

Share Sale Facility for Unmarketable Share Parcels

Melbourne, Australia; 10 February 2017: Mach7 Technologies Limited (ASX:M7T) (the **Company**) advises that it is implementing a facility to enable shareholders to sell their small shareholding without incurring any brokerage or handling costs.

This facility is available to shareholders who, as at 7:00pm (Melbourne time) on Wednesday 8 February 2017 (**Record Date**), had shareholdings in the Company valued at less than \$500 based on a price of \$0.30 per share, being the closing price of the Company's shares on the ASX on the Record Date.

A copy of the letter and share retention form which will be sent to shareholders eligible to participate in the facility is attached.

- ENDS

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About Mach7 Technologies:

Mach7 Technologies (ASX:M7T) develops innovative enterprise imaging IT 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 optimised [vendor neutral archiving](#) solutions unlock silos of legacy systems empowering healthcare providers to own, access and share patient data without boundaries. Visit www.mach7t.com

Mach7's wholly-owned subsidiary, 3D Medical Pty Ltd, provides medical specific 3D printing and is an exclusive distributor of various synergistic technologies including holographic projection. 3D Medical's innovative products leverage data already captured by conventional imaging modalities and apply it in more meaningful ways to deliver improved economic and patient outcomes. Visit www.3dmedical.com.au

10 February 2017

Dear Mach7 Shareholder

Share sale facility for holders of less than a marketable parcel of Mach7 Technologies Limited shares

Mach7 Technologies Limited ACN 007 817 192 (**Mach7** or the **Company**) is pleased to offer eligible shareholders the opportunity to sell their small shareholding without incurring any brokerage or handling costs.

This offer applies to shareholders who at 7:00 pm (Melbourne time) on Wednesday 8 February 2017 (**Record Date**) were holders of ordinary shares in Mach7 valued at less than \$500 (**less than a marketable parcel**) based on a price of \$0.30 per share, being the closing price of Mach7 shares on the Australian Securities Exchange (**ASX**) on the Record Date.

Mach7 is offering this facility as it provides the following benefits:

- Mach7 shareholders of a less than a marketable parcel have the opportunity to sell their shares without incurring a brokerage or handling cost which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- The expense and administration involved in maintaining shareholders with less than a marketable parcel, such as the cost of printing and mailing shareholder notices and share registry costs, is reduced. As at the Record Date, the Company had 3,074 shareholders of which 1,661 held less than a marketable parcel of shares. The aggregate number of shares held in less than marketable parcels as at the Record Date was 488,375 shares, representing 0.41% of Mach7's issued share capital.

Based on a price of \$0.30 per share (being the closing price of Mach7 shares on the ASX on the Record Date) a shareholder holding 1,666 shares or less on the Record Date will be a holder of a less than a marketable parcel. Our records show that you hold less than a marketable parcel of shares as at the Record Date, and accordingly your shareholding is eligible for this facility. You may choose to sell your holding or retain your existing holding.

Pursuant to Article 76 of Mach7's Constitution and the ASX Listing Rule 15.13, the Company may notify eligible shareholders that it intends to sell their holding unless they complete and return the enclosed Share Retention Form by 5.00 pm (Melbourne time) on Wednesday 27 March 2017 (**Closing Date**). This letter and the Share Retention Form which accompanies this letter, satisfy the notice requirements under ASX Listing Rule 15.13 and Article 76(a) of Mach7's Constitution.

Your options

As a shareholder who holds a less than a marketable parcel of Mach7 shares, your options are described below:

1. Sell your holding

If you wish to sell your Mach7 shares without incurring brokerage or handling costs, you do not need to take any action. Mach7 is authorised under Article 76 of its Constitution to sell your shares following the Closing Date if the value of your shares remains at less than \$500 at the Closing Date (based on the closing price of Mach7 shares on that day).

Your shares will be pooled with other shares under this facility (**Sale Shares**) and sold as soon as practicable after the Closing Date in the manner described below.

The Company has appointed JM Financial Group Limited (**JMFG**) to facilitate the sale of shares under the share sale facility. After the Closing Date, JMFG will sell all shares available under the facility either on or off market; to the extent that there are any shares remaining under the facility which remain unsold, JMFG (and/or its nominees) may subscribe for the remaining shares.

The price that you receive for your shares under the facility will be determined once all of the Sale Shares under the facility are sold. Each shareholder will receive their proportionate share of the sale proceeds for all Sale Shares sold through the facility (rounded down to the nearest cent). If the proceeds from the sale of your shares are less than \$2.00, the Company may at its discretion donate the proceeds to its nominated charity on your behalf.

Where the Sale Shares are sold on-market, the sale price will depend on a number of factors, including market conditions at the time of sale. You will not have control over the time at which your shares are sold. The price you receive may be different from the price quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the facility.

Payment will be sent to you within 10 business days after the last sale under the facility. Payment will be made in Australian dollars by direct credit to your nominated account or by cheque if you do not have a direct credit authority recorded on the share register. The share registry will notify you, by way of a transaction confirmation statement, of the number of your shares sold and the price and total sale proceeds you have received. The transaction confirmation statement (and cheque if applicable) will be sent by post, at your risk, to your address as shown on the register.

If your shares are held in a CHESS holding, Mach7 may, after the Closing Date, initiate a holding adjustment to move your shares to the issuer sponsored sub register for the purpose of this facility.

Any tax consequences arising from the sale of your shares will be your responsibility. If the market value of your shares increase between the Record Date and Closing Date, due to the increase in Mach7's share price, so that at the Closing Date the value of your shares previously identified by Mach7 as being less than a marketable parcel is no longer less than \$500 (i.e. their value becomes equal to or greater than \$500), Mach7 will not sell your shares.

2. Retain your existing holding

If you wish to retain your existing holding then you must do one of the following:

- Complete and return the attached Share Retention Form to the following address so that it is received by the Closing Date of 5.00 pm (Melbourne time) on Monday 27 March 2017:

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

- Make your own arrangements outside this facility to purchase additional Mach7 shares so that the value of your registered holding is at least \$500 on the Closing Date.
- If you hold Mach7 shares in multiple holdings (i.e. in more than one shareholder reference number (SRN) or holder identification number (HIN)), arrange to have those holdings merged into one holding with a value of at least \$500 so that this is reflected on Mach7's share register at 7:00 pm (Melbourne time) on the Closing Date.

If you successfully take one of these steps, Mach7 will not be entitled to sell your shares.

Important Information

Mach7 reserves the right to extend the dates referred to in this letter by notice to the ASX.

Mach7 is not bound to sell any or all of the shares that may be available for it to sell under this facility. None of Mach7, JMFG, nor any other person involved in the facility shall be liable for failure to sell the shares at a particular price. The price of Mach7 shares is subject to change and an up-to-date price can be obtained from the ASX website (www.asx.com.au) under the code "M7T".

Mach7 does not make any recommendation or provide any advice to you regarding whether to sell your holding under this facility or retain your existing holding.

If you are in doubt about what to do, you should consult your legal, financial or taxation advisor.

If you have any queries, please contact the Company Secretary on +61 3 9286 7500 between the hours of 9.00 am and 5.00 pm (Melbourne time) Monday to Friday.

Yours faithfully

On behalf of the Board of Mach7 Technologies Limited



Alyn Tai
Company Secretary

13 February 2017



SRN/HIN:

**Number of Shares held as at
the Record Date, 7:00pm (Melbourne time)
on 8 February 2017:**

Dear Shareholder

IMPORTANT NOTICE – Sale of your Mach7 Technologies Limited (“Mach7”) Shares.

I am writing to advise you that Mach7 is putting in place a Share Sale Facility for holders of Shares valued at less than \$500 as at 8 February 2017.

Mach7 is offering this facility to assist holders of unmarketable parcels of Shares to sell them without brokerage costs and to reduce the expense to the company of maintaining almost 1,661 Shareholders with unmarketable parcels.

Unless you advise Mach7 that you want to retain your Shares as set out below, your Shares will be sold and you will be sent the sale proceeds.

The Share Sale Facility is being established in accordance with Mach7’s constitution and the ASX Listing Rules.

If you want to sell your Shares under the facility – you need take no action.

Your Shares will be sold on your behalf after the closing date of 27 March 2017. You will not need to appoint a broker nor pay the brokerage and handling costs associated with the sale of Shares under the facility. Any tax consequences from the sale of your Shares will be your responsibility.

If you wish to retain your Shareholding in Mach7 you must detach this retention slip and return it to Mach7’s Registry, so that it is received no later than 5:00pm (Melbourne time), on 27 March 2017.

If you require further information, please contact the Company Secretary on +61 3 9286 7500 between 9:00am and 5:00pm (Melbourne time) Monday to Friday.

If you are in any doubt, or if you require information regarding possible taxation implications from participating in the facility, please consult your legal, financial or taxation adviser.

Yours sincerely

Alyn Tai
Company Secretary

RETENTION SLIP

SRN/HIN:



If you wish to retain your Shareholding in Mach7 you must detach this retention slip and return it to Mach7’s Registry, so that it is received no later than 5:00pm (Melbourne time), on 27 March 2017.

The slip can be returned using any of the methods set out on the reverse of this slip.



DO NOT SELL MY SHARES

M7T RSS001



MORE INFORMATION ON THE FACILITY

1. When will my Shares be sold?

It is intended that any Shares sold under the facility will be sold as soon as practicable after the closing date of 27 March 2017.

2. What is an unmarketable parcel of Shares?

A parcel of Shares valued at less than \$500.

3. What price will I receive for Shares sold under the facility?

The price that you receive for your Shares under the facility will be determined once all of the Sale Shares under the facility are sold. Each Shareholder will receive their proportionate share of the sale proceeds for all Sale Shares sold through the facility (rounded down to the nearest cent). If the proceeds from the sale of your Shares are less than \$2.00, the Company may at its discretion donate the proceeds to its nominated charity on your behalf.

Where the Sale Shares are sold on-market, the sale price will depend on a number of factors, including market conditions at the time of sale. You will not have control over the time at which your Shares are sold. The price you receive may be different from the price quoted by ASX on any day, may not be the best price on the day that your Shares are sold and may be an average price per Share based on the price obtained for all the Shares sold under the facility.

4. What is the price of Mach7 Shares?

The last sale price of Mach7 Shares on 8 February 2017 was A\$0.30. The Share price changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code "M7T".

5. When will the proceeds from the sale of Shares be sent to me?

Payment will be sent to you within 10 business days after the last sale under the facility. Payment will be made in Australian dollars by direct credit to your nominated account or by cheque if you do not have a direct credit authority recorded on the Share register. Link Market Services Limited will notify you, by way of a transaction confirmation statement, of the number of your Shares sold and the price and total sale proceeds you have received. The transaction confirmation statement (and cheque if applicable) will be sent by post, at your risk, to your address as shown on the register.

6. If I buy more Shares, will I retain my holding?

Yes, we will treat any movement in your Shareholding as an indication that you do not want your Shares to be sold under the facility. For a purchase to be an effective notification that you wish to retain your Shares, any additional Shares must be registered by 5:00pm (Melbourne time), on 27 March 2017 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

7. Where can I get further information?

If you require further information, please contact the Mach7 Technologies Limited Information Line on 1300 554 474 (within Australia) or +61 1300 554 474 (from outside Australia) between 8:30am and 5:30pm (Melbourne time) Monday to Friday.

8. Important notes

Mach7 reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter does not constitute advice nor a recommendation to buy, sell or hold Shares nor that the facility is the best way to sell Mach7 Shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

RETENTION SLIP

Mailing Address

Mach7 Technologies Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Mach7 Technologies Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138 **(Do not use this address for mailing purposes)**

This form must be received by Mach7's Registry no later than 5:00pm (Melbourne time), on 27 March 2017, or your Shares will be sold.