

Notice of Extraordinary General Meeting

Altium

29 October 2012

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ALT I U M L I M I T E D

Dear Shareholder,

An Extraordinary General Meeting ('Meeting') of Altium Limited ('Company') has been requisitioned by N. & M. Martin Holdings Pty Limited ('Martin Holdings') (a company associated with the former Chief Executive Officer, Nicholas Martin, and a shareholder which holds at least 5% of the votes that may be cast at a general meeting of the Company), pursuant to section 249D of the Corporations Act 2001 (Cwlth) ('Corporations Act') and has given notice under sections 203D and 249N of the Corporations Act to move the following resolutions at a Meeting of the Company:

1. That Kayvan Oboudiyat is removed as a director of the Company with immediate effect.
2. That Aram Mirkazemi is removed as a director of the Company with immediate effect.
3. That Samuel Weiss is removed as a director of the Company with immediate effect.
4. That David Warren is removed as a director of the Company with immediate effect.
5. That Carl J Rooke is removed as a director of the Company with immediate effect.

The Directors of the Company RECOMMEND that you exercise your right to vote and that you VOTE AGAINST ALL RESOLUTIONS.

The responsibility of the Board of the Company ('Board') in these circumstances is to call and hold the Meeting in accordance with the terms of the requisition, the Corporations Act and the Company's Constitution, and to ensure that all shareholders are fully and fairly informed of matters relevant to their decision on how to vote on the resolutions to be considered at the Meeting. The Board believes that this notice of meeting (including the notes to the notice of meeting) contains the information you need to make your decision on how to vote. We urge you to read it carefully. Should any additional information of reasonable length be received by the Company from or on behalf of Martin Holdings, it will be provided to shareholders if there is time to do so or distributed and read out at the meeting if not.

This is a very important vote that will affect the future of your company. Therefore, to help protect the value of your investment we urge you to exercise your right to vote, by either attending and voting at the Extraordinary General Meeting in person, or lodging the enclosed Proxy Form before 3.30pm (AEST), Tuesday, 27 November 2012.

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 immediately following the closing of the Annual General Meeting but not before 3.30pm.**

Dated 29 October 2012

By Order of the Board



Kayvan Oboudiyat
Chief Executive Officer/Company Secretary

Notes to the Notice of Extraordinary General Meeting

• Explanatory Notes

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

• 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 vote 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 Extraordinary General Meeting; or
 - (i) the proxy attends the Extraordinary 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 **3.30pm (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

1. On 15 October 2012, the Company terminated Mr Nicholas Martin's positions with the Company and its subsidiaries with immediate effect.
2. On 23 October 2012, the Company advised the market that:
 - A. on the afternoon of 22 October 2012 it received formal requests from Martin Holdings (a company associated with Mr Martin), through his lawyers. These documents requested that the Board convene a general meeting and consider a resolution to remove a majority of the current directors of the Board (or alternatively for resolutions to that effect to be moved in a general meeting); and
 - B. Mr Martin, through his lawyers, alleged that the purported termination of his positions with the Company and its subsidiaries was invalid.
3. 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.
4. The Company believes that Mr Martin's employment has been validly terminated. As a result, and by operation of Article 9.1 of the Company's constitution, Mr 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.
5. The Board believes that it is in the best interests of the Company to adopt a different style of leadership with focus on returning value to shareholders. For this reason the Board resolved to make a change to the Chief Executive Officer, replacing Mr Martin with Mr Kayvan Oboudiyat, who is one of the Directors in respect of whom the requisition seeks removal. The requisitions have been provided by Martin Holdings in direct response to the decision of the Board to terminate Mr Martin's employment.
6. At the Annual General Meeting of the Company that is scheduled to occur immediately prior to this Extraordinary General Meeting, resolutions for the re-appointment of Mr Rooke and Mr Mirkazemi, together with cessation of Mr Martin (to the extent, and only to the extent, that has not already occurred), in each case as directors, will be under consideration by shareholders.
7. If the resolutions at this Extraordinary General Meeting are passed, the Company will have insufficient directors to function or form a Board, which will prevent the Company from implementing its proposed strategy to return value to shareholders. In addition, it will not be in compliance with the Corporations Act.

Recommendation

The Company has significantly benefited from the contribution of Kayvan Oboudiyat, Aram Mirkazemi, Samuel Weiss, David Warren and Carl J Rooke.

The Board strongly recommends that shareholders vote AGAINST all resolutions.

The Chair of the Meeting intends to vote undirected proxies against Item 1, 2, 3, 4 & 5.

EGM Proxy

Extraordinary General Meeting Proxy Form - 29 November 2012

Altium

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

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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 Extraordinary 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 immediately following the closing of the Annual General Meeting but not before 3:30 pm** and at any adjournment or postponement of that Meeting.

The Chairman intends to vote undirected proxies against items 1-5

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*
1. Removal of Director - Kayvan Oboudiyat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Removal of Director - Aram Mirkazemi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Removal of Director - Samuel Weiss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Removal of Director - David Warren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Removal of Director - Carl J Rooke	<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:

- Indicate that you wish to appoint a second proxy by marking the box.
- 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
- 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

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 **3:30pm (AEST), Tuesday, 27 November 2012**. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Documents may be lodged:

- | | | |
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| IN PERSON: | Share Registry | – Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia |
| 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 2555 |