



Notice of annual general meeting and explanatory memorandum

Mach7 Technologies Limited

ACN 007 817 192

Date: Thursday, 30 November 2017

Time: 10.00 am (Melbourne time)

Venue: RSM Australia,
Level 21, 55 Collins Street
Melbourne, Victoria, 3000

NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE is given that the 2017 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 Thursday 30 November 2017 at 10.00 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 |
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| 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 2017. |

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

| Resolution 1 | Adoption of Remuneration Report (non-binding resolution) |
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| Description | <p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2017 Annual Report and is available from the Company's website (www.mach7t.com).</p> <p>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.</p> |
| Resolution (Ordinary) | To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2017 be adopted."</i> |
| Voting Exclusion | <p>The Company will disregard any votes cast on this resolution by any of the following persons:</p> <ul style="list-style-type: none">▪ by or on behalf of a member of Key Management Personnel (KMP) named in the remuneration report for the year ended 30 June 2017, 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:<ul style="list-style-type: none">○ in accordance with their directions of how to vote as set out in the proxy appointment; or○ by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form. |

3. Re-election of Director

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| Resolution 2 | Re-election of Mr Alister Wayne Spittle as Director |
| Description | Mr Alister Wayne Spittle, who was appointed as a Non-Executive Director of the Company on 15 June 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 : <i>"THAT Mr Alister Wayne Spittle, 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."</i> |

4. Ratification of previous issue of securities

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| Resolution 3 | Ratification of issue of Performance Rights |
| Description | The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 7,094,832 Performance Rights to the CEO on 29 August 2017. |
| Resolution (Ordinary) | To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 7,094,832 Performance Rights on 29 August 2017 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</i> |
| Voting Exclusion | The Company will disregard any votes cast on this resolution by <ul style="list-style-type: none"> (a) The CEO (Mr Mike Jackman) and any of his associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (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 issue of securities to Directors

| Resolution 4A | Approval of issue of Options to Director Damien Lim |
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| Description | The Company seeks shareholder approval for the issue of 183,333 options, each to acquire one Share in the Company, to Mr Damien Lim, Non-Executive Chairman of the Company, or his nominee(s). |
| Resolution (Ordinary) | To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 183,333 options, each to acquire one Share in the Company, to Mr Damien Lim, Non-Executive Chairman 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.”</i> |
| Voting Exclusion | The Company will disregard any votes cast on this resolution: (a) by Mr Damien Lim and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, 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 4B | Approval of issue of Options to Director Nigel Finch |
| Description | The Company seeks shareholder approval for the issue of 183,333 options, each to acquire one Share in the Company, to Dr Nigel Finch, 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 : <i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 183,333 options, each to acquire one Share in the Company, to Dr Nigel Finch, 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.”</i> |

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| Voting Exclusion | <p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"> (a) by Dr Nigel Finch and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (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. |
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| Resolution 4C | Approval of issue of Options to Director Nobuhiko Ito |
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| Description | The Company seeks shareholder approval for the issue of 183,333 options, each to acquire one Share in the Company, to Mr Nobuhiko Ito, a Non-Executive Director of the Company, or his nominee(s). |
| Resolution (Ordinary) | <p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 183,333 options, each to acquire one Share in the Company, to Mr Nobuhiko Ito, 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.”</i></p> |
| Voting Exclusion | <p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"> (a) by Mr Nobuhiko Ito and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (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 4D | Approval of issue of Options to Director Wayne Spittle |
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| Description | The Company seeks shareholder approval for the issue of 183,333 options, each to acquire one Share in the Company, to Mr Alister Wayne Spittle, 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 : <i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 183,333 options, each to acquire one Share in the Company, to Mr Alister Wayne Spittle, 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.”</i> |
| Voting Exclusion | The Company will disregard any votes cast on this resolution: (a) by Mr Alister Wayne Spittle and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, 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 4E | Approval of issue of Shares to Director Damien Lim in lieu of fees |
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| Description | The Company seeks shareholder approval for the issue of 100,000 Shares to Mr Damien Lim, Non-Executive Chairman of the Company, or his nominee(s), in lieu of outstanding Director fees owing to Mr Lim. |
| Resolution (Ordinary) | To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 100,000 Shares to Mr Damien Lim, Non-Executive Chairman of the Company, or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i> |

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| Voting Exclusion | <p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"> (a) by Mr Damien Lim and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (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. |
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| Resolution 4F | Approval of issue of Shares to Director Nobuhiko Ito in lieu of fees |
| Description | The Company seeks shareholder approval for the issue of 50,000 Shares to Mr Nobuhiko Ito, Non-Executive Director of the Company, or his nominee(s), in lieu of outstanding Director fees owing to Mr Ito. |
| Resolution (Ordinary) | <p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 50,000 Shares to Mr Nobuhiko Ito, Non-Executive Director of the Company, or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p> |
| Voting Exclusion | <p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"> (a) by Mr Nobuhiko Ito and his nominees and any of their associates; (b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (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. |

6. Approval of 10% Placement Capacity

| Resolution 5 | Approval of 10% Placement Capacity |
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| 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 : <i>“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.”</i> |
| Voting Exclusion | The Company will disregard any votes cast on this resolution by any person who may participate in the issue of Equity Securities under this resolution and a person who might obtain a benefit, 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. |

Dated: 30 October 2017

BY ORDER OF THE BOARD OF MACH7 TECHNOLOGIES LIMITED



Alyn Tai
Company Secretary

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 2017, or the content of its audit report. Please send your questions via email to:

Ms Alyn Tai, Company Secretary,
Mach7 Technologies Limited
alyn.tai@mach7t.com.au

Written questions must be received by no later than **10.00am (Melbourne time) on Thursday, 23 November 2017**.

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 2017.

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 the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company as at **7.00pm (Melbourne time) on Tuesday, 28 November 2017**, 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 10.00am (Melbourne time) on Tuesday, 28 November 2017** 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, 3, 4A, 4B, 4C, 4D, 4E and 4F. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 3, 4A, 4B, 4C, 4D, 4E and 4F.

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 Resolutions 1, 3, 4A, 4B, 4C, 4D, 4E and 4F, he or she will not vote your proxy on that item of business.

EXPLANATORY MEMORANDUM TO NOTICE OF 2017 ANNUAL GENERAL MEETING

1. Financial and related reports

| Item 1: Financial and related reports | |
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| Explanation | <p>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 2017 to be laid before the Company's 2017 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.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2017 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2017 Annual Report is available from the Company's website (www.mach7t.com).</p> <p>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 2017, 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.</p> |

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

| Resolution 1: Adoption of Remuneration Report (non-binding resolution) | |
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| Explanation | <p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2017 Annual Report and is available from the Company's website (www.mach7t.com).</p> <p>The Remuneration Report:</p> <ul style="list-style-type: none"> ▪ 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. <p>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.</p> |
| 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 of Director

| Resolution 2: Re-election of Director | |
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| Explanation | <p>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.</p> <p>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.</p> <p>All other Directors, being Damien Lim, Nigel Finch, Nobuhiko Ito and Alister Wayne Spittle, were last elected to office at the Company's 2016 Annual General Meeting, and accordingly have held office for the same period of time since their last election. The Directors have determined by lot that Mr Spittle will retire as a Director at the Company's 2017 Annual General Meeting in accordance with Article 47(b) of the Constitution.</p> <p>Mr Spittle, being eligible under Article 47(b), offers himself for re-election as a Director.</p> |
| About Mr Alister Wayne Spittle | <p>Mr Spittle was appointed to the Board on 15 June 2016 as a Non-Executive Director.</p> <p>Mr Spittle brings extensive industry experience in the global healthcare sector including all imaging modalities, IT solutions and patient monitoring. He has served as Executive VP with Samsung Medison and Health and Medical Equipment division of Samsung.</p> <p>Previously, Mr Spittle was Senior VP at Philips Healthcare for Asia Pacific and CEO for Philips Electronics for ASEAN Pacific. He has extensive experience in acquisitions, product development, marketing and sales. Currently Mr Spittle remains as a consultant at Samsung Medison and Advisor at Novum Waves.</p> <p>Mr Spittle has a relevant interest in 250,000 Shares and 125,000 options exercisable at \$1.00 each, vesting on 9 December 2018 and expiring 9 December 2021.</p> <p>Mr Spittle is considered to be an independent Director of the Company.</p> |
| Board Recommendation | <p>The Board, with Mr Spittle abstaining on making a recommendation on Resolution 2, recommends that shareholders vote in favour of this resolution.</p> |
| Chairman's available proxies | <p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 2.</p> |

4. Ratification of previous issue of securities

| Resolution 3: Ratification of issue of Performance Rights | |
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| Explanation | <p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 7,094,832 Performance Rights to the Company's CEO, Mr Mike Jackman, on 29 August 2017.</p> <p>Mr Jackman commenced his role as CEO on 1 August 2017, and the Performance Rights were issued as a long term incentive to him on 29 August 2017, in accordance with the terms of his employment agreement with the Company.</p> <p>Mr Jackman (who was appointed to the Board on 25 September 2017) was not a related party or Director of the Company at the time of issue of the Performance Rights on 29 August 2017.</p> |
| Terms of Performance Rights | <p>The Performance Rights will vest into Shares (on a 1-for-1 basis) in 13 tranches, subject to continuous employment and satisfaction of vesting conditions.</p> <p>5,912,360 Performance Rights will vest in 12 quarterly tranches over a three-year period between 1 August 2017 and 1 August 2020, subject to time-based and continuous employment vesting conditions.</p> <p>The final tranche of 1,182,472 Performance Rights will vest subject to prescribed performance based conditions, which will be tested over the same three-year period.</p> <p>The Performance Rights were issued as the CEO's long term incentive for nil cash consideration.</p> <p>The Performance Rights are not quoted on the ASX. However, the Company will apply for quotation of any underlying Shares issued to the CEO upon vesting of the Performance Rights. The underlying Shares will rank equally with all other ordinary shares then on issue in the Company.</p> |
| ASX Listing Rules | <p>ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without shareholder approval.</p> <p>ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1, by permitting the ratification of previous issues of shares which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If shareholders of a company approve the ratification of such previous issues of shares at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the Company's previous issue of Performance Rights to the CEO by way of approving Resolution 3, those Performance Rights will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will not be deducted from the Company's 15% placement capacity.</p> <p>Save for as otherwise set out in this Notice, the Directors do not currently have any specific intention to make any further issue of securities without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2.</p> |

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| Specific Information for Resolution 3 | <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <ul style="list-style-type: none"> ▪ No. of securities issued – 7,094,832 Performance Rights ▪ Issue price per security – Nil cash consideration; the Performance Rights were issued as the CEO's long term incentive. ▪ Terms of securities – As above. ▪ Recipient of issue – The Company's Chief Executive Officer, Mr Mike Jackman. ▪ Use of funds raised – No funds were raised from the issue of the Performance Rights. |
| Voting Exclusion | A voting exclusion statement applies to this resolution, as set out in the Notice. |
| Board Recommendation | Each of the Directors do not wish to make a recommendation to shareholders about this resolution, on the basis that it is connected with the remuneration of a Director, and the Directors consider it appropriate to abstain from making recommendations about remuneration related resolutions. |
| Chairman's available proxies | The Chairman intends to vote all available proxies in favour of this resolution. |

5. Approval of issue of securities to Directors

| Resolutions 4A, 4B, 4C and 4D: Approval of issue of Options to Non-Executive Directors | |
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| Explanation | <p>Resolutions 4A – 4D seek shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 183,333 options (Director Options) to each of the Non-Executive Directors (Damien Lim, Nigel Finch, Nobuhiko Ito and Alister Wayne Spittle).</p> <p>The reasons for the proposed issue of the Director Options are as follows:</p> <ul style="list-style-type: none"> ▪ 33,333 Director Options are being issued to each Director in lieu of his outstanding Director fees accrued between the period of 1 June 2017 to 31 October 2017 (\$16,667 per Director); ▪ 150,000 Director Options are being issued to each Director as part of his revised Non-Executive remuneration package, which will be effective from 1 November 2017 (as detailed below); and ▪ generally to incentivise the Non-Executive Directors without requiring further cash expenditure by the Company, and to further align the Directors' interests with those of shareholders. |
| Non-Executive Remuneration Framework | <p>The Board has recently reviewed its non-executive director remuneration framework and long term incentive award policy. In undertaking the review, the Board considered the size, nature and stage of the Group's operations, and its objectives of streamlining costs, optimising operational efficiencies and delivering profitability for shareholders.</p> <p>As part of the remuneration review, the Board agreed that it would be appropriate and responsible for a majority of the Company's cash resources (that would otherwise be applied towards payment of non-executive director fees) to be preserved and directed into the growth of the Mach7 business.</p> |

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| | <p>Following the review, the Non-Executive Directors have volunteered to adopt a revised non-executive director remuneration framework (as detailed below) as a reflection of their ongoing support for the Company, and commitment to sustainably lowering the cost base of the Company for the overall benefit of shareholders. It is intended that the revised non-executive director remuneration framework will apply from 1 November 2017 until the Board considers that the Company has achieved a position of financial stability (as demonstrated by positive EBITDA and a strong cash flow position), at which time the Board will re-evaluate its remuneration strategy.</p> <p>Under the revised non-executive director remuneration framework:</p> <ul style="list-style-type: none"> ▪ the Non-Executive Chairman's remuneration will be reduced to \$25,000 per annum; ▪ the remuneration of each other Non-Executive Director will be reduced to \$20,000 per annum; ▪ the above fees will be inclusive of any applicable superannuation and fees for Board committee memberships; ▪ each Director will be issued (subject to shareholder approval) with 150,000 Director Options, which will 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. <p>In determining to incorporate equity based remuneration into the revised non-executive director remuneration framework, the Board acknowledged that the grant of options to Non-Executive Directors is contrary to the ASX Corporate Governance Principles and Recommendations which recommend that non-executive directors should normally be remunerated by way of fees, should not participate in schemes designed for remuneration of executives and should not receive options or performance rights.</p> <p>However, the Board considers that the grant of the Director Options constitutes cost effective consideration to the Non-Executive Directors for their ongoing commitment and contribution to the Company. In particular, as the Company continues its phase of growth, it is expected that the Non-Executive Directors will be required to continue committing a significant amount of time to their duties, in excess of what would typically be required by non-executive roles. The grant of the Director Options enables the Company to provide an incentive to the recipients for their efforts as Non-Executive Directors, and to act as a retention mechanism.</p> |
| <p>Terms of Director Options</p> | <p>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).</p> <p>600,000 Director Options (150,000 Director Options per Director), which are proposed to be issued as part of the Non-Executive Directors' revised remuneration package applicable from 1 November 2017, will vest in equal one-third tranches on the first, second and third anniversaries of the grant date of the Options.</p> <p>133,332 Director Options (33,333 Director Options per Director), which are proposed to be issued in lieu of Director fees accrued between the period of 1 June 2017 to 31 October 2017, will have no vesting conditions attached and will be exercisable from their date of issue, until their date of expiry.</p> <p>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.</p> |

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| <p>ASX Listing Rules</p> | <p>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. As Directors, Damien Lim, Nigel Finch, Nobuhiko Ito and Alister Wayne Spittle are related parties of the Company by virtue of section 228(2) of the Corporations Act.</p> <p>Accordingly, Resolutions 4A – 4D seek shareholder approvals under ASX Listing Rule 10.11 to allow the issue of the Director Options to each Non-Executive Director.</p> <p>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 4A – 4D will not deplete the Company’s 15% Placement Capacity under ASX Listing Rule 7.1.</p> |
| <p>Approval not sought under Chapter 2E of the Corporations Act</p> | <p>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.</p> <p>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.</p> |
| <p>Specific Information for Resolutions 4A – 4D</p> | <p>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:</p> <p>Names of recipients Resolution 4A: Mr Damien Lim (or nominee) Resolution 4B: Dr Nigel Finch (or nominee) Resolution 4C: Mr Nobuhiko Ito (or nominee) Resolution 4D: Mr Alister Wayne Spittle (or nominee)</p> <p>Maximum number of securities to be issued 183,333 Director Options to each of Damien Lim, Nigel Finch, Nobuhiko Ito and Alister Wayne Spittle under Resolutions 4A, 4B, 4C and 4D respectively.</p> <p>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.</p> <p>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.</p> <p>Terms of securities As above.</p> |

Resolutions 4E and 4F: Approval of issue of Shares to Non-Executive Directors in lieu of fees

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| <p>Explanation</p> | <p>Resolutions 4E and 4F seek shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 100,000 Shares and 50,000 Shares respectively to the Non-Executive Chairman Damien Lim and Non-Executive Director Nobuhiko Ito. The Shares are proposed to be issued in lieu of outstanding Director fees accrued between the period of 1 January 2017 to 31 May 2017 owing to Damien Lim (\$43,750) and Nobuhiko Ito (\$20,833).</p> <p>Given the current stage of development of the Company, and the necessity for cash resources to be preserved and directed into the growth of the Company's business, Damien Lim and Nobuhiko Ito have agreed to forego cash payments of their outstanding fees accrued between 1 January 2017 and 31 May 2017, and instead to be issued Shares in lieu of cash.</p> | | | | | | | | | | |
| <p>ASX Listing Rules</p> | <p>As noted above, 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. As Directors, Damien Lim and Nobuhiko Ito are related parties of the Company. Accordingly, Resolutions 4E and 4F seek shareholder approvals under ASX Listing Rule 10.11 to allow the issue of the Shares to Damien Lim and Nobuhiko Ito.</p> <p>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 Shares issued pursuant to Resolutions 4E and 4F will not deplete the Company's 15% Placement Capacity under ASX Listing Rule 7.1.</p> | | | | | | | | | | |
| <p>Approval not sought under Chapter 2E of the Corporations Act</p> | <p>In the view of the Board, the issue of the Shares to Mr Lim and Mr Ito in lieu of their foregone cash fees constitutes "reasonable remuneration" in respect of the duties and responsibilities of Mr Lim and Mr Ito in the management of the Company 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 Mr Lim and Mr Ito the financial benefit that is inherent in the issue to them of the Shares.</p> | | | | | | | | | | |
| <p>Specific Information for Resolutions 4E and 4F</p> | <p>In accordance with ASX Listing Rule 10.13, the following information is provided to shareholders:</p> <table border="0"> <tr> <td data-bbox="467 1339 742 1377">Names of recipients</td> <td data-bbox="766 1339 1452 1400">Resolution 4E: Mr Damien Lim (or nominee) Resolution 4F: Mr Nobuhiko Ito (or nominee)</td> </tr> <tr> <td data-bbox="467 1433 742 1494">Maximum number to be issued</td> <td data-bbox="766 1433 1452 1494">100,000 Shares to Damien Lim under Resolution 4E 50,000 Shares to Nobuhiko Ito under Resolution 4F</td> </tr> <tr> <td data-bbox="467 1527 742 1619">Date for issue and allotment of securities</td> <td data-bbox="766 1527 1452 1646">Subject to shareholder approval, the Company will issue the Shares under Resolutions 4E and 4F as soon as practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.</td> </tr> <tr> <td data-bbox="467 1680 742 1771">Issue price per security and use of funds</td> <td data-bbox="766 1680 1452 1892">The Shares the subject of Resolutions 4E and 4F will be issued for nil cash consideration and there will be no funds raised from the issue of the Shares. However, the Company's liability to Mr Lim and Mr Ito in relation to their accrued fees (totalling \$64,583) will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent.</td> </tr> <tr> <td data-bbox="467 1926 742 1964">Terms of securities</td> <td data-bbox="766 1926 1452 2027">The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td> </tr> </table> | Names of recipients | Resolution 4E: Mr Damien Lim (or nominee) Resolution 4F: Mr Nobuhiko Ito (or nominee) | Maximum number to be issued | 100,000 Shares to Damien Lim under Resolution 4E 50,000 Shares to Nobuhiko Ito under Resolution 4F | Date for issue and allotment of securities | Subject to shareholder approval, the Company will issue the Shares under Resolutions 4E and 4F 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 Shares the subject of Resolutions 4E and 4F will be issued for nil cash consideration and there will be no funds raised from the issue of the Shares. However, the Company's liability to Mr Lim and Mr Ito in relation to their accrued fees (totalling \$64,583) will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent. | Terms of securities | The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. |
| Names of recipients | Resolution 4E: Mr Damien Lim (or nominee) Resolution 4F: Mr Nobuhiko Ito (or nominee) | | | | | | | | | | |
| Maximum number to be issued | 100,000 Shares to Damien Lim under Resolution 4E 50,000 Shares to Nobuhiko Ito under Resolution 4F | | | | | | | | | | |
| Date for issue and allotment of securities | Subject to shareholder approval, the Company will issue the Shares under Resolutions 4E and 4F 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 Shares the subject of Resolutions 4E and 4F will be issued for nil cash consideration and there will be no funds raised from the issue of the Shares. However, the Company's liability to Mr Lim and Mr Ito in relation to their accrued fees (totalling \$64,583) will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent. | | | | | | | | | | |
| Terms of securities | The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. | | | | | | | | | | |

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| Board Recommendation | Each of the Directors do not wish to make a recommendation to Shareholders about Resolutions 4A – 4F, on the basis that those resolutions are connected with the remuneration of directors, and the Directors consider it appropriate to abstain from making recommendations about remuneration related resolutions. |
| Chairman's available proxies | The Chairman intends to vote all available proxies in favour of Resolutions 4A – 4F. |

6. Approval of 10% Placement Capacity

| Resolution 5 | Approval of 10% Placement Capacity |
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| General | <p>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).</p> <p>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.</p> <p>Resolution 5 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.</p> |
| Eligibility | <p>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.</p> <p>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.</p> |
| Formula | <p>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:</p> $(A \times D) - E$ <p>Where:</p> <p>A is the number of ordinary shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> ▪ 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. <p><i>'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% Placement Capacity</i></p> |

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| | <p>D is 10%.</p> <p>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.</p> |
| <p>Conditions of issue under the 10% Placement Capacity</p> | <p>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.</p> <p>A summary of these conditions are as follows:</p> <p>(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.</p> <p>(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:</p> <ol style="list-style-type: none"> 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. |
| <p>Period of validity of shareholder approval</p> | <p>In the event that the Company obtains shareholder approval for Resolution 5, such approval will cease to be valid upon the earlier of:</p> <p>(a) 12 months after the date of the 2017 Annual General Meeting; or</p> <p>(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.</p> <p>(Placement Period)</p> |
| <p>Information to be provided to shareholders under ASX Listing Rule 7.3A</p> | |
| <p>Minimum issue price</p> | <p>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:</p> <ol style="list-style-type: none"> 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. |
| <p>Risk of dilution to shareholders</p> | <p>If Resolution 5 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:</p> <ul style="list-style-type: none"> ▪ the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of the 2017 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 \$0.16 per Share, which was the closing price of the Company's Shares on the ASX on 24 October 2017; and
- the variable 'A' being calculated as the number of Shares on issue as at the date of this Notice, being 118,247,196.

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 \$0.08 | Issue price \$0.16 | 100% increase in issue price \$0.32 |
| Current Variable 'A' 118,247,196 shares | 10% voting dilution | 11,824,720 shares | 11,824,720 shares | 11,824,720 shares |
| | Funds raised | \$945,977.57 | \$1,891,955.14 | \$3,783,910.27 |
| 50% increase in current Variable 'A' 177,370,794 shares | 10% voting dilution | 17,737,079 shares | 17,737,079 shares | 17,737,079 shares |
| | Funds raised | \$1,418,966.35 | \$2,837,932.70 | \$5,675,865.41 |
| 100% increase in current Variable 'A' 236,494,392 shares | 10% voting dilution | 23,649,439 shares | 23,649,439 shares | 23,649,439 shares |
| | Funds raised | \$1,891,955.14 | \$3,783,910.27 | \$7,567,820.54 |

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

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| | (g) the issue price is \$0.16, being the closing price of the Company's Shares on the ASX on 24 October 2017. |
| Period of validity | <p>The Company will only issue and allot the Equity Securities during the Placement Period.</p> <p>The approval under Resolution 5 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).</p> |
| Reason for issue of shares under 10% Placement Capacity | <p>The Company may seek to issue the Equity Securities for the following purposes:</p> <p>(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</p> <p>(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.</p> <p>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.</p> |
| Allocation policy | <p>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.</p> <p>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.</p> <p>The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as:</p> <ol style="list-style-type: none"> 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. <p>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.</p> <p>The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company.</p> <p>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.</p> |

| | Any shares issued under the 10% Placement Capacity will rank equally with all other existing shares on issue in the Company. | | | | | | | | | | | | | | | |
|-----------------------------------|---|---|--|---|--------|---------------|-------------|---------|------------|-----------|--------------------|-------------|------------|--------------|----------------------|--------------------|
| Previous approval | <p>The Company previously obtained approval under ASX Listing Rule 7.1A on 7 December 2016.</p> <p>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:</p> <p>As at 30 November 2016, being the date that is 12 months prior to the 2017 Annual General Meeting, the Company had the following Equity Securities on issue:</p> <table border="1" data-bbox="456 566 1442 786"> <thead> <tr> <th>Class of Equity Securities</th> <th>Number on issue (pre-consolidation)</th> <th>Number on issue (on a post-consolidation basis)*</th> </tr> </thead> <tbody> <tr> <td>Shares</td> <td>1,087,546,278</td> <td>108,754,628</td> </tr> <tr> <td>Options</td> <td>48,642,427</td> <td>4,864,245</td> </tr> <tr> <td>Performance Shares</td> <td>300,000,000</td> <td>29,999,999</td> </tr> <tr> <td>TOTAL</td> <td>1,436,188,705</td> <td>143,618,872</td> </tr> </tbody> </table> <p><i>*On 16 January 2017, the Company consolidated its securities on issue on a 10:1 basis.</i></p> <p>The table below shows the number and type of Equity Securities issued by the Company in the 12 months preceding the 2017 Annual General Meeting, and the percentage they represent of the total number of Equity Securities on issue at 30 November 2016.</p> | Class of Equity Securities | Number on issue (pre-consolidation) | Number on issue (on a post-consolidation basis)* | Shares | 1,087,546,278 | 108,754,628 | Options | 48,642,427 | 4,864,245 | Performance Shares | 300,000,000 | 29,999,999 | TOTAL | 1,436,188,705 | 143,618,872 |
| Class of Equity Securities | Number on issue (pre-consolidation) | Number on issue (on a post-consolidation basis)* | | | | | | | | | | | | | | |
| Shares | 1,087,546,278 | 108,754,628 | | | | | | | | | | | | | | |
| Options | 48,642,427 | 4,864,245 | | | | | | | | | | | | | | |
| Performance Shares | 300,000,000 | 29,999,999 | | | | | | | | | | | | | | |
| TOTAL | 1,436,188,705 | 143,618,872 | | | | | | | | | | | | | | |

| Date of issue | Class of Equity Securities | No. issued (on pre-consolidation basis) | No. issued (on post consolidation basis) | Reason for issue | Recipient of issue | % of total no. of Equity Securities | Issue price per security | Discount/premium to market price | Total cash consideration | Valuation ¹ | Use of funds |
|---------------|---|---|--|---|---|-------------------------------------|--------------------------|----------------------------------|--------------------------|---|--|
| 09/12/16 | Shares | 63,641,760 | N/A | Capital Raising Tranche 2 | Tranche 2 Subscribers | 4.43% | \$0.04 | 2.44% discount | \$2,545,670 | N/A | Investment into sales and marketing resources, customer support services, new product development, and working capital requirements, and retirement of existing debt |
| 09/12/16 | Options | 1,250,000 | N/A | Non-Executive Director LTI | Alister Wayne Spittle | 0.09% | 0 | N/A | N/A | \$27,000 (based on fair value at grant date) | N/A |
| 28/12/16 | Shares | 30,866,364 | N/A | Capital Raising Tranche 3 | Tranche 3 Subscribers | 2.15% | \$0.04 | 5.26% premium | \$1,234,655 | N/A | Investment into sales and marketing resources, customer support services, new product development, and working capital requirements, and retirement of existing debt |
| 27/1/17 | Options | N/A | 3,240,000 | Employee LTIP participation | Employees of Mach7 | 2.26% | 0 | N/A | N/A | \$764,640 (based on fair value at grant date) | N/A |
| 20/2/17 | Shares | N/A | 41,667 | Employee LTIP participation | Executive of Mach7 | 0.03% | 0 | N/A | N/A | \$6,667 (based on 24 Oct 17 Share price) | N/A |
| 10/3/17 | Shares | N/A | 1 | Conversion of Class C Performance Shares into one Share | Representative of holders of Class C Performance Shares | 0.00% | 0 | N/A | N/A | \$0.16 (based on 24 Oct 17 Share price) | N/A |
| 10/3/17 | Options | N/A | 200,000 | Employee LTIP participation | Employee of Mach7 | 0.14% | 0 | N/A | N/A | \$49,000 (based on fair value at grant date) | N/A |
| 29/8/17 | Perf. Rights | N/A | 7,094,832 | CEO LTI | CEO | 4.94% | 0 | N/A | N/A | \$1,206,121 (based on face value, where face value = Share price on grant date) | N/A |
| TOTAL | 20,152,312 (on a post-consolidation basis) | | | | | 14.03% | | 14.03% | \$3,780,325 | | |

¹ Fair value of the Options has been calculated at grant date using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the Options were granted.

| | |
|--|---|
| <p>Terms of Equity Securities issued in preceding 12 months</p> | <p>Shares</p> <p>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.</p> <p>Options</p> <ul style="list-style-type: none"> ▪ The options issued on 9 December 2016 are each exercisable into 1 Share at \$1.00 between 9 December 2018 (vesting date) and 9 December 2021 (expiry date). ▪ The options issued on 27 January 2017 under the LTIP are each exercisable into 1 Share at \$0.41, at any time between their relevant vesting date and 27 January 2022. 1/3 of the options will vest on 27 January 2018; 1/3 of the options will vest on 27 January 2019, and 1/3 of the options will vest on 27 January 2020. ▪ The options issued on 10 March 2017 under the LTIP have lapsed due to cessation of employment by the holder. At the time of issue, the options were each exercisable into 1 Share at \$0.41 each, at any time between their relevant vesting date and 10 March 2022. 1/3 of the options had a vesting date of 10 March 2018; 1/3 of the options had a vesting date of 10 March 2019, and 1/3 of the options had a vesting date of 10 March 2020. <p>Performance Rights</p> <p>The terms of the Performance Rights issued on 29 August 2017 to the CEO are described in the explanatory section for Resolution 3.</p> |
| <p>Application of funds raised through issue of Equity Securities</p> | <p>The Company raised a total of \$3,780,325 through the issue of Equity Securities during the 12 months preceding the Meeting, under the Capital Raising.</p> <p>The Company has fully applied the funds raised towards:</p> <ul style="list-style-type: none"> ▪ Expenses associated with the Capital Raising (\$0.5M) ▪ Retirement of approximately \$1.4M of debt ▪ Investment into sales and marketing resources, customer support services, new product development, and general working capital requirements (\$1.9M) |
| <p>Voting Exclusion</p> | <p>A voting exclusion statement applies to this resolution, as set out in the Notice.</p> |
| <p>Board Recommendation</p> | <p>The Directors unanimously recommend that shareholders vote in favour of this resolution.</p> |
| <p>Chairman's available proxies</p> | <p>The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.</p> |

Definitions

| | |
|---|--|
| 10% Placement Capacity | Means the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1A. |
| 15% Placement Capacity | Means the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1. |
| Capital Raising | Means the capital raising Share placement to sophisticated and institutional investors undertaken by the Company in three tranches over November and December 2016, as further detailed in its announcement dated 16 November 2016. |
| Company or Mach7 | Means Mach7 Technologies Limited ACN 007 817 192. |
| Constitution | Means the Company's constitution. |
| Corporations Act | Means the <i>Corporations Act 2001</i> (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 March 2016 General Meeting. |
| Share | Means a fully paid ordinary share in the capital of the Company. |


-ENDS-


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

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 above by **10:00am (Melbourne time) on Tuesday, 28 November 2017**, 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 reverse of this Proxy Form).

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:

- 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
- 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.

**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.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

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

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

STEP 1

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 **10:00am (Melbourne time) on Thursday, 30 November 2017 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, 3, 4a, 4b, 4c, 4d, 4e and 4f: 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, 3, 4a, 4b, 4c, 4d, 4e and 4f, 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.

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* | | For | Against | Abstain* |
|---|--------------------------|--------------------------|--------------------------|---|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report (non-binding resolution) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 4f Approval of issue of Shares to Director Nobuhiko Ito in lieu of fees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Mr Alister Wayne Spittle as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 5 Approval of 10% Placement Capacity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Ratification of issue of Performance Rights | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4a Approval of issue of Options to Director Damien Lim | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4b Approval of issue of Options to Director Nigel Finch | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4c Approval of issue of Options to Director Nobuhiko Ito | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4d Approval of issue of Options to Director Wayne Spittle | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4e Approval of issue of Shares to Director Damien Lim in lieu of fees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |



* 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 2

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

STEP 3

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).

M7T PRX1701D

