Notice of annual general meeting and explanatory memorandum

Mach7 Technologies Limited

ACN 007 817 192

Date:	Monday, 12 November 2018
Time:	10.30 am (Melbourne time)
Venue:	RSM Australia, Level 21, 55 Collins Street Melbourne, Victoria, 3000

NOTICE OF 2018 ANNUAL GENERAL MEETING

NOTICE is given that the 2018 Annual General Meeting of Mach7 Technologies Limited ACN 007 817 192 will be held at RSM Australia, Level 21, 55 Collins Street, Melbourne, Victoria, 3000 on Monday 12 November 2018 at 10.30 am (Melbourne time).

BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting:

1. Financial and related reports

Item 1	Financial and related reports
Description	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2018.

2. Adoption of Remuneration Report (non-binding resolution)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
Description	Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2018 Annual Report and is available from the Company's website (www.mach7t.com). In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the directors or the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT** the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2018 be adopted."*
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by any of the following persons: ▪ by or on behalf of a member of Key Management Personnel (**KMP**) named in the remuneration report for the year ended 30 June 2018, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast; ▪ as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution: o in accordance with their directions of how to vote as set out in the proxy appointment; or o by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.

3. Re-election and Election of Directors

Resolution 2A	Re-election of Mr Damien Lim as Director
Description	Mr Damien Lim, who was appointed as a Non-Executive Director of the Company on 8 April 2016, retires as a Director in accordance with article 47(b) of the Constitution, and being eligible, offers himself for re-election under article 47(b) of the Constitution.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT** Mr Damien Lim, having retired from his office as a Director in accordance with article 47(b) of the Constitution and, being eligible and having offered himself for re-election, be re-elected as a Director of the Company."*

Resolution 2B	Election of Eliot Siegel, MD as Director
Description	Dr Eliot Siegel, who was appointed as a Non-Executive Director of the Company on 3 August 2018, retires as a Director in accordance with article 47(c) of the Constitution and, being eligible, offers himself for election under article 47(c) of the Constitution.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT** Dr Eliot Siegel, having been appointed as a Director on 3 August 2018, retires as a Director of the Company in accordance with article 47(c) of the Constitution and, being eligible and having offered himself for election, be elected as a Director of the Company."*

Resolution 2C	Election of Mr David Chambers as Director
Description	Mr David Chambers, who was appointed as a Non-Executive Director of the Company on 3 August 2018, retires as a Director in accordance with article 47(c) of the Constitution and, being eligible, offers himself for election under article 47(c) of the Constitution.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT** Mr David Chambers, having been appointed as a Director on 15 June 2016, retires as a Director of the Company in accordance with article 47(c) of the Constitution and, being eligible and having offered himself for election, be elected as a Director of the Company."*

4. Approval of issue of securities to Directors

Resolution 3A	Approval of issue of Options to Director Eliot Siegel, MD
Description	The Company seeks shareholder approval for the issue of 225,000 options, each to acquire one Share in the Company, to Dr Eliot Siegel, Non-Executive Director of the Company, or his nominee(s).
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT**, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 225,000 options, each to acquire one Share in the Company, to Dr Eliot Siegel, Non-Executive Director of the Company, or his nominee(s), and the issue of underlying Shares in respect of those options, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution: (a) by Dr Eliot Siegel and his nominees and any of their associates; (b) as a proxy by a current member of KMP, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. However, the Company will not disregard a vote if it is cast by: (c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or (d) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.

Resolution 3B	Approval of issue of Options to Director David Chambers
Description	The Company seeks shareholder approval for the issue of 225,000 options, each to acquire one Share in the Company, to Mr David Chambers, a Non-Executive Director of the Company, or his nominee(s).
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an **ordinary resolution**: *"**THAT**, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 225,000 options, each to acquire one Share in the Company, to Mr David Chambers, a Non-Executive Director of the Company, or his nominee(s), and the issue of underlying Shares in respect of those options, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

Voting Exclusion	The Company will disregard any votes cast in favour of this resolution: (a) by Mr David Chambers and his nominees and any of their associates; (b) as a proxy by a current member of KMP, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. However, the Company will not disregard a vote if it is cast by: (c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or (d) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.

5. Approval of 10% Placement Capacity

Resolution 4	**Approval of 10% Placement Capacity**
Description	The Company seeks approval of shareholders to be able to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12-month period, in addition to its ability to issue securities under ASX Listing Rule 7.1.
Resolution (Special)	To consider and, if thought fit, pass the following resolution as a **special resolution**: *"**THAT** for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities by way of placements over a 12-month period, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by any person who may participate in the issue of Equity Securities under this resolution and a person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by: (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or; (b) the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD OF MACH7 TECHNOLOGIES LIMITED

Jennifer Pilcher
Company Secretary
12 October 2018

QUESTIONS FROM SHAREHOLDERS

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, RSM Australia, in relation to the conduct of the external audit for the year ended 30 June 2018, or the content of its audit report. Please send your questions via email to:

Ms Jennifer Pilcher, Company Secretary,
Mach7 Technologies Limited
Jenni.pilcher@mach7t.com.au

Written questions must be received by no later than **10.30am (Melbourne time)** on **Monday, 5 November 2018**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Company's Remuneration Report for the year ended 30 June 2018.

During the course of the Annual General Meeting, the Chair will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

VOTING INFORMATION

Entitlement to vote at the Annual General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* that that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company as at **10.30am (Melbourne time)** on **Saturday, 10 November 2018**, subject to any applicable voting exclusion.

Voting by proxy

(a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the meeting, 2 proxies, to attend and vote instead of the shareholder.

(b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.

(c) A proxy need not be a shareholder of the Company.

(d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.

(e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority **by 10.30am (Melbourne time) on Saturday, 10 November 2018** at the share registry, being the office of Link Market Services Limited:

- **Online**: www.linkmarketservices.com.au (select 'Voting' and follow the prompts to lodge your vote - see proxy form for further information)
- **By post**: Mach7 Technologies Limited, c/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia
- **By hand**: Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138; or Level 12, 680 George Street, Sydney NSW 2000 (Monday to Friday, 9.00am to 5.00pm)
- **By facsimile**: +61 2 9287 0309

Proxy voting by the Chairman

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolutions 1, 3A, 3B, and 4. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 3A, 3B, and 4.

If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on 1, 3A, 3B, and 4, he or she will not vote your proxy on that item of business.

EXPLANATORY MEMORANDUM
TO NOTICE OF 2018 ANNUAL GENERAL MEETING

1. Financial and related reports

Item 1: Financial and related reports	
Explanation	Section 317 of the Corporations Act requires the Company's financial report, directors' report and auditor's report for the financial year ended 30 June 2018 to be laid before the Company's 2018 Annual General Meeting. There is no requirement for a formal resolution on this item. The financial report contains the financial statements of the consolidated entity consisting of the Company and its controlled entities. As permitted by the Corporations Act, a printed copy of the Company's 2018 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2018 Annual Report is available from the Company's website (www.mach7t.com). The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2018, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of RSM Australia Partners in relation to the conduct of the audit.

2. Adoption of Remuneration Report (non-binding resolution)

Resolution 1: Adoption of Remuneration Report (non-binding resolution)	
Explanation	Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2018 Annual Report and is available from the Company's website (www.mach7t.com). The Remuneration Report: ▪ describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance; ▪ sets out the remuneration arrangements in place for each director and for certain members of the senior management team; and ▪ explains the differences between the basis for remunerating non-executive directors and senior executives, including the CEO. The vote on this item is advisory only and does not bind the Directors. However, the Board will take into account any discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.
Voting Exclusion	A voting exclusion statement applies to this resolution, as set out in the Notice.
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
Chair's available proxies	The Chair of the Meeting intends to vote all available proxies in favour of this Resolution 1.

3. Re-election and Election of Directors

Resolution 2A: Re-election of Director Mr Damien Lim	
Explanation	Article 47(b) of the Constitution requires that the Director who has held office for the longest period of time since his or her last election or appointment to that office must retire at each annual general meeting of the Company, or if two or more Directors have held office for the same period of time, the Director determined by lot. Article 47(b) provides that a Director so retiring is eligible for re-election at that annual general meeting. Under Article 47(d) of the Constitution, the Managing Director / CEO Mike Jackman is not subject to Article 47(b) and is not taken into account in determining the Directors required to retire at an annual general meeting. Mr Damien Lim has held the position of Director for the longest period of time and will retire as a Director at the Company's 2018 Annual General Meeting in accordance with Article 47(b) of the Constitution. Mr Lim, being eligible under Article 47(b), offers himself for re-election as a Director.
About Mr Damien Lim	Mr Lim was appointed to the Board on 8 April 2016 as a Non-Executive Director. Mr Lim is the co-founder and principal of Singapore-based BioVeda Capital. He has more than 22 years of experience in equity and investment banking with Director level roles at Prime Partners, Vickers Ballas and Morgan Greenfell Asia. Mr Lim serves on a number of boards as well as grant and advisory committees. Mr Lim has a relevant interest in 350,000 Shares; 125,000 options exercisable at $1.00 each, vesting on 8 April 2018 and expiring 8 April 2021; and 183,333 options exercisable at $0.23 each, 83,333 vesting on 11 December 2018, 50,000 vesting on 11 December 2019 and 50,000 vesting on 11 December 2020, and all expiring on 11 December 2022.
Board Recommendation	The Board, with Mr Lim abstaining on making a recommendation on Resolution 2A, recommends that shareholders vote in favour of this resolution.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 2A.

Resolution 2B & 2C: Election of Directors Dr Eliot Siegel and Mr David Chambers	
Explanation	Article 47(c) of the Constitution provides that any Director who is appointed as a Director by the Board pursuant to article 46(b) must retire at the next annual general meeting following his or her appointment as a Director and is not to be counted for the purposes of determining the Director/s to retire under article 47(b). Article 47(c) of the Constitution further provides that a Director retiring at an annual general meeting pursuant to article 47(c) is eligible for re-election at that annual general meeting. Dr Eliot Siegel and Mr David Chambers were appointed as Directors of the Company pursuant to article 46(b) of the Constitution subsequently to the 2017 Annual General Meeting and therefore retire as Directors at the 2018 Annual General Meeting. Dr Eliot Siegel and Mr David Chambers, being eligible, offer themselves for re-election as Directors pursuant to article 47(c) of the Constitution.

About Dr Eliot Siegel	Dr Eliot Siegel was appointed to the Board on 3 August 2018 as a Non-Executive Director. Dr Siegel is a well-known thought leader in the world of radiology and imaging informatics. He is currently Professor and Vice Chair at the University of Maryland School of Medicine, Department of Diagnostic Radiology, and the Chief of Radiology and Nuclear Medicine for the Veterans Affairs Maryland Healthcare System, both in Baltimore, MD. Under his guidance, the VA Maryland Healthcare System became the first filmless healthcare enterprise in the United States. He has written over 200 articles and book chapters about PACS (Picture Archiving and Communication Systems) and digital imaging, and has edited six books on the topic, including Filmless Radiology and Security Issues in the Digital Medical Enterprise. He has given more than 1,000 presentations throughout the world on a broad range of topics involving the use of computers in medicine. Dr. Siegel was symposium chairman for the Society of Photo-optical and Industrial Engineers (SPIE) Medical Imaging Meeting for three years, is currently chair of Publications for the Society of Computer Applications in Radiology (SIIM) and has been honoured as a fellow in that organization. He is Chairman of the RSNA's Medical Imaging Resource Committee and a Board member of Carestream Health, a billion-dollar global company in digital radiography and computed radiography systems. Dr Siegel does not have any relevant interest in securities of the Company.
About Mr David Chambers	Mr David Chambers was appointed to the Board on 3 August 2018 as a Non-Executive Director. Mr. Chambers has more than 30 years' extensive experience in the Healthcare and Life Science industry and a proven track record in healthcare IT systems through a series of senior executive roles in Australia, North America, Europe, and Asia. Mr. Chambers is currently Managing Director, Asia-Pacific, of Allscripts Healthcare Solutions, a NASDAQ listed billion-dollar global leader in Healthcare Technology. Mr David Chambers does not have any relevant interest in securities of the Company.
Board Recommendation	The Board, with Dr Siegel and Mr Chambers abstaining on making recommendations on Resolutions 2B and 2C respectively, recommends that shareholders vote in favour of these resolutions.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 2B and 2C.

4. Approval of issue of securities to Directors

Resolutions 3A & 3B: Approval of issue of Options to Non-Executive Directors	
Explanation	Resolutions 3A & 3B seek shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 225,000 options (**Director Options**) to each of the Non-Executive Directors (Dr Eliot Siegel and Mr David Chambers). Dr Siegel and Mr Chambers were recently appointed to the Board on 3 August 2018. As part of their appointment, they have each agreed to receive options instead of being paid directors fees in cash. This is so the Company can apply its cash resources into growing the Company
Non-Executive Remuneration Framework	The Board has reviewed its non-executive director remuneration framework on 1 November 2017. Under the latest non-executive director remuneration framework: ▪ the Non-Executive Chairman's remuneration is $25,000 per annum; ▪ the remuneration of each other Non-Executive Director (at the time this framework was adopted) is $20,000 per annum; ▪ each Director was issued 150,000 Director Options, which vest in equal one-third tranches on the first, second and third anniversaries of the grant date of the Options, and expire on the fifth anniversary of the grant date; any unvested Options will lapse on the day that the holder ceases to be a Director.
Terms of Director Options	The Director Options will be issued for nil consideration, and will each be exercisable into a Share at an exercise price equivalent to the volume weighted average market price (**VWAP**) of Mach7 Shares on the ASX over the 30-day period up to and including the date of the Meeting, plus a 10% premium (**Exercise Price**). The options will vest in three equal tranches: • 75,000 on the first anniversary following grant date; • 75,000 on the second anniversary following grant date; and • 75,000 on the third anniversary following grant date. All Director Options will expire on the fifth anniversary of the grant date of those Options. Any unvested Director Options will lapse on the day that the relevant holder ceases to be a Director of the Company.
ASX Listing Rules	ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities to a related party of the company. Dr Sigel and Mr Chambers, as Directors, are related parties of the Company by virtue of section 228(2) of the Corporations Act. Accordingly, Resolutions 3A and 3B seek shareholder approvals under ASX Listing Rule 10.11 to allow the issue of the Director Options to each Non-Executive Director. If shareholder approval is given for the purposes of ASX Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the Director Options issued pursuant to Resolutions 3A and 3B will not deplete the Company's 15% Placement Capacity under ASX Listing Rule 7.1.

Approval not sought under Chapter 2E of the Corporations Act	Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties of a public company. For the purposes of Chapter 2E, the Directors are related parties of the Company, by virtue of section 228(2) of the Corporations Act. A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies or shareholder approval is obtained. Relevantly, one exception is where the benefit constitutes "reasonable remuneration" in respect of the duties and responsibilities of the related party in the management of the public company. For the reasons detailed above, in the view of the Board, the issue of the Director Options constitutes "reasonable remuneration" and, as the provision of such benefits is expressly permitted by section 211(1) of the Corporations Act, the Board does not consider the Company is required to seek shareholder approval under Chapter 2E of the Corporations Act in order to give the Non-Executive Directors the financial benefit that is inherent in the issue to them of the Director Options.
Specific Information for Resolutions 3A & 3B	In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders: **Names of recipients** — Resolution 3A: Dr Eliot Siegel (or nominee) Resolution 3B: Mr David Chambers (or nominee) **Maximum number of securities to be issued** — 225,000 Director Options to each of Dr Siegel and Mr Chambers under Resolutions 3A and 3B respectively. **Date for issue and allotment of securities** — Subject to shareholder approval, the Company will issue the Director Options as soon as practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting. **Issue price per security and use of funds** — The Director Options will be granted for nil consideration and there will be no funds raised from the issue of the Director Options. However, to the extent that any Director Options are exercised, the Company will raise funds from the payment of the Exercise Price per Director Option. The Company expects that any such funds raised will be applied towards its working capital requirements. **Terms of securities** — As above.

5. Approval of 10% Placement Capacity

Resolution 4	Approval of 10% Placement Capacity
General	Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12 month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to shareholder approval, to issue Equity Securities of up to an additional 10% of their issued capital by way of placements over a 12 month period, in addition to their ability to issue Equity Securities under ASX Listing Rule 7.1 (**10% Placement Capacity**). The Company seeks shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using the Company's 15% Placement Capacity under ASX Listing Rule 7.1. Resolution 4 is a **special resolution**. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.
Eligibility	ASX-listed entities which have a market capitalisation of $300 million or less, and which are not included in the S&P/ASX 300 Index will be considered eligible to seek shareholder approval under ASX Listing Rule 7.1A. As at the date of this Notice, the Company, which has a market capitalisation of less than $300 million, is not included in the S&P/ASX 300 Index. Accordingly, the Company is considered eligible to seek shareholder approval under ASX Listing Rule 7.1A.
Formula	The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing Rule 7.1A.2 as follows: ***(A x D) - E*** Where: ***A*** is the number of ordinary shares on issue 12 months before the date of issue or agreement: ▪ plus the number of fully paid shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2; ▪ plus the number of partly paid shares that became fully paid in the previous 12 months (there are presently no partly paid shares on issue in the Company); ▪ plus the number of shares issued in the previous 12 months with approval of shareholders under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% Placement Capacity without shareholder approval; and ▪ less the number of shares cancelled in the previous 12 months. *'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% Placement Capacity* ***D*** is 10%. ***E*** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.

Conditions of issue under the 10% Placement Capacity	There are a number of conditions applicable to the issue of Equity Securities under ASX Listing Rule 7.1A, including a limitation on the discount to prevailing market price at which they may be issued, and additional disclosure requirements. A summary of these conditions are as follows: (a) Equity Securities issued under the 10% Placement Capacity can only be in a class of securities already quoted. At the date of this Notice, the Company only has one class of securities which are quoted, being ordinary Shares. (b) The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either: i. the date on which the price at which the Equity Securities are to be issued is agreed; or ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the Equity Securities are issued.
Period of validity of shareholder approval	In the event that the Company obtains shareholder approval for Resolution 4, such approval will cease to be valid upon the earlier of: (a) 12 months after the date of the 2018 Annual General Meeting; or (b) if applicable, the date on which the Company's shareholders approve a change to the nature or scale of the Company's activities under ASX Listing Rule 11.1.2, or the disposal of the Company's main undertaking under ASX Listing Rule 11.2. (**Placement Period**)
Information to be provided to shareholders under ASX Listing Rule 7.3A	
Minimum issue price	The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either: i. the date on which the price at which the Equity Securities are to be issued is agreed; or ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the Securities are issued.
Risk of dilution to shareholders	If Resolution 4 is approved by shareholders, any issue of Equity Securities under the 10% Placement Capacity may present a risk of economic and voting dilution of existing shareholders, including the risk that: ▪ the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of the 2018 Annual General Meeting; and ▪ the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date. The table below shows the potential dilution of existing shareholders under various scenarios on the basis of:

- an issue price of $0.21 per Share, which was the closing price of the Company's Shares on the ASX on 28 September 2018; and
- the variable 'A' being calculated as the number of Shares on issue as at the date of this Notice, being 132,172,546.

The table also shows:

(a) two examples where variable 'A' has increased by 50% and 100%. The number of shares on issue in the Company may increase as a result of the issue of shares that do not require approval of shareholders (for example, pro-rata entitlement issues or scrip issues under takeover offers) or future placements of shares under ASX Listing Rule 7.1 of up to 15% of issued capital that are approved at future general meetings of shareholders; and

(b) two examples of where the issue price of Shares has decreased by 50% and increased by 100%.

VARIABLE 'A'		**Dilution**		
		50% decrease in issue price ***$0.105***	**Issue price** ***$0.21***	**100% increase in issue price** ***$0.42***
Current Variable 'A' 132,172,546 Shares	**10% voting dilution**	13,217,255 shares	13,217,255 shares	13,217,255 shares
	Funds raised	$1,387,811.78	$2,775,623.55	$5,551,247.10
50% increase in current Variable 'A' 198,258,819 Shares	**10% voting dilution**	19,825,882 shares	19,825,882 shares	19,825,882 shares
	Funds raised	$2,081,717.61	$4,163,435.22	$8,326,870.44
100% increase in current Variable 'A' 264,345,092 Shares	**10% voting dilution**	26,434,509 shares	26,434,509 shares	26,434,509 shares
	Funds raised	$2,775,623.45	$5,551,246.89	$11,102,493.78

The table has been prepared on the following assumptions:

(a) the Company issues the maximum number of shares available under the 10% Placement Capacity;

(b) no options to acquire shares on issue in the Company are exercised and no performance shares are converted into ordinary shares;

(c) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;

(d) the table does not show an example of dilution that may be caused to a particular shareholder as a result of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Meeting;

	(e) the table shows only the effect of issues of Equity Securities under the 10% Placement Capacity in accordance with ASX Listing Rule 7.1A and not under the 15% Placement Capacity under ASX Listing Rule 7.1; (f) the issue of Equity Securities under the 10% Placement Capacity consists only of shares; and (g) the issue price is $0.21, being the closing price of the Company's Shares on the ASX on 28 September 2018.
Period of validity	The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).
Reason for issue of shares under 10% Placement Capacity	The Company may seek to issue the Equity Securities for the following purposes: (a) non-cash consideration for the acquisition of new assets, businesses or investments, in which event the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or (b) cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital. The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
Allocation policy	The Company may not issue any or all of the Equity Securities for which approval is given and may issue the Equity Securities progressively as the Company places the Equity Securities with investors. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as: 1. fund raising options (and their viability) available to the Company at the relevant time; 2. the effect of the issue of the Equity Securities on the control of the Company; 3. the financial situation of the Company and the urgency of the requirement for funds; and 4. advice from the Company's corporate, financial, legal and broking advisers. The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice. It is intended that the allottees will be suitable professional and sophisticated investors, and other investors not requiring a disclosure document under section 708 of the Corporations Act, that are known to the Company and/or introduced by third parties.

	The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company. In the event that the shares under the 10% Placement Capacity are issued as consideration for the acquisition of businesses, assets or investments, it is likely that the allottees will be the vendors of such businesses, assets or investments. Any shares issued under the 10% Placement Capacity will rank equally with all other existing shares on issue in the Company.
Previous approval	The Company previously obtained approval under ASX Listing Rule 7.1A on 30 November 2017. In accordance with ASX Listing Rule 7.3A.6, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1A, the following information is provided to shareholders: As at 12 November 2017, being the date that is 12 months prior to the 2018 Annual General Meeting, the Company had the following Equity Securities on issue: **Class of Equity Securities** — Number on issue Shares — 118,247,196 Options — 5,880,000 Performance Rights — 7,094,832 Performance Shares — 25,000,000 **TOTAL** — **156,222,028** The table below shows the number and type of Equity Securities issued by the Company in the 12 months preceding the 2018 Annual General Meeting, and the percentage they represent of the total number of Equity Securities on issue at 12 November 2017.

Date of issue	Class of security	No. issued	Reason for issue	Recipient of issue	% of total no. of Equity Securities	Issue price per security	Discount to market (closing) price	Cash considera-tion	Non-cash considera-tion[1]	Use of funds
13 Nov 2017/11 Dec 2017	Shares	11,428,571	Capital Raising	Oceania Capital Partners	7.3%	$0.175	22%	$2,000,000	N/A	investment into sales and marketing resources, customer support services, new product development, and working capital requirements.
14 Nov 2017	Shares	295,618	Vesting of CEO Performance Rights	Mr Mike Jackman, CEO	0.2%	-	N/A	-	$51,142	N/A
11 Dec 2017	Shares	150,000	In lieu of Directors' Fees	Damien Lim (100k) and Nobuhiko Ito (50k)	0.1%	$0.234	N/A	-	$35,100	N/A
11 Dec 2017	Options	733,332	In lieu of Directors' Fees	Damien Lim, Nigel Finch, Wayne Spittle, Nobuhiko Ito	0.5%	-	N/A	-	$108,313	N/A
04 Jan 2018	Shares	994,582	Investment in Teleport Med, LLC	Teleport Med, LLC	0.6%	$0.257	N/A	-	$255,608	N/A
12 Jan 2018	Options	40,000	Sales consultant in lieu of fees	Peter Hermann	0.0%	-	N/A	-	$7,704	N/A
07 Feb 2018	Shares	295,618	Vesting of CEO Performance Rights	Mr Mike Jackman, CEO	0.2%	-	N/A	-	$106,304	N/A
03 Apr 2018	Options	150,000	In lieu of fees for industry advisory board members	Per Larsen, James Alland, Francisco Sapori, Sean Moynihan, Jeff Weil	0.1%	-	N/A	-	$29,070	N/A
18 Apr 2018	Shares	3	Lapsing of 3 Classes of Performance Shares	Ms Alyn Tai	0.0%	-	N/A	-	$1	N/A
04 May 2018	Shares	295,618	Vesting of CEO Performance Rights	Mr Mike Jackman, CEO	0.2%	-	N/A	-	$81,798	N/A
06 Aug 2018	Shares	465,340	Vesting of CEO Performance Rights	Mr Mike Jackman, CEO	0.3%	-	N/A	-	$89,811	N/A
06 Aug 2018	Options	4,200,000	CEO Options	Mr Mike Jackman, CEO	2.7%	-	N/A	-	$471,330	N/A
TOTAL		**19,048,682**			**12.2%**			**$2,000,000**	**$1,236,181**	

1 Non-cash consideration values have been determined at grant date using the Black-Scholes option pricing model (for Options) and the closing price of the shares as traded on the ASX (for Shares).

Terms of Equity Securities issued in preceding 12 months

Shares

All Shares issued by the Company in the 12 months preceding the Meeting have the same terms and rank equally in all respects with existing shares in the Company.

Options

- 733,332 options issued on 11 December 2017 were approved by shareholders on 30 November 2017. The options are each exercisable into 1 Share at $0.23 at any time between their relevant vesting date and 11 December 2022 (expiry date). 133,332 options vested 11 December 2017, 200,000 options vest on 11 December 2018, 11 December 2019, and 11 December 2020 (vesting dates).

- 40,000 options issued on 12 January 2018 under the LTIP are each exercisable into 1 Share at $0.26, at any time between their relevant vesting date and 12 January 2023 (expiry date). 13,334 options will vest on 12 January 2019 and 13,333 options will vest on each of 12 January 2020 and 12 January 2021.

- 150,000 options issued on 3 April 2018 under the LTIP are each exercisable into 1 Share at $0.30, at any time between their relevant vesting date and 3 April 2023 (expiry date). 50,000 options will vest on 3 April 2019; 3 April 2020, and 3 April 2021.

- 4,200,000 options issued on 6 August 2018 to the CEO (to replace 2,275,500 performance rights that were cancelled) which were approved by shareholders on 31 July 2018. The terms of these options are as follows:

Number of Options Granted	Exercise Price	Vesting Date	Expiry Date
1,870,000	$ 0.195	1-Aug-18	1-Aug-22
1,130,000	$ 0.195	1-Sep-19	1-Aug-22
300,000	$ 0.40	1-Nov-19	1-Aug-22
300,000	$ 0.50	1-Mar-20	1-Aug-22
300,000	$ 0.60	1-May-20	1-Aug-22
300,000	$ 1.00	1-Sep-20	1-Aug-22

Application of funds raised through issue of Equity Securities

The Company raised a total of $2,000,000 through the issue of Equity Securities during the 12 months preceding the Meeting, under the Capital Raising.

The Company has fully applied the funds raised towards investment into sales and marketing resources, customer support services, new product development, and general working capital requirements ($2.0M)

Voting Exclusion

A voting exclusion statement applies to this resolution, as set out in the Notice.

Board Recommendation

The Directors unanimously recommend that shareholders vote in favour of this resolution.

Chairman's available proxies

The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

Definitions

10% Placement Capacity	Means the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1A.
Company or **Mach7**	Means Mach7 Technologies Limited ACN 007 817 192.
Constitution	Means the Company's constitution.
Corporations Act	Means the *Corporations Act 2001* (Cth).
Closely Related Party (of a member of KMP of an entity)	Has the definition given to it by section 9 of the Corporations Act, and means: (a) a spouse or child of the member; or (b) a child of the member's spouse; or (c) a dependant of the member or of the member's spouse; or (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or (e) a company the member controls; or (f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).
Director	Means a director of the board of the Company.
Equity Security	Means: a) a share; b) a right to a share or option; c) an option over an issued or unissued security; d) a convertible security; e) any security that ASX decides to classify as an equity security.
Key Management Personnel or **KMP**	Means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
LTIP	Means the Company's Long Term Incentive Plan which was approved by shareholders at the Company's 31 July 2018 General Meeting.
Share	Means a fully paid ordinary share in the capital of the Company.

-ENDS-

MACH7 TECHNOLOGIES

ABN 26 007 817 192

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Mach7 Technologies Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

X99999999999

PROXY FORM

I/We being a member(s) of Mach7 Technologies Limited and entitled to attend and vote hereby appoint:

STEP 1 APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (Melbourne time) on Monday, 12 November 2018 at RSM Australia, Level 21, 55 Collins Street, Melbourne, Victoria, 3000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 3A and 3B: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 3A and 3B, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2 VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions		For	Against	Abstain*
1	Adoption of Remuneration Report (non-binding resolution)	☐	☐	☐
2A	Re-election of Mr Damien Lim as Director	☐	☐	☐
2B	Election of Eliot Siegel, MD as Director	☐	☐	☐
2C	Election of Mr David Chambers as Director	☐	☐	☐
3A	Approval of issue of Options to Director Eliot Siegel, MD	☐	☐	☐
3B	Approval of issue of Options to Director David Chambers	☐	☐	☐
4	Approval of 10% Placement Capacity	☐	☐	☐

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (Melbourne time) on Saturday, 10 November 2018,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

BY MAIL

Mach7 Technologies Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX

+61 2 9287 0309

BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

or

Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.