

archTIS Receives \$1.785M R&D Tax Rebate

Proceeds to support the Company's \$9.5M annual cash receipts outlook toward positive cash flow

archTIS Limited (ASX:AR9, OTCQB:ARHLF, archTIS or the Company), a global provider of innovative software solutions for the secure collaboration of sensitive information, is pleased to announce that it has received a tax rebate payment of \$1.785M from the Australian Tax Office (ATO). This relates to the Company's refundable tax offset claim for the fiscal year ending 30 June 2022.

Financially, the payment provides archTIS with additional non-dilutive working capital to support ongoing research and development to extend its product platforms and capabilities for growth opportunities. The tax incentive offers companies with under \$20m per year in revenue a 43.5% refundable tax offset for eligible research and development expenditures.

The R&D incentive program is part of the Australian government's commitment to developing sovereign capability to help Australian businesses grow and innovate. With ever increasing global demand requirements around cyber security and the need to secure sensitive information across an organisation, the R&D funding allows archTIS' core products Kojensi and NC Protect to enable and further innovate secure information sharing and inter-organisational collaboration – anywhere and on any platform.

Kurt Mueffelmann, Global COO of archTIS, stated: "The R&D tax rebate is an important component of our overall corporate finance strategy. It provides working capital that allows archTIS the ability to invest in our product innovation while providing non-dilutive funding that supports our overall projected minimum 50% reduction in cash burn from the prior year. The funds are included in archTIS' stated outlook of \$9.5M cash receipts for FY23 which support the move toward the objective of becoming cash flow positive in calendar 2023."

-ENDS-

Authorised for issue by order of the Board of Directors.

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archTIS Interactive Investor Hub

<https://investors.archtis.com/>

Our investor hub is a place to interact with our announcements and updates. You can ask questions and add comments, which our team can respond to where possible.

About archTIS Limited

archTIS Limited (ASX:AR9, OTCQB:ARHLF) is a global provider of innovative software solutions for the secure collaboration of sensitive information. The Company's award-winning data-centric information security solutions protect the world's most sensitive content in government, defence, supply chain, enterprises and regulated industries through attribute-based access and control (ABAC) policies. archTIS products include Kojensi, a multi-government certified platform for the secure access, sharing and collaboration of sensitive and classified information; and NC Protect for enhanced information protection for file access and sharing, messaging and emailing of sensitive and classified content across Microsoft 365 apps, Dropbox, Nutanix Files and Windows file shares. For more information visit www.archtis.com. Follow us on twitter @arch_tis.