

ASX Announcement

11 March 2019

Mach7 Announces Restructuring to Accelerate Sales and Achieve Cash-flow Break Even

Melbourne, Australia; 11 March 2019: Mach7 Technologies Limited (ASX:M7T, Mach7, The Company), specialising in innovative data management solutions for healthcare providers, today announced a restructuring and cost cutting program focused on accelerating sales growth and service delivery, while positioning the Company for greater financial stability.

The Company expects the organisational improvements announced today will enable it to achieve cash flow break even from operations for the next 12-month period. Going forward this means cash derived from new customer wins can be reinvested into the business to accelerate sales, business momentum and continued product enhancements.

The restructuring will also reduce labour costs and overheads. The combination of reduced cash costs and forecast contracted receipts from existing customers, provides the Board with confidence in the Company's improved cash flow forecast. The Board and management have determined today's announced changes are essential to make the Company more capital efficient and therefore better positioned to meet industry demand and customer needs.

CEO departure and other management changes

Mike Jackman, Mach7's Chief Executive Officer, will depart the Company with immediate effect and plans to remain an investor in Mach7. The Board would like to thank Mike for his efforts during his tenure at Mach7 and wish him well for the future.

The Board has appointed Chief Operating Officer, Mike Lampron, as interim CEO. With over 20 years of experience in business and operational management for Healthcare IT companies, Mike Lampron brings broad experience ranging from private start-up organisations as well as long established companies such as IBM and GE. Mr. Lampron has a proven ability to drive results through a combination of astute analysis, innovative execution and cross-functional leadership and teamwork. The existing terms of Mr. Lampron's remuneration are as disclosed in the Company's remuneration report released to shareholders on 24 August 2018.

Ravi Krishnan, Mach7's Founder and Chief Strategy Officer, will continue to take an active role in the Company's product development and will expand his involvement with U.S. sales going forward. This is in addition to developing Asia-Pacific and Middle East business regions which also represent

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high growth market opportunities for Mach7. Ravi Krishnan commented, "I plan to leverage our recent successes in Asia to accelerate our growth in the U.S. market. I will work closely with the U.S. team to achieve commercial success and deliver important customer implementation milestones."

Mach7's Chief Technology Officer, Eric Rice, will be transitioning to a consulting role. The transition enables Eric to focus on delivering major Mach7 customer installations across the remainder of 2019. This is supportive of Mach7's goal to increase the speed of service deliveries.

The Company's core engineering team will continue to deliver innovative solutions to customers and their patients. The CTO role is likely to be replaced with a strategic product management and marketing focused role, which will focus on the delivery of clinical outcomes to customers. The restructuring will include new hires in Asia and the U.S. which will enable staff to focus on sales and solutions/support services. Mach7 will also re-allocate resources across geographic locations and continue to assess business process outsourcing for parts of the business.

The Company expects these changes to enhance its ability to commercialise its product and maintain its high level of customer satisfaction on deployments and support services. The Company is focused on delivering these outcomes with a greater level of technical and financial efficiency.

These restructuring initiatives, combined with the Company's existing cash reserves, continue to place the Company in a strong financial position to win new customers and support existing customers well into the future. The Company is excited about the opportunity that these changes present and will continue to update shareholders on its progress on a regular basis, at least quarterly, over the next 12 months.

About Mach7 Technologies:

Mach7 Technologies (ASX:M7T) develops innovative data management solutions that create a clear and complete view of the patient to inform diagnosis, reduce care delivery delays and costs, and improve patient outcomes. Mach7's award-winning enterprise imaging platform provides a vendor neutral foundation for unstructured data consolidation and communication to power interoperability and enables healthcare enterprises to build their best-of-breed clinical ecosystems. Mach7's sophisticated workflow tools, advanced clinical viewing and optimized vendor neutral archiving solutions unlock silos of legacy systems empowering healthcare providers to own, access and share patient data without boundaries. Visit Mach7t.com.

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