

10 January 2023

Dear Shareholder,

EXTRAORDINARY GENERAL MEETING – NOTICE AND PROXY FORM

Notice is hereby given that an Extraordinary General Meeting ('Meeting') of Shareholders of archTIS Limited ('Company') will be held via an online Virtual Meeting Facility, at 12:30pm (AEDT) on Friday, 10 February 2023.

In accordance with section 110D of the *Corporations Act 2001* (Cth) (as inserted by the *Corporations Amendment (Meeting and Documents) Act 2022* (Cth)), the Company will not be dispatching physical copies of the Notice of Meeting ('Notice') unless specifically requested to do so. Instead, a copy of the Notice is available on the Company's ASX Announcement Platform at www2.asx.com.au (ASX:AR9).

If you have elected to receive communications by email, a copy of your personalised proxy form will be emailed to you. If you have not elected to receive communications by email, a copy of your personalised proxy form will be posted to you, together with this letter for your convenience.

All shareholders will be able to participate in the Meeting by:

- (a) attending the Meeting via the Virtual Meeting Facility, and voting their Shares at the Meeting on Friday, 10 February 2023 at 12:30pm (AEDT);
- (b) voting prior to the Meeting by lodging your proxy instructions by no later than 48 hours prior to the Meeting (by 12:30pm (AEDT) on Wednesday, 8 February 2023) by lodging a proxy form either:
 - o online at: <https://investor.automic.com.au/#/home>; or
 - o by post to: Automic, GPO Box 5193, Sydney, NSW, 2001; or
 - o in person to: Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000; or
 - o by email to: meetings@automicgroup.com.au; or
 - o by any other means permitted on the proxy form; and/or
- (c) lodging questions in advance of the Meeting by emailing the questions to Erlyn Dawson, Company Secretary at erlyn@azc.com.au, by no later than 6 February 2023.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant, or other professional adviser.

If you have any difficulties obtaining a copy of the Notice, or for any other relevant information please contact the Company Secretary on +61 8 9389 3125 or erlyn@azc.com.au.

Authorised for release by the Board of archTIS Limited.

Yours sincerely,

A handwritten signature in black ink that reads 'Erlyn Dawson'.

Erlyn Dawson
Company Secretary
archTIS Limited

ARCHTIS LIMITED
ACN 123 098 671

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:30PM AEDT

DATE: 10 February 2023

PLACE: By Virtual Meeting Facility

Level 3
archTIS House
10 National Circuit
BARTON ACT 2600

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm AEDT on 8 February 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF OPTIONS UNDER THE PLACEMENT – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,428,567 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT – LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 12,857,142 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF JOINT LEAD MANAGER OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,500,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS UNDER THE SPP

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,337,102 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – DIRECTOR PARTICIPATION IN PLACEMENT – MILES JAKEMAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the

Company to issue up to 952,380 Shares and 476,190 Options to Miles Jakeman (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

6. RESOLUTION 6 – DIRECTOR PARTICIPATION IN PLACEMENT – LEANNE GRAHAM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 238,095 Shares and 119,047 Options to Leanne Graham (or her nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 7 – DIRECTOR PARTICIPATION IN PLACEMENT – DANIEL LAI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 238,095 Shares and 119,047 Options to Daniel Lai (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 4 January 2023

By order of the Board



Eryn Dawson
Joint Company Secretary

Voting Prohibition Statements

Resolution 5 - Director Participation in Placement – Miles Jakeman	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolution 6 - Director Participation in Placement – Leanne Graham	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolution 7 - Director Participation in Placement – Daniel Lai	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Ratification of prior issue of Options Under the Placement – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement participants) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Shares Under the Placement – Listing Rule 7.1A	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement participants) or an associate of that person or those persons.
Resolution 3 – Ratification of prior issue of Joint Lead Manager Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely the nominees of PAC Partners Securities Pty Ltd and Viriathus Capital, LLC) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Options under the SPP	A person who participated in the issue or is a counterparty to the agreement being approved (namely the SPP participants) or an associate of that person or those persons.
Resolution 5 - Director Participation in Placement – Miles Jakeman	Miles Jakeman (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

Resolution 6 - Director Participation in Placement – Leanne Graham	Leanne Graham (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 - Director Participation in Placement – Daniel Lai	Daniel Lai (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

You may submit your Proxy Form online at <https://investor.automic.com.au/#/home>. Login using your existing username and password or click on "register" and follow the on-screen prompts to create your login credentials. Once logged in, click on "Meetings", and follow the prompts to lodge your proxy. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

In accordance with the Company's Constitution, the Directors have elected to hold the Meeting virtually and therefore Shareholders will not be able to physically attend the Meeting in person.

Accordingly, the Directors strongly encourage all Shareholders to either lodge a directed proxy form prior to the Meeting or attend and vote online at the Virtual Meeting.

Voting online via Virtual Meeting

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access and vote at the virtual Meeting:

1. Open your internet browser and go to investor.automic.com.au;
2. Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting;**
3. After logging in, a banner will be displayed at the bottom once the meeting is open for registration, click on "**Register**" when this appears;
4. Click on "**Register**" and follow the steps;
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting;
6. Once the Chair of the Meeting has declared the poll open for voting click on "**Refresh**" to be taken to the voting screen; and
7. Select your voting direction and click "**confirm**" to submit your vote. **Note that you cannot amend your vote after it has been submitted.**

Further information and support on how to use the Virtual Meeting platform is available on the Company's website.

You may still attend and vote at the virtual meeting even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that Resolution.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9389 3125.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO THE RESOLUTIONS

1.1 Overview of the Placement and SPP

As announced on 2 December 2022 and 23 December 2022, the Company undertook the following offers:

- (a) a placement to professional and sophisticated investors to raise approximately \$1.35 million through the issue of 12,857,142 Shares at an issue price of \$0.105 per Share, with one (1) free-attaching Option for every two (2) Shares subscribed for and issued, exercisable at \$0.20 on or before the date that is three (3) years from the date of issue (**Placement**); and
- (b) a share purchase plan to raise \$500,000 (with the ability to accept oversubscriptions up to an additional \$500,000), under which Eligible Shareholders were given an opportunity to acquire Shares up to the value of \$30,000 at an issue price of \$0.105 per Share together with one (1) new Option for every two (2) Shares subscribed for and issued to those Eligible Shareholders, exercisable at \$0.20 on or before the date that is three (3) years from the date of issue, which raised approximately \$700,800 (**SPP**).

The funds raised under the Placement and SPP are intended to be applied towards the continued expansion of Kojensi into international markets, supporting near-term and further account expansions into the Australian Department of Defence and the KPMG DefenceOne Data Program, and creating an NC Protect sales model for ITAR and US Cybersecurity Maturity Model Certification accounts through the Microsoft Co-Sell relationship, as well as for working capital.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 of the issue of Shares and Options under the Placement (**Placement Securities**) and Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of Options under the SPP (**SPP Options**).

Further details in respect of the Placement and SPP are set out in the ASX announcements released on 2 December 2022 and 23 December 2022 (**Announcements**). The Directors consider that the Announcements and this Section 1.1 of this Explanatory Statement contain all material information known to the Company that could reasonably be required by the Shareholders in deciding how to vote on Resolutions 1 and 2.

1.2 Joint Lead Managers

The Company engaged the services of PAC Partners Securities Pty Ltd (ACN 623 653 912) and Viriathus Capital, LLC TIN 56 2618971 to act as joint lead managers to the Placement (**Joint Lead Managers**). The material terms and conditions of the mandate with the Joint Lead Managers (**Mandate**) are set out below:

Scope of Work/Services	The Joint Lead Managers agreed to act as exclusive lead managers in respect of the Placement for the term of the Mandate.
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Term	The engagement pursuant to the Mandate commenced on 25 November 2022 and continued until completion of the Placement.
Fees	<p>Under the terms of the Mandate, the Company agreed pay the Joint Lead Managers:</p> <ul style="list-style-type: none"> (a) a management fee of 2% of the total amount raised under the Placement (plus GST); (b) a selling fee of 4% of the total amount raised under the Placement (plus GST); and (c) the issue of 1,000,000 Options for every \$1 million raised in the Placement on the same terms and conditions as the Placement Options (Joint Lead Manager Options). Shareholder ratification for the issue of these Options is sought pursuant to Resolution 3.
Expenses	The Company agreed to reimburse the Joint Lead Managers all reasonable out of pocket expenses (including GST) associated with the Placement, to be approved in advance for any individual expense greater than \$5,000.
First right of refusal	Should the Company decide to seek to undertake a capital raising within 12 months of the execution of the Mandate, the Company agreed to offer the Joint Lead Managers the opportunity to subscribe for the total book and (if relevant due to the size of the raise) choose the other broker(s) involved, other than in circumstances where the Joint Lead Managers are in material breach of its obligations under the Mandate at the time of termination.

Resolution 3 seeks Shareholder approval for the issue of the Joint Lead Manager Options.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS UNDER THE PLACEMENT - LISTING RULES 7.1 AND 7.1A

2.1 General

6,428,567 Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1 (being, the subject of Resolution 1) (**Placement Options**) and 12,857,142 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 5 October 2022 (**Placement Shares**).

2.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 5 October 2022.

The issue of the Placement Securities does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it

effectively uses up part of the 25% limit in Listing Rule 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Securities.

2.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

2.4 Technical information required by Listing Rule 14.1A

If both Resolutions 1 and 2 are passed, the Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

If either or both Resolutions 1 and 2 are not passed, the Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

Resolutions 1 and 2 seek ratification of individual issues and are therefore not dependent on one another.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Placement Securities were issued to professional and sophisticated investors who are clients of the Joint Lead Managers. The recipients were identified through a bookbuild process, which involved the Joint lead Managers seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and

- (ii) issued more than 1% of the issued capital of the Company;
- (c) 6,428,567 Placement Options were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1);
- (d) 12,857,142 Placement Shares were issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (e) the Placement Shares issued to participants in the Placement were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Placement Options issued to participants in the Placement were issued on the terms and conditions set out in Schedule 1;
- (g) the Placement Shares were issued on 9 December 2022;
- (h) the Placement Options were issued on 13 December 2022;
- (i) the issue price per Placement Share was \$0.105 and the issue price of the Placement Options was nil as they were issued free attaching with the Shares on a 1:2 basis. The Company has not and will not receive any other consideration for the issue of the Placement Securities (other than in respect of funds received on exercise of the Placement Options);
- (j) the purpose of the issue of the Placement Securities was to raise \$1,350,000, which will be applied towards the use of funds set out in Section 1.1; and
- (k) the Placement Securities were not issued under an agreement.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF JOINT LEAD MANAGER OPTIONS

3.1 General

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Joint Lead Manager Options.

Further information in relation to the Placement, the appointment of the Joint Lead Managers and the issue of the Joint Lead Manager Options is set out in Section 1.1 above.

As summarised in Section 2.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 5 October 2022.

The issue of the Joint Lead Manager Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder

approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Joint Lead Manager Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Joint Lead Manager Options.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Joint Lead Manager Options.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Joint Lead Manager Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Joint Lead Manager Options.

If Resolution 3 is not passed, the Joint Lead Manager Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Joint Lead Manager Options.

3.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Joint Lead Manager Options were issued to nominees of PAC Partners Securities Pty Ltd and Viriathus Capital, LLC;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 1,500,000 Joint Lead Manager Options were issued and the Joint Lead Manager Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Joint Lead Manager Options were issued on 13 December 2022;
- (e) the Joint Lead Manager Options were issued at a nil issue price, in consideration for lead manager services provided by the Joint Lead

Managers. The Company has not and will not receive any other consideration for the issue of the Joint Lead Manager Options (other than in respect of funds received on exercise of the Joint Lead Manager Options);

- (f) the purpose of the issue of the Joint Lead Manager Options was to satisfy the Company's obligations under the Mandate; and
- (g) the Joint Lead Manager Options were issued to the Joint Lead Managers under the Mandate. A summary of the material terms of the Mandate is set out in Section 1.2.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS UNDER THE SPP

4.1 General

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 3,337,102 SPP Options.

As summarised in Section 2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 5 October 2022.

The issue of the SPP Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the SPP Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the SPP Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the SPP Options.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the SPP Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the SPP Options.

If Resolution 4 is not passed, the SPP Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the SPP Options.

4.3 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the SPP Options were issued to Eligible Shareholders who participated in the SPP on the basis of one (1) Option for every two (2) Shares issued under the SPP;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 3,337,102 Options were issued;
- (d) the Options issued to participants in the SPP were issued on the terms and conditions set out in Schedule 1;
- (e) the SPP Options were issued on 23 December 2022;
- (f) the issue price of the SPP Options was nil as they were issued free-attaching with the Shares issued under the SPP on a 1:2 basis. The Company has not and will not receive any other consideration for the issue of the SPP Options (other than in respect of funds received on exercise of the SPP Options Options); and
- (g) the SPP Options were not issued under an agreement.

5. RESOLUTIONS 5 TO 7 – DIRECTOR PARTICIPATION IN PLACEMENT

5.1 General

Each of the Directors wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Director Participation**), as set out in Section 1.1 above, for an aggregate of up to 1,428,570 Shares (**Director Participation Shares**) and 714,284 Options (**Director Participation Options**) (together, the **Director Participation Securities**).

Accordingly:

- (a) Resolution 5 seeks Shareholder approval for the issue of 952,380 Director Participation Shares and 476,190 Director Participation Options to Miles Jakeman (or his nominee);
- (b) Resolution 6 seeks Shareholder approval for the issue of 238,095 Director Participation Shares and 119,047 Director Participation Options to Leanne Graham (or her nominee); and
- (c) Resolution 7 seeks Shareholder approval for the issue of 238,095 Director Participation Shares and 119,047 Director Participation Options to Daniel Lai (or his nominee),

as a result of the Director Participation on the terms set out below.

5.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Director Participation will result in the issue of the Director Participation Securities which constitutes giving a financial benefit and Miles Jakeman, Leanne Graham and Daniel Lai, are related parties of the Company by virtue of being Directors.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Participation Securities will be issued on the same terms as the Placement Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

5.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 to 7 seek the required Shareholder approval for the issue of the Director Participation Securities under and for the purposes of Listing Rule 10.11.

5.4 Technical information required by Listing Rule 14.1A

If all of Resolutions 5 to 7 are passed, the Company will be able to proceed with the issue of the Director Participation Securities within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Participation Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Participation Securities will not use up any of the Company's 15% annual placement capacity.

If any or all of Resolutions 5 to 7 are not passed, the Company will not be able to proceed with the issue of the Director Participation Securities and the additional Placement funds will not be raised.

Resolutions 5 to 7 seek approval for individual issues and are therefore not dependent on one another.

5.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 5 to 7:

- (a) the Director Participation Securities will be issued to the following persons:
 - (i) Miles Jakeman (or his nominee) pursuant to Resolution 5;
 - (ii) Leanne Graham (or her nominee) pursuant to Resolution 6; and
 - (iii) Daniel Lai (or his nominee) pursuant to Resolution 7,each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Director Participation Shares and Director Participation Options to be issued to Miles Jakeman (or his nominee) is 952,380 Shares and 476,190 Options, respectively;
- (c) the maximum number of Director Participation Shares and Director Participation Options to be issued to Leanne Graham (or her nominee) is 238,095 Shares and 119,047 Options, respectively;
- (d) the maximum number of Director Participation Shares and Director Participation Options to be issued to Daniel Lai (or his nominee) is 238,095 Shares and 119,047 Options, respectively;

- (e) the Director Participation Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the terms and conditions of the Director Participation Options are set out in Schedule 1;
- (g) the Director Participation Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Director Participation Securities will occur on the same date;
- (h) the Company is proposing to issue 1,428,570 Director Participation Shares at an issue price of \$0.105 per Director Participation Share, with one (1) free-attaching Director Participation Option for every two (2) Director Participation Shares subscribed for and issued, to raise \$150,000 (before costs). The issue price of the Director Participation Shares is the same issue price as all other shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Director Participation Securities (other than in respect of funds received on exercise of the Director Participation Options);
- (i) the purpose of the issue of the Director Participation Securities is to raise up to an additional \$150,000 (before costs) under the Placement, which the Company intends to use in the manner set out in Section 1.1 above;
- (j) the Director Participation Securities to be issued under the Director Participation are not intended to remunerate or incentivise the Directors;
- (k) the Director Participation Securities are not being issued under an agreement; and
- (l) a voting exclusion statement is included in Resolutions 5 to 7 of the Notice.

GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means archTIS Limited (ACN 123 098 671).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Shareholders means persons who were registered as holders of Shares in the Company at 7:00pm (AEDT) on the record date of 1 December 2022 and whose registered address is in Australia or New Zealand.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS, JOINT LEAD MANAGER OPTIONS, SPP OPTIONS AND DIRECTOR PARTICIPATION OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).

(c) **Expiry Date**

(i) The Placement Options, Joint Lead Manager Options and SPP Options will expire at 5:00 pm (AEDT) on that date which is three (3) years from the date of issue (**Expiry Date**).

(ii) The Director Participation Options will expire at 5:00 pm (AEDT) on 13 December 2025 (**Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **No Quotation of Options**

The Company will not apply to ASX for quotation of the Options.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **12:30PM (AEDT) on Wednesday 8 February 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)



AUTOMIC

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 5, 6 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of the Keu Management Personnel, which includes the Chair.

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automatic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to **investor.automic.com.au**
2. Login with your username and password or click **"register"** if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

STEP 2 – Your voting direction

Resolutions		For	Against	Abstain
1.	Ratiofication of Prior Issue of Options Under the Placement – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Ratiofication of Prior Issue of Shares Under the Placement – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Ratiofication of Prior Issue of Joint Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Ratiofication of Prior Issue of Options Under the SPP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Director Participation in Placement – Miles Jakeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Director Participation in Placement – Leanne Graham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Director Participation in Placement – Daniel Lai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>		
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By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

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