

14 September 2020

Mr Daniel Nicholson
Adviser, Listings Compliance (Perth)

Your reference: 24201

By email: ListingsCompliancePerth@asxcom.au

Dear Mr Nicholson

archTIS Limited (Company) General – Aware Query

We refer to your letter dated 10 September 2020 in relation to the pause in trade of AR9's securities on ASX's Market Announcements Platform at 11:14am AEST and the trading halt request released at 11:48 am AEST pending release of an announcement regarding a material customer contract win.

In relation to the questions outlined in that letter, and utilizing the numbering and defined terms outlined in your letter, the Company responds to each of your questions as follows:

1. Yes, the Company considers the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
2. Not applicable
3. The Company first became aware of the Austender Information shortly after 11am on 10 September 2020 when a shareholder telephoned the Company to advise that they had seen a listing on the Australian Government's Austender website which showed a computer services contract had been awarded by the Department of Defence to AR9 in the value of \$4.2m.

At that time, AR9 had previously submitted a proposal for this body of work, but was yet to receive a signed purchase order from the Department of Defence. In that regard, the Company considers - at that time - that the contract had clearly not been secured as there was no signed contract in place.

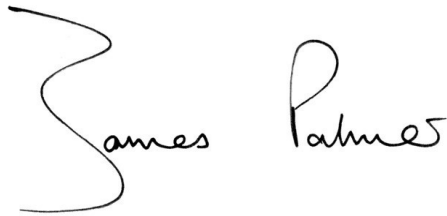
The Company is not aware why the contract was announced on Austender as having been awarded with an effective date of 1 September 2020. For completeness, we note that only Australian Government personnel can post information on AusTender. We have no control on what or when they post such information.

As soon as the Company had verified the information posted on Austender, it requested a pause in trading from the ASX and then formally requested a trading halt pending

release of an announcement regarding the customer contract win. The Company then made immediate contact with the Department of Defence to advise on the situation and obtain a signed purchase order. The relevant approvals were sought and obtained, thus securing the contract win and allowing AR9 to make the formal announcement at 1.59pm AEST on 10 September 2020.

4. Not applicable – see above.
5. The Company confirms it is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. The Company confirms its responses above have been authorised and approved by its Board of Directors.

Yours faithfully



James Palmer

Company Secretary



10 September 2020

Reference: 24201

Mr James Palmer
Company Secretary
archTIS Limited

By email

Dear Mr Palmer

archTIS Limited ('AR9'): General – Aware Query

ASX refers to the following:

- A. The pause in trade of AR9's securities released on ASX's Market Announcements Platform ('MAP') at 11.14 am AEST and the trading request released at 11:48 am AEST pending release of an announcement regarding a material customer contract win.
- B. AR9's announcement entitled "archTIS wins Landmark \$4.2m Australian Department of Defence Joint Capabilities Group Contract" lodged on MAP and released at 3:00 PM AWST on 10 September 2020 (the 'Announcement'), disclosing the entry into a contract with the Australian Department of Defence with a contract value of \$4.2m ('Information').
- C. The Australian Government's Aus Tender website which:
 - (a) includes a Department of Defence computer services contract with a contract value of A\$4.2m;
 - (b) identifies the supplier as being AR9; and
 - (c) appears to have a published date of 1 September 2020.('Aus Tender Information')
- D. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- E. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*

- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- G. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."

Request for information

Having regard to the above, ASX asks AR9 to respond separately to each of the following questions and requests for information:

1. Does AR9 consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. When did AR9 first become aware of the Information? In responding to this question, please specifically comment on the Aus Tender Information which includes a published date of 1 September 2020.
4. If AR9 first became aware of the Information before 10 September 2020, did AR9 make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe AR9 was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AR9 took to ensure that the information was released promptly and without delay.
5. Please confirm that AR9 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that AR9's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AR9 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Tuesday, 15 September 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AR9's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require AR9 to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it

is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in AR9's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AR9's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to AR9's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that AR9's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours faithfully

Daniel Nicholson
Adviser, Listings Compliance (Perth)