

Notice of General Meeting

Melbourne, Australia; 29 June 2018: Mach7 Technologies Limited (**Mach7** or the **Company**) (ASX:M7T) today announced it will be holding a General Meeting for shareholders on Tuesday, 31 July 2018, 9.30am, at RSM, Level 21, 55 Collins Street, Melbourne 3000.

The primary purpose of the meeting is for shareholders to consider a proposed resolution to make certain changes to the CEO's currently held long-term incentives. The proposal is to swap a portion of his performance rights (2.275 million) for 4.2 million options. Included in this swap are performance rights that are due to vest 1 August 2018, hence the Board is seeking shareholder approval before this date.

The proposed options will carry various exercise prices including market price on the day of grant (1 August 2018) and higher exercise prices of 40c, 50c, 60c and \$1. The options carry various vesting dates and will expire if not exercised within four years from grant date. The performance rights, on the other hand, convert to ordinary shares for no consideration, vest automatically in two tranches only, and do not expire. The increase in the number of options being proposed compared to the performance rights being cancelled recognises the tougher hurdles being imposed with respect to the exercise prices, vesting dates and the expiry date, and has been determined with reference to a Black-Scholes valuation model.

Importantly, the break-even share price required for the CEO to be in a neutral position as a result of the changes in this proposed resolution is 70 cents. This means the share price of Mach7 has to reach 70 cents before the option package becomes at least as valuable as the performance rights being given up.

The Board and CEO believe that the options provide better alignment with shareholders, and create an even stronger incentive for the CEO to grow the Company. Options are also the Company's preferred long-term incentive security for other staff members, so this proposal creates better alignment with staff.

In addition to the CEO incentive plan changes, the Company is also proposing to shareholders to approve the long-term incentive plan which the options will be awarded under, and to ratify two previous share placements.

About Mach7 Technologies:

Mach7 Technologies (ASX:M7T) develops a secure data services platform, that improves business, operational and patient outcomes. Mach7 provides an interoperable foundation to manage patient data and host an ecosystem of apps. Deliver solutions including PACS, enterprise imaging workflows, vendor neutral archiving (VNA), artificial intelligence (AI), clinical portals and care coordination. Reimagine, redefine, and reconstruct the best solution to connect and exchange health information without boundaries. Work smart with Mach7 in the cloud or onsite. Contact us to learn more.

For more information, contact:

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Notice of general meeting and explanatory memorandum

Mach7 Technologies Limited

ACN 007 817 192

Date: Tuesday, 31 July 2018

Time: 9.30 am (Melbourne time)

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

NOTICE OF GENERAL MEETING

NOTICE is given that a General Meeting of Mach7 Technologies Limited ACN 007 817 192 (Company) will be held at RSM Australia Partners, Level 21, 55 Collins Street, Melbourne, Victoria, 3000 on Tuesday, 31 July 2018 at 9.30 am (Melbourne time).

BUSINESS OF THE MEETING

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

1. Ratification of previous issues of shares

Resolution 1	Ratification of issue of placement shares under ASX Listing Rule 7.1A
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of shares made by the Company on 14 November 2017 pursuant to a capital raising placement.
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 11,428,541 fully paid ordinary shares in the Company on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by any person who participated in the issue of the shares and any of their associates. 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.

Resolution 2	Ratification of issue of shares to Teleport Med, LLC. under ASX Listing Rule 7.1
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of shares made by the Company on 12 January 2018, to Teleport Med, LLC. The shares were issued to fund the Company's strategic investment in SirenMD, a telemedicine workplace communications platform, aimed at patient care coordination.
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 994,582 fully paid ordinary shares in the Company on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i>

Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by any person who participated in the issue of the shares and any of their associates. However, the Company need not disregard a vote if it is cast by:</p> <p>(a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or</p> <p>(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.</p>
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2. Approval of issue of options to Mr Mike Jackman, Director and CEO, as replacement for some previously issued performance rights , and approval of variations to the terms of retained performance rights

Resolution 3	Approval of issue of options to Director and CEO
Description	<p>The Company seeks shareholder approval for the issue of 4,200,000 options, each to acquire one fully paid ordinary share in the Company, to Mr Michael Jackman, an Executive Director & CEO of the Company.</p> <p>It is intended that these options will replace 2,275,500 performance rights previously issued to Mr Jackman (ie. 2,275,500 performance rights will be cancelled). In addition, it is intended that the terms of 1,102,194 performance rights previously issued to Mr Jackman will be varied to delay vesting so as to follow the release of the Company's full year and half year results.</p>
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, subject to Resolution 4 being approved, for the purposes of Listing Rules 6.23.2, 6.23.4, and 10.14 and for all other purposes, shareholder approval is given for the Company to:</i></p> <p>(a) <i>grant 4,200,000 options, each to acquire one fully paid ordinary share in the Company, to Mr Michael Jackman, an Executive Director & CEO of the Company, under the Company's Long Term Incentive Plan;</i></p> <p>(b) <i>cancel a total of 2,275,500 performance rights previously issued to Mr Jackman in exchange for those options; and</i></p> <p>(c) <i>vary the vesting dates of a total of 1,102,194 performance rights previously issued to Mr Jackman and which are to be retained by him,</i></p> <p><i>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 in favour of this Resolution by:</p> <p>(a) the Directors who are eligible to participate in the LTIP and any associates of those Directors; and</p> <p>(b) Key Management Personnel and their Closely Related Parties.</p> <p>However, the Company need not disregard a vote if it is cast by:</p> <p>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or</p>

	(d) the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, where the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.
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3. Approval of Company's Long Term Incentive Plan

Resolution 4	Approval of Long Term Incentive Plan
Description	The Company seeks shareholder approval pursuant to ASX Listing Rule 7.2 (Exception 9) for its Long Term Incentive Plan.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT in accordance with Listing Rule 7.2 (Exception 9) as an exception to Listing Rule 7.1 and for all other purposes, approval is given to the Company's Long Term Incentive Plan and the grant of securities under the Long Term Incentive Plan in the manner set out in the Explanatory Statement accompanying this notice."</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this Resolution by: (a) the directors and their Associates (except a director who is ineligible to participate in any employee incentive scheme in relation to the Company). However, the Company will not disregard a vote if it is cast by: (b) 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 (c) 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.

Dated 29 June 2018

BY ORDER OF THE BOARD OF MACH7 TECHNOLOGIES LIMITED



Jenni Pilcher
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.

Please send your questions to:

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

Written questions must be received by no later than **5.00 pm (Melbourne time) on 24 July 2018**.

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

During the course of the Meeting, the Chair will seek to address as many shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the Meeting. Please note that individual responses may not be sent to shareholders.

VOTING INFORMATION

Entitlement to vote at the 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 General Meeting are those who are registered shareholders of the Company as at **7.00 pm (Melbourne time) on 29 July 2018**, subject to any applicable voting exclusion.

Voting by proxy

- (a) A shareholder entitled to attend and vote at the 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 or authority by **9.30 am (Melbourne time) on 29 July 2018**:
 - 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 - 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

EXPLANATORY MEMORANDUM TO NOTICE OF GENERAL MEETING

1. Ratification of previous issues of shares

Resolution 1	Ratification of issue of placement shares under ASX Listing Rule 7.1A								
Explanation	<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 Entities, <u>subject to shareholder approval</u>, 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 (Additional 10% Placement Capacity). Shareholders approved an Additional 10% Placement Capacity by special resolution at the Company's AGM held on 30 November 2017.</p> <p>The Company now seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company under the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1A, since shareholder approval was granted on 30 November 2017.</p> <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue Equity Securities pursuant to its Additional 10% Placement Capacity, by permitting the ratification of previous issues of Equity Securities 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 Company's Additional 10% Placement Capacity. If shareholders of a company approve the ratification of such previous issues of Equity Securities at a general meeting, those Equity Securities 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 previous issues of shares made by the Company by way of approving Resolution 1, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1A and will no longer be deducted from the Company's Additional 10% Placement Capacity.</p>								
Information required to be provided under the ASX Listing Rules 7.5	<p>Resolution 1 seeks shareholder ratification of the issue of 11,428,541 fully paid ordinary shares (Placement Shares) on 14 November 2017. The Placement Shares were issued under the Company's Additional 10% Placement Capacity pursuant to ASX Listing Rule 7.1A.</p> <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> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">No. of securities issued</td> <td>11,428,541 fully paid ordinary shares.</td> </tr> <tr> <td>Issue price per security</td> <td>\$0.175 per share.</td> </tr> <tr> <td>Recipients of issue</td> <td>Oceania Capital Partners</td> </tr> <tr> <td>Terms of securities</td> <td>The Placement Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td> </tr> </table>	No. of securities issued	11,428,541 fully paid ordinary shares.	Issue price per security	\$0.175 per share.	Recipients of issue	Oceania Capital Partners	Terms of securities	The Placement Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.
No. of securities issued	11,428,541 fully paid ordinary shares.								
Issue price per security	\$0.175 per share.								
Recipients of issue	Oceania Capital Partners								
Terms of securities	The Placement Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.								

	<p>Use of funds raised The funds raised from the issue of the Placement Shares (A\$2 million) will be used for investment into sales and marketing resources, customer support services, new product development, and working capital requirements.</p> <p>Voting Exclusions A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	<p>The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 25% of the issued capital of the Company under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.</p> <p>The Directors consider it to be appropriate and prudent for approval to be sought at the Meeting in respect of the relevant issues of Equity Securities made by the Company in the last 12 months. The Directors believe this approval will enhance the Company's flexibility to raise equity capital, should the Directors consider that it is in the best interests of the Company to do so.</p> <p>On the basis of the above, the Directors unanimously recommend that shareholders vote in favour of Resolution 1.</p>
Chairman's available proxies	The Chairman intends to vote all available proxies in favour of Resolution 1.

Resolution 2	Ratification of issue of Shares to Teleport Med, LLC. under ASX Listing Rule 7.1
Explanation	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Equity Securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period without shareholder approval (15% Placement Capacity).</p> <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue Equity Securities pursuant to its 15% Placement Capacity, by permitting the ratification of previous issues of Equity Securities 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 Company's 15% Placement Capacity. If shareholders of a company approve the ratification of such previous issues of Equity Securities at a general meeting, those Equity Securities 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 previous issues of shares made by the Company by way of approving Resolution 2, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>
Information required to be provided under the ASX Listing Rules 7.5	<p>Resolution 2 seeks shareholder ratification of the issue of 994,582 fully paid ordinary shares (Teleport Med Shares) on 12 January 2018. The Teleport Med Shares were issued under the Company's 15% Placement Capacity pursuant to ASX Listing Rule 7.1.</p> <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>

	<p>No. of securities issued 994,582 fully paid ordinary shares.</p> <p>Issue price per security \$0.257 per share.</p> <p>Recipients of issue Teleport Med, LLC (d/b/a SirenMD)</p> <p>Terms of securities The Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised In exchange for the issue of the Shares, the Company received 3.8% of the units on issue in Teleport Med, LLC d/b/a SirenMD.</p> <p>Voting Exclusions A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	<p>The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% of the issued capital of the Company under ASX Listing Rule 7.1.</p> <p>The Directors consider it to be appropriate and prudent for approval to be sought at the Meeting in respect of the relevant issues of Equity Securities made by the Company in the last 12 months. The Directors believe this approval will enhance the Company's flexibility to raise equity capital, should the Directors consider that it is in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if this approval is not obtained at the Meeting, the Company may be required to incur the additional costs and delay of convening another general meeting of the Company if the Directors propose to issue Equity Securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p> <p>On the basis of the foregoing, the Directors unanimously recommend that shareholders vote in favour of Resolution 2.</p>
Chairman's available proxies	The Chairman intends to vote all available proxies in favour of Resolution 2.

2. Approval of issue of options to Mr Mike Jackman, Director and CEO as replacement for some previously issued performance rights, and approval of variations to the terms of retained performance rights

Resolution 3	Approval of issue of options to Director and CEO
Explanation	<p>Resolution 3 seeks shareholder approval pursuant to ASX Listing Rule 10.14 for the issue of 4,200,000 options (CEO Options), each to acquire one fully paid ordinary share in the Company, to Mr Michael Jackman, CEO and Executive Director of the Company, under the Company's Long Term Incentive Plan (LTIP).</p> <p>Shareholder approval is also sought for:</p> <p>(a) a total of 2,275,500 performance rights previously issued to Mr Jackman to be automatically cancelled in exchange for the above options; and</p> <p>(b) the vesting dates of the 1,102,194 performance rights previously issued to Mr Jackman be retained and will be varied as set out below.</p>

Background

On 29 August 2017, soon after joining the Company, Mr Mike Jackman was issued 7,094,832 performance rights, in accordance with the terms of his employment agreement (**Performance Rights**).

The Performance Rights vest into fully paid ordinary shares (on a 1-for-1 basis) in 13 tranches, subject to continuous employment, as outlined in the table below:

Table 1: Performance Rights Issued

Tranche	Performance Rights Granted	Vesting Date	Status
Tranche 1	295,618	1-11-17	Vested – converted to shares
Tranche 2	295,618	1-02-18	Vested – converted to shares
Tranche 3	295,618	1-05-18	Vested – converted to shares
Tranche 4	1,478,090	1-08-18	Unvested
Tranche 5	295,618	1-11-18	Unvested
Tranche 6	295,618	1-02-19	Unvested
Tranche 7	295,618	1-05-19	Unvested
Tranche 8	1,478,090	1-08-19	Unvested
Tranche 9	295,618	1-11-19	Unvested
Tranche 10	295,618	1-02-20	Unvested
Tranche 11	295,618	1-05-20	Unvested
Tranche 12	295,618	1-08-20	Unvested
Tranche 13	1,182,472	*	Unvested
Total	7,094,832		

*The final tranche of 1,182,472 Performance Rights were to vest subject to prescribed performance based conditions, which were to be tested over the same three-year period.

The Performance Rights were issued as the CEO's long term incentive for nil cash consideration. The Performance Rights themselves 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. Listing

Recommendation for shareholder approval

The Directors believe that it would be more appropriate, and better aligned to shareholders interests, if the CEO's long term incentive package included a mixture of both performance rights and options. The options proposed would have exercise prices equal to the share price of Mach7 Technologies Ltd on grant date, and also higher exercise prices, to ensure the CEO is appropriately incentivised to increase shareholder value. The Directors are therefore recommending that the annual tranches of Performance Rights (tranches 4 and 8 above) be largely replaced with options as outlined in Table 2.

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in the ASX's opinion, such that approval should be obtained.

Shareholder approval is therefore being sought for the issue of 4,200,000 options, as replacement for certain unvested Performance Rights, as outlined in the table below:

Table 2: New Proposed Schedule of Performance Rights & Options

Tranche	Vesting Dates	Unvested Performance Rights to be Cancelled	Unvested Performance Rights Retained	Number of Options to be Granted	Exercise Price of Proposed Option Grant
4	1-08-18	1,012,750	465,340	1,870,000	At market*
5	1-11-18	-	295,618	-	-
6	1-03-19 [#]	-	295,618	-	-
7	1-05-19	-	295,618	-	-
8	1-09-19 [#]	1,262,750	215,340	1,130,000	At market*
9	1-11-19	-	295,618	300,000	40 cents
10	1-03-20 [#]	-	295,618	300,000	50 cents
11	1-05-20	-	295,618	300,000	60 cents
12	1-09-20 [#]	-	295,618	300,000	\$1.00
13	Vesting subject to performance hurdle	-	1,182,472	-	-
Total		2,275,500	3,932,478	4,200,000	-

[#] Proposed new vesting dates (as explained further below)

* At market on grant date, which will be the higher of the 5-day VWAP up to and including grant date and the closing share price of M7T:AX on grant date.

Pursuant to Listing Rule 6.23.2, the cancelling of the unvested Performance Rights in the circumstances referred to above requires shareholder approval.

Additionally, it is being proposed that the vesting dates for those Performance Rights which are retained and were originally to occur in the months of August (tranches 4, 8 and 12) and February (tranches 6 and 10), being a total of 1,102,194 Performance Rights, be changed to September and March respectively, such that vesting follows the release of the Company's full year and half year results. This change would result in the relevant vesting dates being delayed by one month each.

Pursuant to Listing Rule 6.23.4, a change to the terms of the Performance Rights which is not prohibited under Listing Rule 6.23.3 can only be made with shareholder approval.

The following factors have been considered in determining the number, exercise prices, and vesting and expiry dates of the CEO Options proposed:

- the value of both the performance rights being cancelled and options being proposed, using a Black Scholes valuation model;
- the breakeven share price for the CEO to be in the same position as if he had kept the performance rights. This has been calculated at 70c per share. This means, at a share price of 70c or less, the CEO would be better off keeping the performance rights. At a share price greater than 70c per share, the CEO would be better off with the options proposed;
- the tax consequences of both securities; and
- the impact to the Company's share-based payments expense going forward

	<p>After considering all of those factors, the Board and CEO believe the Options proposed is a fair swap for the performance rights being cancelled.</p>												
<p>Disclosures made for the purposes of ASX Listing Rule 10.15</p>	<p>The only related parties who may participate in the LTIP are Directors of the Company. Under the LTIP, the Directors of the Company may issue shares, options and/or performance rights to the Directors and employees of the Company and its subsidiaries.</p> <p>There is currently no proposal by the Directors to issue any securities under the LTIP to any Director or their associates, other than to the parties as described in this Notice of Meeting and Explanatory Memorandum. Any such issue would also require the approval of shareholders under ASX Listing Rule 10.14.</p> <p>There is no loan proposed in relation to the proposed issue of the CEO Options to Mr Jackman.</p> <p>Details of any securities issued under the LTIP will be published in each annual report of the Company relating to a period in which such securities have been issued, along with details regarding approval for the issue of those securities which was obtained under ASX Listing Rule 10.14. In accordance with ASX Listing Rule 10.15, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.14, the following additional information is provided to shareholders with respect to Resolution 3:</p> <table border="0"> <tr> <td data-bbox="480 1003 687 1093">Maximum no. of securities to be issued</td> <td data-bbox="778 1003 1437 1093">4,200,000 options, each to acquire one fully paid ordinary share.</td> </tr> <tr> <td data-bbox="480 1128 687 1218">Date by which securities will be issued</td> <td data-bbox="778 1128 1437 1285">If shareholder approval is obtained for Resolution 3, the Company will issue the CEO Options as soon as is practicable after the Meeting, or in any event no later than 12 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).</td> </tr> <tr> <td data-bbox="480 1335 687 1402">Issue price per security</td> <td data-bbox="778 1335 1437 1402">The CEO Options will be issued for nil consideration.</td> </tr> <tr> <td data-bbox="480 1451 687 1496">Recipient of issue</td> <td data-bbox="778 1451 1437 1518">Mr Michael Jackman, CEO and an Executive Director of the Company.</td> </tr> <tr> <td data-bbox="480 1545 687 1579">Terms</td> <td data-bbox="778 1545 1437 1736"> <ul style="list-style-type: none"> • Exercise Price: - as per Table 2 (page 10). • Vesting Dates: - as per Table 2 (page 10). • Expiry Date: - all options will expire on 31 July 2022. </td> </tr> <tr> <td data-bbox="480 1771 687 1805">Use of funds raised</td> <td data-bbox="778 1771 1437 1980">The CEO Options are to be issued for nil consideration. Accordingly, no funds will be raised from the issue of the CEO Options. However, the Company will raise funds from the exercise of the Options and payment of the relevant exercise price. The Company expects that such funds will be applied towards its working capital requirements.</td> </tr> </table>	Maximum no. of securities to be issued	4,200,000 options, each to acquire one fully paid ordinary share.	Date by which securities will be issued	If shareholder approval is obtained for Resolution 3, the Company will issue the CEO Options as soon as is practicable after the Meeting, or in any event no later than 12 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).	Issue price per security	The CEO Options will be issued for nil consideration.	Recipient of issue	Mr Michael Jackman, CEO and an Executive Director of the Company.	Terms	<ul style="list-style-type: none"> • Exercise Price: - as per Table 2 (page 10). • Vesting Dates: - as per Table 2 (page 10). • Expiry Date: - all options will expire on 31 July 2022. 	Use of funds raised	The CEO Options are to be issued for nil consideration. Accordingly, no funds will be raised from the issue of the CEO Options. However, the Company will raise funds from the exercise of the Options and payment of the relevant exercise price. The Company expects that such funds will be applied towards its working capital requirements.
Maximum no. of securities to be issued	4,200,000 options, each to acquire one fully paid ordinary share.												
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Terms	<ul style="list-style-type: none"> • Exercise Price: - as per Table 2 (page 10). • Vesting Dates: - as per Table 2 (page 10). • Expiry Date: - all options will expire on 31 July 2022. 												
Use of funds raised	The CEO Options are to be issued for nil consideration. Accordingly, no funds will be raised from the issue of the CEO Options. However, the Company will raise funds from the exercise of the Options and payment of the relevant exercise price. The Company expects that such funds will be applied towards its working capital requirements.												

	<p>Securities issued previously</p> <p>Securities issued to persons referred to in ASX Listing Rule 10.14 under the LTIP since shareholders last approved the LTIP at the Company's 31 March 2016 are as follows:</p> <ul style="list-style-type: none"> • Damien Lim, Nigel Finch, Nobuhiko Ito and Ken Poutakidis, each being Directors of the Company at the time of grant, were each awarded 125,000 options, with an exercise price of \$1.00 per share, vesting 8 April 2018, and expiring 8 April 2020. These options were issued for nil consideration. • Wayne Spittle, being a Director of the Company, was awarded 125,000 options, with an exercise price of \$1.00 per share, vesting 9 December 2019, and expiring 9 December 2020. These options were issued for nil consideration. • Damien Lim, Nigel Finch, Nobuhiko Ito and Wayne Spittle, being Directors of the Company, were each awarded 308,333 options, with an exercise price of \$0.23 per share. Of these, 33,333 options vest on 11 December 2017, and 50,000 options each vest on 11 December 2018, 2019 and 2020. All options expire on 11 December 2022. These options were issued for nil consideration. <p>Voting Exclusion Statement</p> <p>A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
<p>Other information</p>	<p>The Directors are not aware of any other information that is reasonably required by shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass Resolution 3.</p>
<p>Board Recommendation</p>	<p>For the aforementioned reasons, the Directors do not wish to make a recommendation to shareholders about the proposed Resolution 3.</p>
<p>Chairman's available proxies</p>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 3.</p>

3. Approval of Company's Long Term Incentive Plan

Resolution 4	Approval of Long Term Incentive Plan
<p>Explanation</p>	<p>Resolution 4 relates to the approval by shareholders of the Company's Long Term Incentive Plan (LTIP).</p> <p>The LTIP is designed to:</p> <ul style="list-style-type: none"> (a) align remuneration to business outcomes that deliver value to shareholders; (b) drive a high performance culture by setting challenging objectives and rewarding high performing employees; and (c) ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of high performing employees. <p>Listing Rule 7.1 requires a company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any rolling 12 month period.</p> <p>An exception to Listing Rule 7.1 is set out in Listing Rule 7.2 (Exception 9 (b)), which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under that plan.</p> <p>No securities may be issued to a Director under the LTIP without the approval of Shareholders in accordance with Listing Rule 10.14.</p>
<p>Information required to be provided under the ASX Listing Rule 7.2 (Exception 9 (b))</p>	<p>The Company's LTIP was last approved by shareholders on 31 March 2016. Since then, the Company has issued 7,888,332 options under this plan. Of these, 1,233,332 options were issued to Directors and have been approved by shareholders, and 1,325,000 options have been forfeited due to vesting conditions not being met.</p> <p>The Board has recently approved some amendments to the LTIP rules, which amendments include increasing the potential internal limit in the LTIP, extending the pool of potential participants to include all employees of the Company, clarifying the treatment of LTIP awards upon a participant ceasing to be employed or engaged, correcting a number of minor inconsistencies or errors, and ensuring that the LTIP rules reflects current market practice. The Board considers that those amendments are appropriate and consistent with the principles behind the LTIP.</p> <p>A summary of the material terms of the LTIP (as amended) is set out in Schedule 1. The full terms and conditions of the LTIP may be obtained free of charge by contacting the Company.</p> <p>A voting exclusion statement has been included in the Notice for the purposes of Resolution 4.</p>
<p>Board Recommendation</p>	<p>Each Director has no interest in the outcome of Resolution 4, other than as existing Shareholders. Each of the Directors recommend that Shareholders vote in favour of Resolution 4 for the reasons specified above.</p>
<p>Chairman's available proxies</p>	<p>The Chairman intends to vote all available proxies in favour of Resolution 4.</p>

Definitions

Additional 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.
Company	Means Mach7 Technologies Limited ACN 007 817 192.
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: <ul style="list-style-type: none"> (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.
Eligible Entity	Means an entity which, as at the date of the relevant special resolution under rule 7.1A: <ul style="list-style-type: none"> (a) is not included in the S&P/ASX300 Index; and (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) equal to or less than A\$300 million.
Equity Security	Means: <ul style="list-style-type: none"> (a) a share; (b) a right to a share or option; (c) an option over an issued or unissued security; (d) a convertible security; and (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 as amended from time to time.
Meeting	Means the General Meeting of the Company the subject of this Notice, to be held on 31 July 2018 at 9.30 am at RSM Australia Partners, Level 21, 55 Collins Street, Melbourne 3000.
Notice	Means this Notice of Meeting and Explanatory Memorandum.

Schedule 1 – Long Term Incentive Plan

A summary of the key terms of the Long Term Incentive Plan (**LTIP**) is set out below. The provisions outlined below of the LTIP must be read subject to the Corporations Act and the Listing Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of all the rights, liabilities and obligations of the Company under the LTIP.

Issue	Details of LTIP
Eligible Participants	A person is eligible to participate in the LTIP if that person is an employee or director of the Company or any of its subsidiaries, or such other person as considered appropriate by the Board (Eligible Participant).
Securities to be issued	<p>As part of the LTIP, Eligible Participants may be issued the following securities in the Company:</p> <ul style="list-style-type: none">• options;• shares;• performance rights (referred to as rights); or• performance shares, <p>(Awards).</p>
Payment for the grant of Awards or exercise of Awards	<p>Unless otherwise determined by the Board, no payments are required to be made by an Eligible Participant who is granted and accepts an Award (Participant).</p> <p>The Board may determine in its absolute discretion the exercise price of any right or option (if any).</p>
Number of securities to be issued	The number of Awards offered to an Eligible Participant from time to time will be determined by the Board in its absolute discretion and in accordance with the terms of the LTIP.
Vesting of Options and Rights	<p>The Board may determine in its absolute discretion the terms and conditions (including performance hurdles, service conditions and/or exercise conditions) which apply to the exercise of any options or rights or the conversion of any performance shares to shares. The Board may also determine in its absolute discretion to:</p> <ul style="list-style-type: none">• waive any particular terms and conditions for the exercise of any options or rights; or• subject to the Listing Rules, bring forward the date on which any rights or options may be exercised in certain circumstances. <p>Any right, option or performance share held by a participant which has not vested by the relevant vesting date determined by the Board will lapse.</p>
Cessation of employment	Where a Participant ceases to be employed or engaged by the Company, or any of its subsidiaries, any vested right, option or performance share held by that Participant may exercise its Awards in accordance with the rules of the LTIP. Any unvested Awards will immediately lapse.
Death or incapacitation	<p>If a Participant dies, becomes permanently disabled, retires from the workforce or is made redundant prior to the date on which the Awards vest (Qualifying Event):</p> <ul style="list-style-type: none">• the Participant or their legal personal representative, may exercise its vested Awards in accordance with the rules of the LTIP; and• the relevant vested Awards will lapse within 12 months of the occurrence of the relevant Qualifying Event.

Any Awards which have not been determined to have vested will immediately lapse.

Variation of LTIP

The Board has the power to make amendments to, or vary, the terms of the LTIP at any time and in any manner in which it thinks fit. However, the Board may only amend a provision of the terms which reduces the rights of Participants in respect of Awards where the amendment is required for the purposes of complying with any law or the Listing Rules, the amendment is to correct any manifest error or mistake or the amendment will provide the Participant with a more favourable taxation treatment in relation to his or her participation in the LTIP.

Change of Control

If:

- a takeover bid is made for the Company and the Board recommends acceptance by the shareholders;
- a Court orders that a meeting of shareholders be held to consider a scheme of arrangement between the Company and the shareholders; or
- the Board determines that another transaction has occurred, or is likely to occur, which involves a change of control of the Company,

then the Board may determine that any rights or options granted as part of the LTIP have vested or will otherwise vest on a date determined by the Board.

Dividends and Awards

The Awards will not give a Participant any right to participate in any dividends until the relevant Awards have converted into shares.


-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

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 General Meeting of the Company to be held at **9:30am (Melbourne time) on Tuesday, 31 July 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 3 and 4: 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 3 and 4, 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*
1 Ratification of issue of placement shares under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of issue of shares to Teleport Med, LLC. under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of issue of options to Director and CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 2

 * 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.

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).

STEP 3



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 **9:30am (Melbourne time) on Sunday, 29 July 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 GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**