

FEDERAL COURT ORDERS GRANTED

Federal Court grants orders requested on 25 July 2019- Cleansing notice on Convertible Notes

Adelaide, Australia, 25 July 2019: Australian hi-tech company Micro-X Ltd (ASX:MX1) (**Micro-X** or the **Company**), a leader in cold cathode x-ray technology for the health and security markets globally, advises that earlier today it made application to the Federal Court to rectify an administrative oversight related to issuing cleansing notices when issuing shares in June and earlier this month.

The matter relates to the 30,000 convertible notes issued by the Company on 5 October 2018 (the **Notes**) as previously advised to the market, and the issue of an aggregate of 6,509,521 fully paid ordinary shares in the Company upon conversion of 15,000 of those Notes on 4 June, 14 June and 10 July this year (the **Shares**).

Those Shares were quoted on ASX as follows in accordance with Appendix 3B applications filed:

- 2,161,695 on 6 June 2019;
- 2,173,913 on 14 June 2019; and
- 2,173,913 on 10 July 2019.

Through an inadvertent administrative oversight, a cleansing notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Act) was not given to ASX within 5 business days after the respective days on which the Shares were issued as set out above. This issue was identified by the Company and has been reported to both the ASX and ASIC.

The application was heard in the Federal Court this afternoon and the Court made the orders sought by the Company, namely:

- (a) orders that:
 - (i) the period of five days in which to lodge the cleansing notice be extended to the second business day after orders are made; and
 - (ii) a cleansing notice that is lodged within that extended timeframe will take effect as if it had been lodged within that time; and
- (b) a declaration that any sale of the Shares after their issue and prior to making of the orders is not invalid by reason of the shareholder's failure to comply with the disclosure obligations under the Act; and
- (c) orders that any person who sold Shares prior to making of the orders is relieved from any civil liability arising out of a contravention of the disclosure obligations under the Act.

The cleansing notice must be lodged with ASX within two business days of the Court orders being made. A copy of the orders accompanies this Announcement.

In accordance with the orders, the Company will also forward a copy of the orders to each person who was issued shares on 4 June, 14 June and 10 July respectively.

The Company takes compliance very seriously and it is a highly regulated company within the industries in which it operates. The oversight has initiated a thorough review of all compliance procedures led by the Board, to ensure appropriate preventative steps are in place to avoid any future issues.

– ENDS –

About Micro-X

Micro-X Limited (the **Company**) is an ASX listed hi-tech company developing and commercialising a range of innovative products for the global health and security markets, based on proprietary cold cathode, carbon nanotube emitter technology. The electronic control of emitters with this technology enables X-ray products with significant reduction in size, weight and power requirements, enabling greater mobility and ease of use in existing x-ray markets and a range of new and unique security and defence applications. The Company has its core R&D, engineering and production capability at its facility in Adelaide, Australia.

The Company's first product, the *Carestream DRX Revolution Nano*, is an ultra-lightweight digital medical x-ray system for the rapidly expanding mobile x-ray market in hospitals and healthcare. The *Carestream DRX Revolution Nano* holds 510(k) and CE Mark certifications and is sold commercially in a number of global markets by the Company's exclusive distributor, Carestream Health, Inc.. The Company has a portfolio of innovative products in development, aimed at customer solutions where there is little or no competition. This includes the Mobile Backscatter Imager or MBI which will image Improvised Explosive Devices for security, defence and counter-terrorism applications. The MBI is being jointly developed in partnership with Thales, a global supplier of defence and security technology systems, who are providing technical support and \$10 million of funding.

CONTACTS

Micro-X Limited	Investor Enquiries
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Federal Court of Australia

District Registry: Victoria

Division: General

No: VID780/2019

IN THE MATTER OF MICRO-X LIMITED (ACN 153 273 735)

MICRO-X LIMITED (ACN 153 273 735)

Plaintiff

ORDER

JUDGE: JUSTICE MOSHINSKY

DATE OF ORDER: 25 July 2019

WHERE MADE: Melbourne

THE COURT ORDERS THAT:

1. The time for service on ASIC by the plaintiff of the originating process and supporting affidavit be shortened to the date of filing.
2. Pursuant to s 1322(4)(d) of the *Corporations Act 2001* (Cth) (**Act**), in respect of the 2,161,695 ordinary shares in the plaintiff, Micro-X Limited (ACN 153 273 735) (**MX1**), which were issued on 4 June 2019 (**4 June 2019 Shares**), the period of five business days referred to in s 708A(6)(a) of the Act be extended to the second business day after the day on which these orders are entered.
3. Pursuant to s 1322(4)(a) of the Act, it is declared that a notice under s 708A(5)(e) of the Act given to the Australian Securities Exchange Limited (**ASX**) in respect of the 4 June 2019 Shares within the period provided for in paragraph 2 above be deemed to take effect as if it had been given to the ASX on 12 June 2019.
4. Pursuant to s 1322(4)(d) of the Act, in respect of the 2,173,913 ordinary shares in MX1 which were issued on 14 June 2019 (**14 June 2019 Shares**), the period of five business days referred to in s 708A(6)(a) of the Act be extended to the second business day after the day on which these orders are entered.
5. Pursuant to s 1322(4)(a) of the Act, it is declared that a notice under s 708A(5)(e) of the Act given to the ASX in respect of the 14 June 2019 Shares within the period provided for in paragraph 4 above be deemed to take effect as if it had been given to the ASX on 21 June 2019.



6. Pursuant to s 1322(4)(d) of the Act, in respect of the 2,173,913 ordinary shares in MX1 which were issued on 10 July 2019 (**10 July 2019 Shares**), the period of five business days referred to in s 708A(6)(a) of the Act be extended to the second business day after the day on which these orders are entered.
7. Pursuant to s 1322(4)(a) of the Act, it is declared that a notice under s 708A(5)(e) of the Act given to the ASX in respect of the 10 July 2019 Shares within the period provided for in paragraph 6 above be deemed to take effect as if it had been given to the ASX on 17 July 2019.
8. Pursuant to s 1322(4)(a) of the Act, it is declared that any offer for sale or sale of the 14 June 2019 Shares during the period after their issue on 14 June 2019 is not invalid by reason of the seller's failure to comply with s 707(3) and s 727(1) of the Act.
9. Pursuant to s 1322(4)(c) of the Act, any sellers of 14 June 2019 Shares who sold up until the date of this order are relieved from any civil liability arising out of a contravention of s 707(3) and s 727(1) of the Act.
10. Pursuant to s 1322(4)(a) of the Act, it is declared that any offer for sale or sale of the 10 July 2019 Shares during the period after their issue on 10 July 2019 is not invalid by reason of the seller's failure to comply with s 707(3) and s 727(1) of the Act.
11. Pursuant to s 1322(4)(c) of the Act, any sellers of 10 July 2019 Shares who sold up until the date of this order are relieved from any civil liability arising out of a contravention of s 707(3) and s 727(1) of the Act.
12. The plaintiff is to provide a copy of these orders to:
 - a. ASIC;
 - b. the ASX; and
 - c. the persons to whom the securities referred to in paragraphs 2, 4 and 6 were issued, forthwith.
13. Liberty is reserved, for any person who claims to have suffered substantial injustice or is likely to suffer substantial injustice by the making of any or all of the orders, to apply to vary or to discharge them within 28 days of the entry of the orders.
14. There be no order as to costs.
15. The annexure to the affidavit of Peter Robin Rowland marked "confidential PRR-2" is confidential and may not be inspected by any person who is not a party to this proceeding without the prior leave of the Court.
16. Pursuant to s 37AJ(3) of the *Federal Court of Australia Act 1976* (Cth), paragraph 15 of these orders will operate for a period of 12 months, or such other period as the Court orders.



17. Pursuant to s 37AG(2) of the *Federal Court of Australia Act 1976* (Cth), the ground for making paragraph 15 of these orders is that it is necessary to prevent prejudice to the proper administration of justice.

Date that entry is stamped: 25 July 2019

Warrick Soden
Registrar