

QUARTERLY ACTIVITIES & CASHFLOW REPORT QUARTER ENDED 31 MARCH 2025

Investor Conference Call at 9.00am AEST on Friday 2 May 2025

Adelaide, Australia, 29 April 2025: Australian hi-tech company Micro-X Ltd (ASX:MX1) (**Micro-X** or the **Company**), a leader in cold cathode x-ray technology for health and security markets globally, is pleased to release its Appendix 4C – Quarterly Cashflow report and Activities Update for the quarter ended 31 March 2025 (**the Quarter**). All financial results are in Australian dollars and are unaudited.

Highlights

Commercial

- \$5.6m strategic partnership with Malaysian hi-tech scanning specialist Billion Prima
- \$4.0m capital raise to support commercial activities in line with strategy reset
- Successfully completed final in-hospital evaluation of Rover Plus with major US hospital operator - progressing commercial discussions

Operational

- First Micro-X Passenger Checkpoint prototype delivered to DHS ahead of testing in TSA laboratories
- \$6.0m DHS contract extension option exercised by DHS

Financial

- Closing cash balance at 31 March 2025 of \$5.1m

Micro-X Chief Executive Officer Kingsley Hall commented:


"The March quarter has been one of progress and transition for the business as we have successfully reset our focus on medical imaging, completed cost cutting principally by discontinuing Argus, and raised \$6.4 million to support our activities. Also of note was the successful completion of the Rover Plus evaluation with a major US hospital and purchasing group.

Our partnering activities continued to bear strong outcomes with key milestones achieved. This includes the completion of the first Passenger Checkpoint prototype for the DHS, strong early progress on our new full body CT scanner for ARPA-H, and a now clearly defined roadmap to develop a commercial baggage scanner for Billion Prima by early 2026. We continue to seek the right partners to take our security products through to commercialisation. While there is considerable global uncertainty at the moment, we are forging ahead with our strategy with more than \$20.5m in committed development contracts to be received subject to milestone achievement and opportunities to grow Rover Plus sales."

Partnership Activities - \$5.6m Strategic Partnership with Billion Prima

This Quarter, a new strategic partnership was formed with Malaysian security product manufacturer Billion Prima to develop a baggage scanner product over the next 12 months that includes the Company's NEX Technology. The partnership has an initial value to Micro-X of \$5.6m and the ability to generate long term revenues from the sale of Micro-X tubes and generators once the Billion Prima baggage scanner product is commercialised.

The key objective is to commercialise a portable baggage and parcel scanner, which can be sold by Billion Prima exclusively throughout South-East Asia for a period of 20 years. Importantly, Micro-X maintains full ownership of its core intellectual property and can license the technology outside South-East Asia. Billion

A decorative pattern of interconnected geometric shapes, resembling a molecular or circuit board structure, located in the top left corner.

Prima is already a recognised security scanner manufacturer and supplier with a deep customer base across Asia. By partnering with Billion Prima, Micro-X is expanding use and adoption of NEX Technology, with ongoing revenue from tubes and generators.

The Billion Prima partnership includes equity investment in Micro-X of \$2.4m at a price of 9 cents per share, aimed to achieve alignment with existing Micro-X shareholders and was completed during the Quarter. A Development Agreement includes product development milestone payments from Billion Prima totalling \$3.2m, with the first \$1.0m received during the Quarter. In March, the technical teams from Billion Prima and Micro-X held productive planning meetings at Tonsley to detail the project roadmap, which is on track for completion within the 12-month project timeframe.

During the Quarter, discussions continued with multiple parties on opportunities surrounding the commercialisation of the Baggage CT Scanner and Passenger Checkpoint.

Commercialisation Activities

Mobile Digital Radiology – Rover Plus achieves successful major US hospital evaluation

During the Quarter, Micro-X successfully completed the final stage of the Rover Plus evaluation with a US healthcare services company, the owner and operator of hundreds of US hospitals and treatment clinics. This process involved lengthy in-hospital evaluation in a real patient setting across four hospitals in southern and western regions of the United States. The hospital radiography teams used the Rover Plus units in their everyday practice, evaluating the unit on a range of metrics.

Micro-X has now entered commercial discussions with the procurement team of this major US healthcare services company, and an associated Group Purchasing Organisation. If successful, an agreement between the parties would result in the addition of Micro-X's Rover Plus to their procurement catalogue.

The Company also continued to progress the appointment of new distributors in Europe and the EMEA, with the appointment of UK distributor Vertec who subsequently placed their first purchase order.

Marketing and promotional efforts in the professional sporting market has continued to be successful with further Rover Plus sales to US Major League Baseball teams. The Rover was used by clinicians at the Final Four American collegiate basketball tournament, providing a valuable opportunity to build product awareness among participating teams and their support organisations.

Over the Quarter, a US-based Senior Clinical Adviser, Tiffney Watson, was appointed, bringing extensive expertise and a highly developed industry network to enhance marketing and sales efforts in the US. Tiffney is currently Director of Radiology at one of the largest providers of ambulatory surgery in the US.

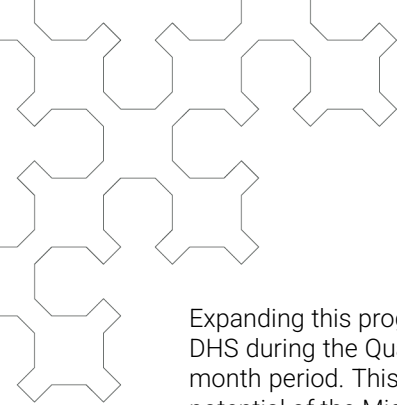
Overall customer receipts from sales of Rover Plus units and imaging chains for the Quarter were \$0.78m, up from \$0.33m in the December quarter.

Funded Development Programs

Checkpoints & Baggage Scanner – next generation airport security – funded by DHS

A major milestone was achieved post the end of the Quarter, with the delivery of the first prototype of the Passenger Checkpoint, ahead of testing in Transport Security Administration (TSA) specialist labs. This is the compilation of a multi-year development programme contracted by the DHS, to revolutionise the future passenger experience when travelling through US airports.

As the prime contractor for the Passenger Checkpoint, Micro-X has successfully integrated its Baggage CT Scanner, along with Voxel Radar's millimetre wave body scanning technology and deep learning models for multi-source CT imaging developed with Johns Hopkins University. Advanced airport security design was provided by Monsh University's Design Health Collab.



Expanding this programme, US-based subsidiary Micro-X, Inc. executed a \$6.0m contract extension with the DHS during the Quarter, to develop two additional Passenger Checkpoints and test all three units over a 16-month period. This is a further example of the strong working relationship with DHS and recognition of the potential of the Micro-X airport security products in late-stage development.

Head CT for stroke diagnosis – approaching imaging trials – funded by the ASA

The main activities for the Head CT development this Quarter related to scale up of production for the three Head CT test benches for planned human imaging trials under the contract with the ASA. This followed the milestone achievement in the Head CT test bench generation of the first full 3D CT images during the December quarter.

This quarter, the mini tube design was optimised to increase performance and reliability. This process, along with improvements to the array design, has progressed well with the first of the three test benches targeted for hospital delivery in the June quarter. The advances in the Head CT product and mini tube will also be applicable to the Full Body CT product, reducing design and technical risk and increasing speed to market.

Ongoing marketing efforts this Quarter for Head CT included hosting a European delegation who is seeking early access to trial the Head CT in their emergency response aircraft and vehicles. In late March, Chief Engineer Anthony Skeats delivered a presentation on the Head CT technology at the ASMIRT conference in Adelaide, addressing an audience of radiographers, radiation therapists and nuclear medicine technologists. The presentation highlighted the transformative potential of this advanced imaging solution for stroke patients.

Portable, Full Body CT scanner – detailed design phase – funded by ARPA-H

Work to develop a portable, full body CT scanner, with ARPA-H funding of up to \$25m, commenced in the Quarter following the kick-off meeting in late 2024. This funded development work is being undertaken by a combined team of approximately 20 software and design engineers involved in the Head CT and Full Body CT programmes to deliver on accelerated development timelines.

The first major phase of work underway involves product design, architecture and documentation by the Micro-X team across the remainder of 2025. This will involve multiple milestones and associated payments, with the first two milestones already achieved.

Corporate & Financial Matters

\$6.4m Capital raised during the Quarter

This Quarter, the Company completed its capital raising activities to significantly strengthen the balance sheet and drive planned commercial activities, with an associated reduction in costs principally from the discontinuation of the Argus product.

This capital raising included the:

- Strategic Placement of 26.6m shares at 9 cents to Billion Prima, for \$2.4m
- Placement of 28.6m shares at 7 cents to sophisticated and institutional investors, for \$2m, which included \$0.2m to the directors of the Company as approved by shareholders on 16 April 2025;
- Institutional Entitlement Offer of 19.2m shares at 7 cents, on a 1 for 10 basis, to eligible institutional shareholders and shortfall institutional investors, for \$1.3m
- Retail Entitlement Offer of 8.8m shares at 7 cents, on a 1 for 10 basis, to eligible retail shareholders, for \$0.6m.

The proceeds from this capital raising will be strategically allocated to support the Company's operations in alignment with its refined focus on medical imaging. This streamlined approach aims to focus on tangible commercial results, leveraging the Company's revolutionary NEX Technology as its foundation.

As part of the capital raising, all members of the executive team and all directors have invested in the Placement. This demonstrates further alignment and strong support from the Company's leadership group.

Summary of Cashflows for the Quarter

As described in detail in the attached Appendix 4C, the key cash inflows and outflows for the Quarter, prior to the closure of Argus, were as follows:

	A\$000	March 25 Qtr	Notes
Operational cash inflows:			
Product sales - customers		782	Sales of Rover Plus & Imaging Chains
Project work –Existing Partners - ASA and DHS		1,088	DHS existing contract prior to extension
Project work –New Partners - ARPA-H and BP		2,064	Initial ARPA-H and Billion Prima milestone payments, excluding equity invested
Total		3,934	
Operational cash outflows		(7,117)	
Net cash from Operations		(3,183)	

Includes payments to Directors of \$0.02m

The Company received cash inflows from capital raising, after costs, during the Quarter of \$5.9m. The additional \$0.2m from directors are to be received in April, following shareholder approval. The Company ended 31 March 2025 with \$5.1m of cash on hand, following overall cash inflows for the Quarter of \$2.7m. The Company decreased costs during the Quarter, as was expected from the discontinuation of the Argus program.

Looking ahead, the Company has:

- \$0.7m in Mobile DR and Imaging Chain orders recently delivered or in hand to be delivered and invoiced; and
- Approximately \$4.0m of inventory on hand and available for Rover Plus, further improving the cash position moving forward.

Quarterly Investor Call

The Company's Chief Executive, Kingsley Hall will host a Quarterly Investor Call at 9.00am AEST on 2 May 2025, to discuss the Company's activities and results and the business outlook. A recording of the call will be available on the Investor Centre section of the Company's website for 60 days after the call.

Details to Pre-Register:

<https://s1.c-conf.com/diamondpass/10047048-7fhxoy.html>

Participants are encouraged to use the link above to pre-register and obtain a unique PIN to access the call. A unique PIN will be provided for dialling into the call, which will provide immediate access to the event.

Direct Dial Details:

Conference ID: 10047048

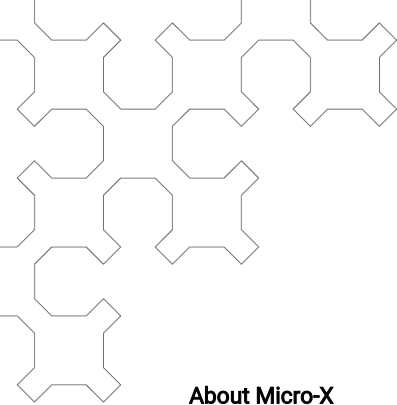
Australian Toll Free: 1800 267 430

New Zealand callers: 0800 122 137

Other callers: +61 2 9008 9006

This ASX Announcement is authorised by the Board of Micro-X.

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About Micro-X

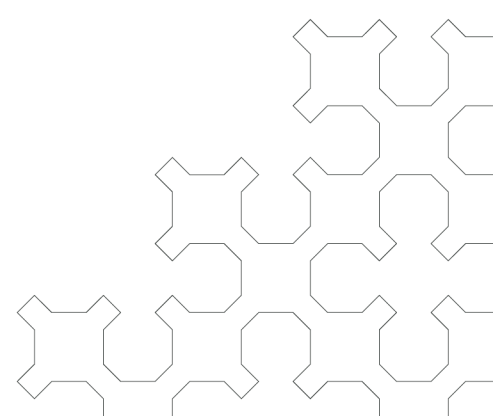
Micro-X Limited is an ASX listed hi-tech company developing and commercialising a range of innovative products for global health and security markets, based on proprietary cold cathode, carbon nanotube (CNT) emitter technology. The electronic control emitters with this technology enables x-ray products 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 applications. Micro-X has a fully vertically integrated design and production facility in Adelaide, Australia. A growing technical and commercial team based in Seattle is rapidly expanding Micro-X's US business.

Micro-X's product portfolio spans a number of high margin, product applications in health and security. The first mobile digital radiology products are currently sold for diagnostic imaging in global healthcare, military and veterinary applications. The US Department of Homeland Security has contracted Micro-X to design a next-generation Airport security checkpoint. A miniature brain CT imager for pre-hospital stroke diagnosis in ambulances, is being developed with funding from the Australian Government's Medical Research Future Fund. In November 2024, US Government agency ARPA-H contracted Micro-X to develop a full-body CT.

For more information visit: www.micro-x.com

Contacts

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Micro-X Ltd

ABN

21 153 273 735

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	782	2,036
1.2 Payments for		
(a) research and development	(1,419)	(3,864)
(b) product manufacturing and operating costs	(969)	(3,686)
(c) advertising and marketing	(77)	(461)
(d) leased assets	(35)	(131)
(e) staff costs	(3,944)	(12,420)
(f) administration and corporate costs	(721)	(2,068)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	62
1.5 Interest and other costs of finance paid	-	(195)
1.6 Income taxes paid	-	-
1.7 Engineering Consulting, Government grants and tax incentives		
(a) ASA CT Brain Scanner	-	514
(b) DHS Checkpoints Contracts	1,088	4,488
(c) Varex Technology Transfer	-	1,469
(d) Research & Development Tax Incentive		6,414
(e) ARPA-H Full Body CT	1,100	1,817
(f) Billion Prima	964	964
(g) Other	50	50
1.8 Other		
(a) AASB 16 Lease interest payments	(2)	(86)
1.9 Net cash from / (used in) operating activities	(3,183)	(5,097)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(11)	(77)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets		
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(11)	(77)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	6,165	6,165
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(246)	(298)
3.5 Proceeds from borrowings	-	6,088
3.6 Repayment of borrowings	-	(4,568)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other		
(a) AASB 16 lease principal repayments	(44)	(368)
3.10 Net cash from / (used in) financing activities	5,875	7,019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,392	3,228
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,183)	(5,097)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11)	(77)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,875	7,019
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,073	5,073

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,829	2,148
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	244	244
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,073	2,392

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(22)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	1,520	1,520
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
The Company has a \$1.5M secured loan with Radium Capital in relation to the 2025 R&D Tax Rebate for the 2025 financial year. No principal repayment is due until the R&D tax refund is received or 31 December 2025, whichever is earlier. Interest is paid at 1.33% per month on repayment.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,183)
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,073
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,073
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.59
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No The Company had approximately \$0.9M Income Receivable from DHS at quarter end. This amount was due in the quarter but was not received, however the corresponding expenditure was spent. Had this receivable been received on time, Net Cash used in Operations would have been \$0.9M lower at \$2.3M, and Cash at Quarter End would have been \$6.0M, resulting in 2.6 quarters of funding remaining. In addition, the Company announced in the quarter that it had reduced Overhead Costs by approximately \$0.7M per annum.	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes

The Company raised \$6.4M in capital in the quarter, in addition to announcing a \$3.2M Commercialisation Agreement with a new strategic partner, Billion Prima. The Company also announced it intends to monetise its security applications after announcing a strategic reset to focus on medical imaging.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes

The Company has announced a strategic reset where it will focus on medical imaging. This is underpinned by \$20.5M in forward contract receipts, subject to milestone achievement. In addition, the Company is focussed on growing sales of its Rover Plus Mobile DR and holds approximately \$4.0M in Rover Plus inventory which will provide further cash inflow as units are sold.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.