

# Notice of Annual General Meeting

**Altium**

29 October 2012

www.altium.com

t +61 2 9410 1005

f +61 2 9410 0509

Level 6, 10 Help Street  
Chatswood, NSW 2067

PO Box 6006  
Frenchs Forest NSW 2086  
Australia  
ACN 009 568 772

ALT I U M L I M I T E D

Dear Shareholder,

The Altium Limited Board ('Board') would like to invite you, or your representatives, to attend the 2012 Annual General Meeting ('Meeting') of Altium Limited ('Company'). The Meeting will be held in the **Yuan Room, Level 2, Christie Conference Centre, 3 Spring Street, Sydney NSW 2000 on Thursday 29 November 2012 at 3pm.**

## General Business

### Financial statements and reports

1. To receive the financial report, directors' report and auditor's report for the Company for the financial year ended 30 June 2012.

### Remuneration report

2. To receive, consider and adopt the Remuneration Report of the Company for the financial year ended 30 June 2012, which forms part of the Directors' Report. Please note that the vote on the Remuneration Report is advisory only and does not bind the Directors or the Company.

### Election of directors

3. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:  
Carl Rooke, a director retiring from office in accordance with Article 7.2 of the Constitution of the Company, is re-elected as a director of the Company.
4. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:  
Aram Mirkazemi, a director appointed in accordance with Article 7.5 of the Constitution of the Company, is elected as a director of the Company.

### Nicholas Martin's confirmation of status as no longer a director of the Company

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:  
Nicholas Martin to be removed as a director of the Company, to the extent, and only to the extent, that he has not already ceased to be a director of the Company.

**Dated 29 October 2012**

By Order of the Board



Kayvan Oboudiyat  
Chief Executive Officer/Company Secretary

## Notes to the Notice of Annual General Meeting

### • Explanatory Notes

The Company's shareholders should read the Explanatory Notes accompanying, and forming part of, this Notice of Annual General Meeting for more details on the resolutions to be voted on at the Annual General Meeting. The information provided is intended to assist shareholders in understanding the reasons for and the effect of the resolutions, if passed.

### • Voting Exclusion

The Company will disregard any votes cast on Item 2 by or on behalf of Key Management Personnel ("KMP") and closely related parties of KMP, whether the votes are cast as a shareholder, proxy or in any other capacity. However, the Company will not disregard a vote cast by a KMP or closely related party, if the vote is cast:-

- a) in their capacity as proxy for a person who is entitled to vote on that Item, in accordance with the written direction on the Proxy Form; or
- b) in their capacity as the Chairman of the Annual General Meeting as a proxy, provided that the proxy form specifies how the Chairman is to vote on Item 2, and the vote is not cast on behalf of a KMP or a closely related party of a KMP.

If the Chairman is your proxy or is appointed as your proxy by default, and you do not direct your proxy how to vote on Item 2 on the proxy form (this is known as an "undirected proxy"), you are directing the Chairman to vote in favour of Item 2, even if that resolution is connected directly or indirectly with the remuneration of the KMPs. Therefore, if you do not wish to have the Chairman voting in favour of Item 2 as a result of your undirected proxy, you should direct the Chairman to vote "against" or "abstain".

For the purposes of these voting exclusion statements:

- KMP includes employees and officers of the Company who have authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including the Company's Directors (whether executive or otherwise); and
- Closely related parties of a member of the KMP include any of the following:
  - a) the spouses, children or dependents of a member;
  - b) the children or dependents of the member's spouse;
  - c) 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 dealings with the Company; or
  - d) a company controlled by the member.

**If you cannot attend the meeting and plan to appoint a proxy to attend and vote on your behalf, please note that recent changes to the Corporations Act apply to this meeting and could affect whether or not your proxy is able to vote on your behalf, particularly in relation to Item 2. Please read this Notice of Meeting carefully and consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form.**

### • Proxies

If you are unable to attend and vote at the Meeting and wish to appoint a person who is attending as your proxy, please complete the enclosed Form of Proxy. The instrument appointing a proxy must be in writing under the hand of the appointer or their attorney duly authorised in writing, or if such appointer is a corporation, under its common seal or under the hand of its duly authorised officer or attorney.

A shareholder entitled to attend and vote is entitled to appoint a proxy and if entitled to cast two or more votes at the Meeting, may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If no such proportion or number is specified, each proxy may exercise half of the shareholder's votes. A proxy can be an individual or a body corporate and need not be a member of the Company.

Subject to any applicable voting restrictions, where an appointment specifies the way the proxy is to vote on the resolution:

- the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- if the proxy has two or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands;
- if the proxy is not the Chairman, the proxy need not vote on a poll but if the proxy does so, the proxy must vote that way; and
- if the proxy is the Chairman, the proxy must vote on a poll and must vote that way.

In addition, there are now some circumstances where the Chairman will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairman as their proxy. This will be the case where:

- the appointment of proxy specifies the way the proxy is to vote on a particular resolution;
- the Chairman is not named as the proxy;
- a poll is being called on the resolution; and
- either of the following applies:

- (i) the proxy is not recorded as attending the Annual General Meeting; or
- (ii) the proxy attends the Annual General Meeting but does not vote on the resolution.

Shareholders should consider directing their proxy as to how to vote on each resolution by crossing either a "For" or "Against" box when lodging their proxy form to ensure that their proxy is permitted to vote on their behalf in accordance with their instructions.

The proxy form together with the authority (if any) under which it is signed or a notarially certified copy of that authority must be received at the Company's registered office or by the Company's share register, Computershare Investor Services Pty Ltd (Ph: 1300 850 505) no later than **3pm (AEST), Tuesday, 27 November 2012**.

The completed Form of Proxy may be lodged:

IN PERSON:	Share Registry	Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia
	Registered Office	Altium Limited Level 6, 10 Help Street, Chatswood NSW 2067
BY MAIL:	Share Registry	Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, Australia
BY FAX:	Share Registry	(within Australia) 1800 783 447 (overseas) +61 3 9473 255

## Voting Entitlement Cut-offs

Pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* and Article 6.1 of the Company's Constitution, the time nominated by the Board for the purposes of determining the voting entitlements at the Meeting is **7pm (AEST), Tuesday, 27th November 2012**

## Explanatory Notes

### Item 1: Financial statements and reports

As required by section 317 of the Corporations Act 2001 (Cth) ("Corporations Act"), the financial report, directors' report and auditor's report of Altium Limited ("Altium" or the "Company") for the financial year ended 30 June 2012 will be laid before the Meeting. There is no requirement for a formal resolution on this item. Shareholders will be given reasonable opportunity to ask questions and make comments on these reports at the Meeting.

### Item 2: Remuneration report

Section 300A of the Corporations Act requires listed companies to include a remuneration report within the directors' report. The remuneration report must be put to a vote of members at the Meeting. The vote on the resolution will be advisory only and will not bind the directors or the Company. However, under changes to the Corporations Act which came into effect on 1 July 2011, if the remuneration report receives a "no" vote of at least 25% at the Meeting, and then again at the 2013 Annual General Meeting, a resolution will be required to be put to shareholders at the 2013 Annual General Meeting as to whether another meeting of shareholders should be held within 90 days at which all Directors (other than the Chief Executive Officer) who were in office at the date of the relevant Directors' Report must stand for re-election.

Shareholders will be given reasonable opportunity to ask questions and make comments on these reports at the Meeting.

## Recommendation

Noting that each director has a personal interest in their own remuneration from the Company, as described in the remuneration report, the Board unanimously recommends the adoption of the remuneration report.

The Chair of the Meeting intends to vote undirected proxies in favour of Item 2.

## Items 3 and 4: Election of directors

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third Annual General Meeting (AGM) following the director's appointment or three years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next AGM of the entity. This rule does not apply to the Chief Executive Officer.

## Retirement and re-election

Article 7.2 of the constitution requires that at each annual general meeting any Director required to retire under the Listing Rules must retire from office and is eligible for re-election.

Director Carl Rooke retires by rotation and offers himself for re-election.

Mr William Bartee retires by rotation but will not stand for re-election. Mr Nicholas Martin's appointment as a Director of the Board ceased on 15 October 2012, on the termination of his employment with Altium Information Technology (Shanghai) Co. ("**AITs**"), including his position as Chief Executive Officer and other positions with Altium and AITS, and in accordance with Article 9.1 of the Company's constitution. The Board takes this opportunity to thank Nicholas and William for their many years of valuable service as directors of the Altium Board.

## Retirement and election

Article 7.5 of the constitution provides that the directors may at any time appoint any person to be a director. Article 7.6 provides that any director appointed under Article 7.5 holds office until the conclusion of the next annual general meeting of the company but is eligible for election.

Mr Aram Mirkazemi was appointed as a director under Article 7.5 of the constitution on 16 October 2012 and in accordance with Article 7.6 offers himself for election.

## Candidate information

### Carl Rooke FCA FAICD, Non-executive Director

Carl joined the Board in 1990 as a Non-executive Director, was appointed Chairman in 1999 and served as Chairman until October 2007. He is now the Chairman of the Audit and Risk Management Committee. Carl is a Fellow of the Institute of Chartered Accountants and the Institute of Company Directors and brings to the group a history of successful business practice with many years of proven experience in management, accounting and finance.

### Aram Mirkazemi BEng, Executive Director

Aram Mirkazemi originally joined Altium (then known as Protel) in 1991 serving as Director of Research and Development from 1992 until 1999 and was a member of Altium's Board from 1992 to 2000. In 2000, Aram left Altium to explore his interest in web based technology and went on to found Morfik Technology. In November 2010 following the acquisition of Morfik Technology Aram joined Altium's executive team as Chief of Engineering working with former CEO Nick Martin to define the R&D strategy and direct product development.

## Recommendation

The Board has significantly benefited from the contribution of Mr Rooke and has full confidence in the contribution of Mr Mirkazemi. The Board (other than each director in relation to their own election) unanimously recommends that shareholders vote in favour of Items 3 & 4.

The Chair of the Meeting intends to vote undirected proxies in favour of Items 3 & 4.

## Item 5: Nicholas Martin status

On 15 October 2012, the Company terminated Mr Nicholas Martin's positions with the Company with immediate effect.

On 23 October 2012, the Company announced to the market that Nicholas Martin, through his lawyers, alleged that the termination of Nicholas Martin's positions with Altium and its subsidiaries was invalid.

On 25 October 2012, the Company received further communications from Mr Martin's lawyers alleging that Mr Martin had been advised by his Chinese lawyer that the clause in Mr Martin's employment contract that expressly permitted the Company to terminate Mr Martin's employment is invalid under Chinese laws.

The Company believes that Nicholas Martin's employment has been validly terminated. As a result, and by operation of Article 9.1 of the Company's constitution, Nicholas Martin's appointment as a director of the Company automatically ceased. The Company believes that the clause in Mr Martin's employment contract that expressly permitted the Company to terminate Mr Martin's employment is valid and the termination of Mr Martin's employment was lawful under the laws of the People's Republic of China.

Given that Mr Martin, through his lawyers, continues to dispute the validity of his termination and cessation as a director of the Company, in the interests of fairness, the Board is requesting that the shareholders consider a resolution to remove Mr Martin as a director of the Company to the extent, and only to the extent, that he has not already ceased to be a director of the Company.

If the resolution is passed, the fact that Mr Martin is not a director will be beyond doubt. If, however, a majority of votes cast on the resolution are against it, the Board will respect Mr Martin's right to be a director of the Company and take all steps necessary to ensure that Mr Martin is re-appointed to that position.

## Recommendation

The Board recommends that shareholders vote in favour of Item 5.

The Chair of the Meeting intends to vote undirected proxies in favour of Items 5.

# AGM Proxy

## Proxy Form 2012 AGM

**Altium**

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

☐**All Correspondence to:**

Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne  
VIC 3001 Australia

Enquiries (within Australia) 1300 850 505

**www.computershare.com**

All Proxies Facsimile to 61 3 9473 2555

Securityholder Reference Number (SRN)

### Appointment of Proxy

I/We being a member/s of Altium Limited and entitled to attend and vote hereby appoint

☐

The Chairman  
of the Meeting  
(mark with 'X')

**OR**

If you are not appointing the Chairman of the Meeting as  
your proxy please write here the full name of the individual  
or body corporate you are appointing as your proxy.

Failing the individual or body corporate named, or if no individual or body corporate is named, I/We appoint the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Altium Limited to be held at the **Yuan Room, Level 2, Christie Conference Centre, 3 Spring St, Sydney NSW 2000, on Thursday, 29 November 2012 at 3pm** and at any adjournment or postponement of that Meeting.

If the Chairman of the Meeting is your proxy or is appointed as your proxy by default, and you do not direct your proxy how to vote on Item 2 below, you are expressly authorising the Chairman of the Meeting to vote in favour of Item 2, even if that item is connected directly or indirectly with the remuneration of a member of the key management personnel. Therefore, if you do not wish to have the Chairman voting in favour of Item 2 as a result of your undirected proxy, you should direct the Chairman to vote "against" or "abstain".

The Chairman intends to vote undirected proxies in favour of items 2- 5

Voting Directions to your proxy – please mark ☒ or the percentage or number of shares you wish to vote to indicate your directions

Items	For	Against	Abstain*
2. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director - Carl Rooke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Director - Aram Mirkazemi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Removal of Director - Nicholas Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### Appointing a second proxy

I/We being a member/s of Altium Limited and entitled to attend and vote hereby appoint a second proxy.

☐

Mark with an 'X' if  
you wish to appoint  
a second proxy

The percentage of my/our  
voting rights or number of  
shares for this Proxy form is:

**%****OR**

State the percentage of your voting rights  
or the number of shares for this Proxy Form

**PLEASE SIGN HERE** This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Shareholder 1

Sole Director & Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

In addition to signing the proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

## How to complete the Proxy Form

### 1. Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please mark the box and make the correction on the form. Share holders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your shares using this form.**

### 2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box on the left. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. Do not write the name of the Company or the registered shareholder in the space.

### 3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three 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 a given item, your proxy may vote as they choose. If you mark more than one box on an item, your vote on that item will be invalid.

### 4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) Indicate that you wish to appoint a second proxy by marking the box.
- (b) On each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form (together being no more than 100% of your total shareholding). If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (c) Return both forms together.

### 5. Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual:** where the holding is in one name, the holder must sign.
- Joint Holding:** where the holding is in more than one name, either share holder may sign.
- Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to Section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the Meeting the appropriate 'Certificate of Appointment of Corporate Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry or at [www.computershare.com](http://www.computershare.com)

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below no later than **3:00pm (AEST), Tuesday, 27 November 2012**. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

### Documents may be lodged:

- |                   |                |  |
|-------------------|----------------|--|
| <b>IN PERSON:</b> | Share Registry | – Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia |
| <b>BY MAIL:</b>   | Share Registry | – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, Australia                      |
| <b>BY FAX:</b>    | Share Registry | – (within Australia) 1800 783 447 (overseas) +61 3 9473 2555   |