p> <ul style="list-style-type: none"> a Placement of approximately \$2.0 million to Professional and Sophisticated investors (Institutional Placement) under the Company's existing placement capacity in accordance with ASX Listing Rule 7.1. a 1 for 10 pro-rata entitlement offer of approximately \$4.0 million (Entitlement Offer) to eligible shareholders. The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or be otherwise transferable. Eligible shareholders who do not take up their full entitlement will not receive any payment or value in respect of entitlements they do not take up and their percentage equity interest in MX1 will be diluted. <p>The Entitlement Offer has two components:</p> <ul style="list-style-type: none"> An institutional entitlement offer, where offers have been made to certain eligible institutional Shareholders to apply for their pro-rata entitlement (Institutional Entitlement Offer); and A retail offer, where offers will be made to certain eligible retail Shareholders to apply for their pro-rata entitlement (Retail Entitlement Offer) <p>The Entitlement Offer is non-underwritten. The Company reserves the right to accept oversubscriptions under the Placement and to place the shortfall in the Entitlement Offer and eligible shareholders will be entitled to bid for additional Shares above their entitlements.</p> <p>The Company has entered a \$5.6m strategic partnership with Billion Prima Sdn Bhd (Billion Prima), including subscription for 26.67m shares at 9 cents per share, in accordance with the Company's placement capacity (Strategic Placement). Those shares are expected to be allotted on or about 12 February 2025, but will not entitle Billion Prima to be an eligible shareholder under the Entitlement Offer.</p> <p>Following completion of the Placement, the Entitlement Offer and the Strategic Placement, Micro-X will have approximately 697.3 million Shares on issue and an additional 87.3 million unlisted securities being performance rights, options and notes.</p>
Pricing	<p>Fixed price of A\$0.07 per New Share representing a discount of:</p> <ul style="list-style-type: none"> 10.3% to the last close of A\$0.078 15.1% discount to the 5-day VWAP of A\$0.0825 14.8% discount to the 10-day VWAP of A\$0.0822
Approvals	<p>Placement Shares shall be issued in accordance with the Company's capacity under ASX Listing Rule 7.1.</p>
Board & Management Participation	<p>All directors and key management personnel will participate in the capital raising for a combined total of \$0.3 million. Director participation is subject to shareholder approval, as required.</p>
Ranking	<p>New Securities issued under the Placement and the Entitlement Offer and will rank pari passu with existing Securities from their date of issue.</p>
Joint Lead Managers	<p>Morgans Corporate Limited (Morgans) and Hawkesbury Partners Pty Limited (Hawkesbury Partners) are Joint Lead Managers to the Offer. Morgans are acting as Settlement Agent.</p>

KEY TERMS OF CAPITAL RAISING

MICRO-X

Timetable

Event	Date
Trading halt	Pre-Market Friday, 31 January 2025
Announcement of offer (including release of ASX announcement, Appendix 3B cleansing notice and investor presentation)	Thursday, 6 February 2025
Bids due for the Placement and Shortfall of the Institutional Entitlement Offer	5.00pm Thursday, 6 February 2025
Complete Institutional Offer (Placement and Institutional Entitlement Offer) bookbuild	Thursday, 6 February 2025
Confirmation / CARD form due	9.00am Friday, 7 February 2025
Announcement of completion of Placement and Institutional Entitlement Offer and recommence trading	Monday, 10 February 2025
Record date for Entitlement Offer	7.00pm Monday, 10 February 2025
Retail Entitlement Offer documentation despatched and Retail Entitlement Offer opening date	Thursday, 13 February 2025
Settlement of Shares issued under the Placement and Institutional Entitlement Offer	Monday, 17 February 2025
Allotment of Shares issued under the Placement and Institutional Entitlement Offer (Appendix 2A must be lodged prior to midday)	Tuesday, 18 February 2025
Retail Offer close date (5.00pm AEDT)	Friday, 28 February 2025
Settlement of Retail Entitlement Offer	Tuesday, 4 March 2025
Announcement of Results of Retail Entitlement Offer	before 9:00am, Thursday, 6 March 2025
Allotment of Shares under the Retail Entitlement Offer	before 12:00pm Thursday, 6 March 2025
Normal Trading of Retail Entitlement Offer Shares	Friday, 7 March 2025

USE OF FUNDS & CASH POSITION

MICRO-X

Funding the business through FY2026

Use of Funds – Placement & ANREO - \$6.0m \$000

Medical Imaging - commercial activities, product support & manufacturing	2,150
Head CT – Capex, Productisation, regulatory approval and launch	1,500
Working capital	1,900
Costs of the Offer	450
Total	6,000

* These amounts are estimates and the Company reserves the right to vary these allocations

Pro forma Cash \$000

Cash at 31 December 2024	2,400
Billion Prima – strategic investment – February 2025*	2,400
Placement and ANREO	6,000
Costs of the Offer	(450)
Pro forma cash at 31 December 2024	10,350
Debt – R&D loan	(1,500)
Inventory for Sale – 31 December 2024	4,300

* Billion Prima equity investment of 22.67M shares at 9c for A\$2.4M. RBA official rate at 4pm on 4 Feb 2025.

Key assumptions

> Future Medical CT advanced with funded development

- Reduction of Argus costs of \$700k per annum from February 2025
- Medical imaging costs include the Commercial team and associated costs for Rover Plus, Head CT and Full Body CT
- Head CT includes three Imaging trial units and support for imaging trials through the regulatory approval and pre-launch
- Continuation of all funded development with DHS, ARPA-H and ASA including meeting milestones and execution of pre agreed contract extensions
- Inventory for sale related to Rover Plus – Argus inventory is expected to be written off
- R&D Rebate of \$5.5m is forecast to be received by December 2025 with \$1.5m to be repaid to lender

> Capital raising sized to **bridge to cash flow stability**

> **Upside** from further monetisation of Security business and/or securing additional non-dilutive funding

W R A P U P

Five key take aways – a leading medical imaging company

- 1 **Focus on Medical Imaging** – Medical CT is the future of Micro-X
- 2 **First Security Partnership – Further discussions underway**
– continue to monetise the technology & fund the focus on Medical Imaging
- 3 **Argus Operations discontinued** – material cost reduction
- 4 **Rover Plus sales building** – major hospital evaluation underway
- 5 **Build Commercial Partnerships for Medical CT** – global OEM interest
Head CT (entering Imaging trials) + Full Body CT has up to \$25m ARPA-H contract



IMPORTANT NOTICE



SCOPE & LIMITATIONS

This Presentation has been prepared by Micro-X Limited (**Micro-X** or the **Company**) (ASX.MX1). The Presentation is a summary only and does not contain all the information about the Company's assets and liabilities, financial position and performance, profits and losses and prospects. This material in this Presentation may be supplemented with an oral presentation and/or other more detailed documents and should not be taken out of context. Although the information contained herein is based upon generally available information and has been obtained from third-party sources believed to be reliable, the Company does not guarantee its accuracy, and such information may be incomplete or condensed. The Company also refers to its filings made with the ASX Limited and the Australian Securities & Investments Commission.

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OTHER JURISDICTIONS

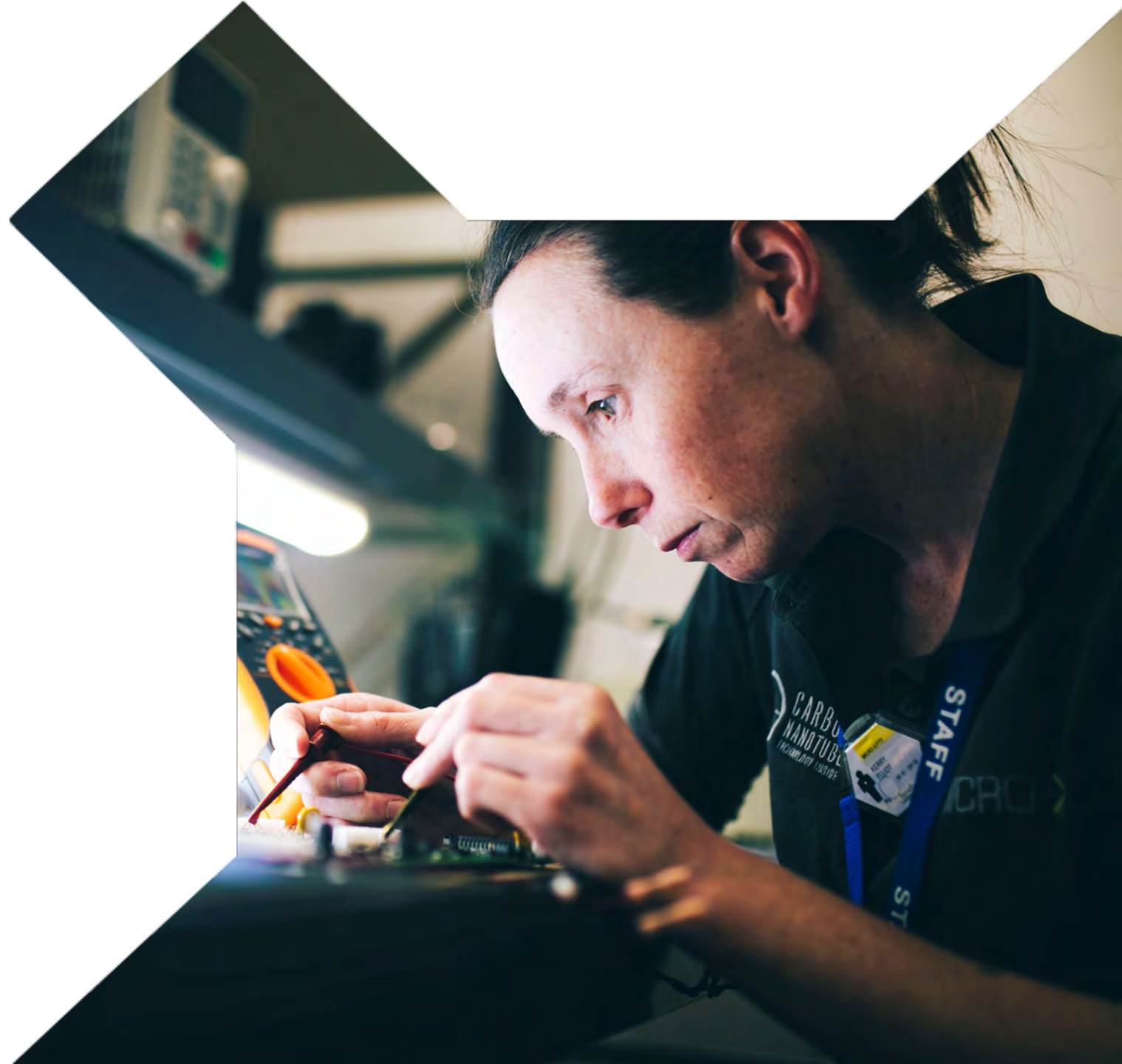
This Presentation may only be accessed in other jurisdictions where it is legal to do so.

This Presentation is approved by the Board of Micro-X Limited

MICRO-X

APPENDICES

RISK FACTORS



RISK FACTORS

MICRO-X

This Risk Factors section includes details of the key risks attaching to an investment in shares in Micro-X Limited (Micro-X or the Company). These risks may affect the future strategy, operating and financial performance of Micro-X and the value of Micro-X Shares. The key risks are not set out in any particular **order**. Additional risks and uncertainties that Micro-X is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Micro-X's strategy, operating and financial performance. You should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of Micro-X, its directors and senior management. Further, you should note that this section focuses on the potential key risks and does not purport to list every risk that Micro-X may have now or in the future. Potential investors should consider their individual circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

Business Specific Risks		
Difficulties encountered with early commercialisation of new technology	<p>There are a number of risks associated with the early commercialisation of new technology, including an inherent risk of failure, and the possibility that the products developed by the Company may fail to demonstrate material customer benefit or advancement, be difficult or impossible to manufacture on the necessary scale, be uneconomical to market or otherwise not commercially exploitable, fail to be developed prior to the successful marketing of alternative products by competitors, or fail to achieve the support of the targeted industry. The Company's target markets can often have high regulatory barriers, particularly for medical devices, and some markets are conservative, which may delay or prohibit sales into those markets. Accordingly, the Company gives no guarantee that the development and commercialisation of its intellectual property will be successful, that development and commercialisation milestones will be achieved, or that product commercialisations will be successful. Projects can be delayed or fail to demonstrate any performance advantage over existing solutions or may cease to be viable for a range of scientific and commercial reasons. Product development expenditures may be much higher than forecast, and the manufacturing cost of products may preclude successful sales exploitation. These risks include the Company's ability to:</p> <ul style="list-style-type: none"> • implement and execute its business strategy as planned; • increase awareness of its brand and market acceptance of its products; • obtain and maintain regulatory registrations and market clearances; • manage expanding operations in multiple markets; • respond effectively to competitive pressures and developments; • manage costs and margins to deliver projected returns; • manage scale up of manufacturing and supply chain logistics; • manage working capital requirements; and • access the necessary capital to fund the business. 	
Competition risk, including larger and better resourced competitors	<p>There can be no assurance that other parties will not develop and commercialise technology or intellectual property that compete with, or substitute, the Company's cold cathode carbon nanotube (CNT) based X-ray technology in either the security or the healthcare markets.</p> <p>The mobile diagnostic X-ray market contains a number of mobile X-ray devices (with others likely to be in development) which compete directly with the Mobile DR range. These competing products are manufactured and/or sold by well established, large and well-resourced competitor companies including Canon, FujiFilm, Sedecal, Siemens, Konica-Minolta, Shimadzu, GE, Philips, Samsung and AGFA (Competitors). These Competitors may react to the Company's Mobile DR product through aggressive pricing or other strategies that may diminish the competitiveness of the Mobile DR range, the Company's ability to sell its Mobile DR units, and/or the Company's ability to achieve the sales price for its Mobile DR range.</p>	
Funding Risk	<p>The Company currently has three future products in development, being the Checkpoints, Head CT and Full Body CT products which are funded by external third-party development contracts. These products are currently funded via development contracts through to the provision of prototypes, with on going and future funding dependent on the Company achieving certain milestones. There is a risk that if the Company fails to achieve the required milestones, that the funding could be withdrawn or delayed, resulting in the Company needing to obtain additional funding to complete the project.</p> <p>The Company intends to fund its strategic shift to focus on medical imaging products through the monetisation of some or all of its Security assets, including the Checkpoints and Baggage Scanner products. There is a risk that the Company is unable to execute such a contract, or that such a contract does not provide sufficient capital to fund all of the commercialisation of its medical imaging products, and the Company needs to seek alternate funding methods to execute its business strategy.</p>	
Sales, Marketing & Distribution	<p>The Company currently sells its Rover Plus Mobile DR product directly to customers, and via distribution channels. There is a risk that the Company will be unable to continue to develop sufficient sales and marketing capabilities, despite its planned expansion and investment, to effectively commercialise its products. The Company is reliant on establishing, growing and maintaining effective distribution channels in some regions in order to achieve global Rover Plus sales, there is a risk that the Company will be unable to establish or, grow these distribution channels. While significant opportunity for growth of Rover Plus exists with a major US Hospital Group and major US Purchasing Organization; there is a risk that these opportunities do not develop into material sales growth. To mitigate this risk the Company has, under the guidance of its new Chief Sales Officer, recently made several new appointments in its Sales organisation. In the view of the Company, these appointments have substantially improved the capability and experience of its Sales staff.</p>	
Litigation Risk	<p>The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by shareholders, regulatory authorities, employees, competitors or joint venture partners, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. The Company may also need to institute proceedings from time to time, such as to defend a proprietary right. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims and could affect the Company's reputation.</p> <p>The Company has recently terminated its agreement with one of its Mobile DR distributors and has subsequently received correspondence from that distributor making certain claims, amongst other things, in relation to product performance and the ability to provide post market service support. The Company considers those claims to be without merit and has sought legal advice to respond to those claims. An adverse outcome in relation to those claims could have an adverse impact on the Company's reputation and financial prospects and performance.</p>	

RISK FACTORS

Business Specific Risks (Cont/..)

Checkpoints	<p>The Company has been selected by the US Government's Department of Homeland Security (DHS) for several contracts totaling up to AUD\$29 million associated with a new concept for a Self-Service Airport Passenger Security Checkpoint . This programme relates to the Transportation Safety Administration's (TSA) future vision of replacing conventional CT and projection x-ray luggage imaging at checkpoints with a bank of multiple 'self service' security portals similar to current photometric identity portals but with the integrated addition of millimetre-wave body-scans and x-ray screening operating with automated threat detection.</p> <p>While the Company believes it provides a superior solution, there are existing technologies in use for Self Service Checkpoints in Airports and therefore there is a risk that established competitors will develop competing technology that may diminish the commercial success of the Company's Self-Service Airport Passenger Security Checkpoint solution. The Company has internal processes to monitor and measure expenditure, however there is the risk of higher than budgeted non-recurring engineering costs being incurred during the course of product development. There is also a risk of a delay to revenue as a result of delays related to security clearances, cyber security compliance and contracting processes with government departments in the USA. The project poses development and design risk as well as third party and subcontracting risk required to create a fully integrated system. In order to recognise the full value of the contracts, Micro-X is obliged to meet certain performance and delivery requirements; there is a risk that Micro-X is unable to achieve these requirements as a result of technical or other challenges, or that the solution delivered to the DHS does not meet performance expectations, and that the DHS chooses not to exercise its optional funding.</p> <p>To limit risk, the Company has built a close and collaborative working relationship with DHS and is working alongside external advisers to meet the DHS requirements. The Company also manages the systems integration for this project and has established a centre-of-excellence for imaging reconstruction at its Seattle base. The larger DHS contract of up to AUD\$21 million is funded on a time and materials basis, which limits the Company's exposure to project overruns, however if project overruns did occur, these may diminish the goodwill and reputation of the Company and decrease the likelihood that the DHS exercises the optional funding required to recognise the full value of the contract.</p> <p>The Company intends to commercialise the Checkpoint solution through the establishment of one or more strategic partnerships, which may involve the Company supplying only the imaging chain, supplying the complete baggage scanner, or supplying the Checkpoint to such partner(s). The DHS contract funds the delivery of the Checkpoint solution through to the provision of prototypes. Commercialisation of the Checkpoint requires the Company, or a strategic partner, to fund development of these prototypes into a production solution, as well as to fund the commercial go-to-market strategy. There is a risk that the Company is unable to execute a strategic partnership to take the Checkpoints solution to market.</p> <p>There is a risk that, if the Company does identify a suitable strategic partner and solicits a satisfactory offer, that the DHS does not agree to either the transfer of technology (IP) developed under the Checkpoints project, and/or the transfer of the remaining contract with the DHS. To mitigate this, the Company is prioritizing negotiations with partners it believes will be suitable to the DHS.</p>
Head CT	<p>The Head CT for stroke diagnosis project involves developing a miniaturised head imaging CT scanner which is able to fit into any land or air ambulance. The aim is to allow pre-hospital diagnosis of strokes to enable treatment to commence in an ambulance setting within the 'Golden Hour' which minimizes the risk of long-term disability. The project has been funded via the Federal Government's Medical Research Future Fund (MRFF) as an imaging technology provider in the Australian Stroke Alliance (ASA) research consortium led by the Melbourne Brain Centre of the Royal Melbourne Hospital alongside The Johns Hopkins University in the USA and Fujifilm in Japan.</p> <p>The new imaging solution presents design and development risk as a novel product with no predecessors utilising Micro-X's cold cathode technology. Tests conducted by the Company's internal team have demonstrated very promising progress in image quality during non-clinical studies using imaging phantoms and simulations. There are risks associated with meeting diagnostic image quality, which is required to be demonstrated on humans in clinical trials for customer acceptance and to meet or surpass the current standard of care provided by existing CT systems. To mitigate this risk the Company has completed a program with Johns Hopkins University to developing reconstruction algorithms for imaging optimization and continues to invest internally in ongoing development of these algorithms.</p> <p>The ASA contract funds the delivery of the Head CT solution through to the provision of prototypes. Commercialisation of the Head CT requires the Company to obtain funding in order to develop these prototypes into a production solution, as well as to fund the commercial go-to-market strategy. The Company intends to seek this funding via strategic partnerships and through the monetisation of its Security assets, as described elsewhere in this section. There is a risk the Company is unable to raise the required funding in order to commercialise the product.</p>
Core Technology – CNT X-ray Tubes & High-Voltage Generators	<p>The Company's future product and commercial plans are underpinned by its unique Carbon Nanotube (CNT) based X-ray technology, which includes both Carbon Nanotube X-ray tubes and solid-state high-voltage generators. Whilst Micro-X has invested heavily in maturing this technology over more than 10 years, the technology is the first of its type and as such, there is a risk that the Company experiences unforeseen challenges in the performance, reliability, cost-effectiveness, manufacturability, scalability or other factors. These challenges may cause field issues, damage to brand and reputation, operating cost overruns, challenges with ability to scale and meet market demand for product, project cost overruns and/or project timing delays, or other factors that may have a material impact on the Company's ability to effectively execute its business strategy.</p>
Operational Risk	<p>The Company has established risk management practices to identify, manage, report and monitor risks at an operating level, including but not limited to the risk of product failure, difficulties in operating Mobile DR units, mechanical failure, industrial and environmental accidents, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, loss or damage to assets, human accidents, natural disasters, terrorism, industrial delays, and liability for defects, some of which are outside of the control of the Company. These operating risks may delay the completion of the work or require further rectification work. While the Company endeavours to take appropriate action to mitigate these operational risks and, where the Directors consider it practicable, insure against them, the Company cannot remove all possible risks of disruption to its business operations, and it cannot control the risks its customers are exposed to. A disruption in the Company's business or those of its customers may have an adverse impact on the Company's growth prospects, operating results and financial performance.</p>

RISK FACTORS

Business Specific Risks (Cont../)

Single site for manufacturing activities and research	The Company performs its manufacturing activities and the majority of its research and development (R&D) at its facility in Tonsley, Adelaide. Should operations at the facility be disrupted or production halted for any reason (for example, due to labour strikes, extreme weather or other events outside the Company's control), the Company may not have enough products available to satisfy customer demand in a timely manner. While alternative arrangements could be made to transfer the manufacturing process to a different facility, this would take some time and may involve other risks. If such disruption were to occur, it would adversely affect the Company's ability to sell its products and customers might instead purchase products from competitors. There may also be an ongoing sales impact in the form of a reduction of goodwill as a result of the Company ceasing sales for a period of time. While the Company has strong internal capabilities in manufacturing operations and supply chain management including scaling of production to meet higher volume, there is a risk of delays or issues in the manufacturing processes, which may have an adverse effect on the Company's financial performance and operations.
Reliance on key personnel and ability to recruit additional personnel	The Company's future depends significantly on its ability to attract and retain key personnel, particularly those with highly specialised skillsets in areas of technology central to the Company's future products. The Company may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. The Company's future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.
Regulatory approvals to be received and maintained	<p>Medical devices and products which emit ionising radiation exist in a highly regulated environment. The Company's operations are reliant on maintaining regulatory certifications, including MDR, ISO13485 and ISO9001. Whilst the Company has processes in place and a culture of quality, there is a risk that operations may be impacted if incidents of non-compliance are identified in audit findings by regulatory bodies. Commercialising the Company's medical products requires achieving and maintaining regulatory approvals for medical devices, including a CE Mark for the European market, TGA for the Australian market and 510(k) for the US market, amongst others. There is also a risk of regulatory approvals being withdrawn due to an issue of non-compliance. Future products may not be able to rely on a predicate device to accelerate regulatory approvals and may involve lengthy and costly clinical trials, which may not succeed. The regulatory environment globally is not homogeneous and is subject to change which is outside the Company's control. Changes to the regulatory environment may drive significant changes, including delays or cancellation, to the Company's project schedules. The occurrence of any of these events could have a material adverse effect on the operations of the business, and in turn the financial position of the Company.</p> <p>Commercialising the Checkpoint program similarly requires high levels of trials such as European ECAC and US TSA Operational Test and Evaluation (OTE) testing which may be lengthy and costly and may not succeed.</p> <p>As an X-ray device manufacturer, the Company must retain certification by the South Australian Environmental Protection Authority to operate and manufacture ionizing radiation emitting devices. While the Company has strong radiation control processes in place, any change to those certifications, or the imposition of conditions that are difficult or costly to satisfy, could impact the Company's ability to manufacture devices and commercialise.</p>
Product liability	<p>In medical markets, the Company's Mobile DR products are used for diagnostic imaging. For the Mobile DR, the clinical diagnostic decision is made by a qualified radiologist based on an image provided by a qualified radiographer. The imaging software is independently certified, commercially available off-the-shelf software provided by reliable partners. As such, the potential contribution of the Company's product to an incorrect diagnosis is a very low risk for the Company. The Company's Mobile DR products are independently certified and compliant to IEC60601 medical device safety standard. The Company's ISO9001 and ISO13485 certified manufacturing and quality system is designed to ensure that products manufactured meet the standard. There is risk that injury may occur to a patient or operator from misdiagnosis or through a quality defect in manufacturing, or possibly a failure introduced by misuse. As with all medical devices, these could be reportable issues resulting in a product recall.</p> <p>In Security and Medical markets, the Company's products pose a radiation and high voltage hazard. While the Company ensures that all products meet the applicable test standards prior to sales commencing, there is a risk that notwithstanding, due to a failure of adequate protections in place, there may be a risk of radiation exposure or electroshock. Failure to meet compliance or safety for radiation and/or high voltage poses a significant risk to patient or operator safety. The likelihood of occurrence is very low; however, an incident could represent a serious risk in the safety of the Company's products and thus their viability. Despite extensive testing, given the complex nature of the Mobile DR units, defects may arise in the Company's Mobile DR units. Rectification of defects may be costly both financially and in reputation. Product errors could expose the Company to various liabilities including product liability, performance and warranty claims. In operating as a manufacturer there is a risk that the Company can be exposed to warranty claims, costs of repair and replacement. The occurrence of any of these events could have a material adverse effect on the operations of the business, and in turn the financial performance and financial position of the Company.</p>
Reliance on third party technology vendors and partners	The Company's products include components that are manufactured and supplied by third parties. The Company currently relies, and may in the future rely, on partners to supply key technology or manufacturing services. There are inherent risks in relying on third party suppliers for these product components, since any change to the manufacturing process of an approved medical device requires extensive documentation and, in many cases, supplemental testing. Such partners may not supply to the required price, quality or volume, may change their strategy and discontinue supply, may become insolvent or otherwise cease to trade and the effect of any of these on the Company would be for the Company to incur significant costs and delays in securing replacement services which would interrupt the Company's revenue. The Company does not have second source suppliers for many of these components. A disruption at a key supplier could therefore cause a substantial delay in the availability of the Company's products, leading to a potential loss of sales and reputation in the market. Where partner companies have access to the Company's confidential information, intellectual property or know-how, there is a risk of a whole or partial loss of the confidential information, intellectual property or know-how to competing organisations. The performance of the Company's partners may also be impacted by either related or unrelated regulatory changes or breaches and other actions of other sovereign governments.

RISK FACTORS

Business Specific Risks

Intellectual property	The Company strategy for protecting intellectual property is to obtain legal coverage through patents and registrations using the international patent cooperation treaty (PCT) and completing national filings in Australia, USA, Europe, Japan and China. Company owned patents are held on innovative elements of the Company's products as a barrier to duplication. The Company holds two core patents for high current density field emitters and RF modulation of field emitters. These patents are intended to provide the Company with a barrier to competition, however a published patent can enable an expert in the field to replicate or reverse engineer the technology. Notwithstanding the patents, there is a risk that competitors will replicate this intellectual property and produce competing small X-ray tubes. This risk may also be higher in countries where intellectual property laws may not adequately protect the Company. There is a risk that (i) third parties may circumvent intellectual property, particularly from the leaking of trade secrets from current or ex-employees, or by carrying out intellectual property theft including cyber security attacks; (ii) patents may be challenged for validity; or (iii) there may be an inadvertent breach of third-party patents of which the Company has not researched in its freedom to operate. The occurrence of any of these events could have a material adverse effect on the operations of the business, and in turn the financial performance and financial position of the Company.
Cyber Security	As with most companies, and particularly high-technology companies, the Company stores much of its data electronically. There is a risk that the Company's electronic storage systems may suffer a data breach or attack through hacking, trojans, viruses or other cyber-attacks. Such a breach or attack could cause loss, damage or theft of information relating to intellectual property, trade secrets, product development, company employee data, contract information, strategic and financial information, and regulatory information, causing a disruption to business operations and/or eroding competitive advantage. The occurrence of any of these events could have a material adverse effect on the operations of the business, and in turn the financial performance and financial position of the Company. The Company has a cyber uplift program in place to mitigate these risks.
International trade and foreign exchange risk – including United States policy	<p>The Company operates in a global market and its business operations are subject to trade agreements. Changes to international trade agreements, including free trade agreements, may have an impact on the commercial viability and supply of components for the manufacture of the Company's products and the sale of those products to its customers.</p> <p>A material portion of the Company's business is with companies operating in the United States, or via United States Government funded contracts. Changes to trade conditions such as the introduction of tariffs, or changes to policy impacting funded contracts, could introduce an adverse risk to the Company's commercialisation and funding activities.</p> <p>The Company buys components and sells products in multiple foreign currencies. Changes in foreign exchange, particularly AUD to USD, may adversely impact the commercial viability of the Company's products.</p> <p>Micro-X's US footprint through its subsidiary, Micro-X Inc., presents additional risk for the Company. As part of its expansion, the Company may be subject to additional employment, tax, regulatory, and compliance requirements. The Company is subject to managing foreign currency risk through the larger overhead cost carried out in USD. The Company is exposed to policy change, political risk and any trading restrictions with the USA.</p>
Business Interruption	The Company operates using a global supply and customer base. This global supply and customer base may be exposed to hazards outside of the Company's control including changing political climates and natural disasters which could interrupt business. In the event of such an interruption, the Company cannot guarantee that it will be able to source appropriate replacement components or find alternate customer pathways with a commercially viable arrangement or within a required timeframe to prevent interruption to its operations. Such an interruption may have a material adverse effect on the financial position and financial performance of the Company.
Current capital reserves and ability to raise additional capital	There is no guarantee that the Company will achieve cashflow breakeven or profitability. As at 31 December 2024, the Company's bank balance was approximately \$2.4 million. Accordingly, the Company requires additional capital to continue to operate and deliver on its proposed commercial strategies. In the absence of such additional financing, there is a risk that (i) the Company may not be able to continue to operate beyond 30 June 2025; and (ii) there may be a delay and indefinite postponement of the Company's activities and potential development programs. There can be no assurance that additional financing will be available when needed. If additional financing is available, the terms of the financing may not be favourable to the Company and may involve substantial dilution to Shareholders. The occurrence of any of these events could have a material adverse effect on the Company's financial performance and financial position.

9 Corporate information

Micro-X Limited

Micro-X Limited ACN 153 273 735

Directors

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Mr Patrick O'Brien – Non-Executive Director

Ms Ilona Meyer – Non-Executive Director

Mr Andrew Hartmann – Non-Executive Director

Company Secretary

Mr Kingsley Hall

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