Notice of Annual General Meeting

Altium™
Making Electronics Design Easier™

Monday 25 October, 2004

Dear Shareholder,
We would like to invite you, or your representatives, to attend the Annual General Meeting ("AGM") of Altium Limited ("Company"). The AGM will be held at the Westin Hotel, Meeting Room III, Level 3 of the Heritage Conference Centre, No 1 Martin Place Sydney NSW 2000, at 3.30pm on Thursday 25 November 2004.

General business

Financial statements and reports

1. To receive the Financial report of Altium Limited and the reports of the Directors and the Auditor for the financial year ended 30 June 2004.

Election of Directors

2. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
   That Carl J Rooke, a Director retiring from office in accordance with Article 10.3 of the Constitution of the Company, is re-elected as a Director of the Company.
3. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:
   That Nicholas M Martin, a Director retiring from office in accordance with Article 10.3 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:
   That William A Bartee, a Director retiring from office in accordance with Article 10.3 of the Constitution of the Company, is re-elected as a Director of the Company.

Special business

Approval of amendments to the Constitution

5. To consider and, if thought fit, to pass the following resolution as a special resolution:
   That the Constitution of the Company be amended as follows:
   1. Replace all references to "Corporations Law" with "Corporations Act".
   2. Replace all references to "SCH Business Rules" with "ASTC Settlement Rules", replace all references to "SCH" with "ASTC" and insert a new definition in Article 1.1 as follows:
      "ASTC Settlement Rules" means the settlement rules of the ASTC."
      Delete the definition of "SCH Business Rules".
   3. In Article 1 "Preliminary", replace the definition of Managing Director in Article 1.1 with the following:
      "Managing Director or CEO means a person appointed as a Managing Director under Article 12.27."
      and insert the following definitions:
      "Corporations Act" means the Corporations Act 2001 (Cwlth).
      "Related body corporate has the same meaning as under the Corporations Act.
   4. In Article 5 "Transfer of Shares", replace the existing Article 5.9 with:
      "The Company or its authorised representative must retain every instrument of transfer, which is registered for such a period as the Directors determine."
   5. In Article 8 "General meetings", replace the existing Article 8.3 with:
      "The Directors must convene and arrange to hold a general meeting at the request of members under Section 249D if required to do so under the Corporations Act."
   6. In Article 8 "General meetings", replace the existing Article 8.4 with:
      "Notice of a meeting of members must be given in accordance with Article 18 and the Corporations Act."
   7. In Article 8 "General meetings", replace the existing Article 8.10 with:
      "Notice of cancellation or postponement of a general meeting must be given to each member individually and to each other person as is entitled under the Corporations Act or this Constitution in accordance with the Corporations Act."
   8. In Article 9 "Proceedings at general meetings", replace the existing Article 9.4 with:
      "Subject to Article 9.7, three people present in person as either members, proxies, attorneys or representatives are a quorum at a general meeting."
   9. In Article 9 "Proceedings at general meetings", replace the existing Article 9.38 with:

Notice of Annual General Meeting

Approval of amendments to the Constitution (continued)

"An instrument appointing a proxy may not be treated as valid unless the instrument and the power of attorney under which the instrument is signed or, in the case of an unregistered power, a copy of that power or authority certified as a true copy, is or are received by the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote at the registered office or at any other place specified for that purpose in the notice convening the meeting. The 48-hour period may be reduced by authority of the Directors if stated specifically in the Notice of Meeting."

10. In Article 10 "The Directors", replace the existing Article 10.7 with:
    "A person other than:
    (a) a person declared eligible by Article 10.4 or 10.10; or
    (b) a person recommended for election by the Directors,
    is not eligible for election as a Director at a general meeting of the Company unless a consent to nomination signed by the person has been lodged at the registered office at least 30 business days before the general meeting or any other period permitted under the Listing Rules or the Corporations Act or as determined by the Directors."
11. In Article 10 "The Directors", replace the existing Article 10.11 with:
    "In accordance with the Corporations Act, the Company in General Meeting may by resolution remove a Director from office as a Director."
12. In Article 10 "The Directors", replace the existing Articles 10.17 to 10.25 with new Article 10.17:
    "Subject to complying with the Corporations Act regarding disclosure of and voting on matters involving material personal interests, a Director may:
    (a) hold any office or place of profit in the Company, except that of auditor;
    (b) hold any office or place of profit in any other company, body corporate, trust or entity promoted by the Company or in which it has an interest of any kind;
    (c) enter into any contract or arrangement with the Company;
    (d) participate in any association, institution, fund, trust or scheme for past or present employees of the Company or Directors or persons dependent on or connected with them;
    (e) act in a professional capacity (or be a member of a firm which acts in a professional capacity) for the Company, except as auditor;
    (f) participate in, vote on and be counted in a quorum for any meeting, resolution or decision of the Directors and may be present at any meeting where any matter is being considered by the Directors;
    (g) sign or participate in the execution of a document by or on behalf of the Company; and
    (h) do any of the above despite the fiduciary relationship of the Director's office:
        (i) without any liability to account to the Company for any direct or indirect benefit accruing to the Director; and
        (ii) without affecting the validity of any contract or arrangement.
    A reference to the Company in this Article 10.17 is also a reference to each related body corporate of the Company."
13. Renumber existing Article 10.26 as Article 10.18.
14. In Article 21 "Indemnity", replace the existing Article 21.3 with:
    "The Company may pay a premium for a contract insuring a person who is or has been a Director, Secretary or Executive Officer of the Company and its related bodies corporate against liability incurred by the person in that capacity, including a liability for legal costs, unless:
    (a) the Company is forbidden by statute to pay or agree to pay the premium; or
    (b) the contract would, if the Company paid the premium, be made void by statute."

Dated Monday 25 October, 2004
By Order of the Board.

K. Oboudiyat, Company Secretary

Notice of Annual General Meeting

Notes:

1 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 Shareholder Proxy form. 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 member entitled to attend and vote is entitled to 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 member's voting rights. If no such proportion or number is specified, each proxy may exercise half of the member's votes. A proxy need not be a member of the Company.

The Shareholder Proxy form together with the authority (if any) under which it is signed or a notarially certified copy of that authority must be received by the Company at its registered office or by the Company's share register, Computershare Investor Services Pty Ltd (PH: 1300 855 080) no later than 3.30pm Tuesday 23 November 2004.

The completed Shareholder Proxy form may be either:

- mailed to Computershare Investor Services Pty Ltd, GPO Box 4195, Sydney NSW 2001, Australia; or
- faxed to Computershare Investor Services Pty Limited, on +61 2 8235 8220.

2 Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 and Article 9.1 of the Company's Constitution, the time nominated by the Board for the purposes of determining the voting entitlements at the meeting is **7.00pm (AEST) on Tuesday 23 November 2004**.

3 Section 136(2) of the Corporations Act 2001 provides that, to be effective, the resolutions in item 6 of this Notice of Meeting must be passed by at least 75% of the votes cast by members entitled to vote on item 6.

Explanatory notes

Item 1: Financial statements and reports

As required by Section 317 of the Corporations Act 2001 ("Corporations Act"), the Financial report, Directors' report and Auditor's report of Altium Limited ("Company") for the financial year ended 30 June 2004 will be laid before the meeting. There is no requirement for a formal resolution on this item.

Items 2, 3 and 4: Election of Directors

Australian Stock Exchange Limited ("ASX") Listing Rule 14.4 provides that a Director must not hold office (without re-election) past the third Annual General Meeting following the Director's appointment or 3 years, whichever is longer (this does not apply to the Managing Director). Article 10.3 of the Constitution requires that each Director who has held office for two years or more must retire from office.

Article 10.4 of the Constitution provides that a retiring Director holds office until the conclusion of the meeting at which that Director retires but is eligible for re-election.

Carl J Rooke, Nicholas M Martin and William A Bartee retire by rotation under Article 10.3 and offer themselves for re-election.

Candidate information:

Carl J Rooke – FCA FAICD

Carl J Rooke joined the Board of Altium in 1990 and was appointed Chairman in early 1999. Carl is a Fellow of the Institute of Chartered Accountants and the Institute of Company Directors and brings to Altium a history of successful business practice with many years' proven experience in management, accounting and finance.

Nicholas M Martin

Nicholas M Martin founded Altium in 1985 and currently holds the position of Joint CEO and Executive Director, spending most of his time actively involved in leading the product development and brand management areas of the business.

William A Bartee – BS MBA JD

William A Bartee was appointed to the Altium Board as a Non-Executive Director in 1999. William has 16 years experience working in the US venture capital and private equity industries. He is a former Investment Director for Macquarie Technology Ventures.

Item 5: Approval of amendments to the Constitution

A summary of the proposed changes to the Constitution is provided in the table below. A full copy of the Constitution is available from Altium on request.

Summary of proposed changes to the Constitution

Constitution reference	Nature of amendment
1. Global change to Constitution – "Corporations Law" to be replaced with "Corporations Act".	In July 2001, the Corporations Act 2001 (Cwlth) commenced operation as a national act throughout all states and territories of Australia. The proposed amendments reflect this change.
2. Global change to Constitution – "SCH Business Rules" to be replaced with "ASTC Settlement Rules"; inclusion of definition of "ASTC" and deletion of definition of "SCH Business Rules".	On 11 March 2004, the SCH Business Rules were replaced by the ASTC Settlement Rules. The proposed amendments reflect this change.
3. Definitions	To reflect Altium organisational structure and the inclusion in the Constitution of the term "related bodies corporate" by the amendments proposed in this Notice of Meeting.

Explanatory notes

Constitution reference	Nature of amendment
4. Article 5.9	To reflect the use of a share registry to retain this documentation.
5. Article 8.3	To allow for restrictive provisions in the Corporations Act.
6. Article 8.4	To allow for flexibility with regards to future amendments and changes to the Corporations Act.
7. Article 8.10	To allow for flexibility with regards to future amendments and changes to the Corporations Act.
8. Article 9.4	To clarify the number of persons required to be present in person to constitute a quorum.
9. Article 9.39	To incorporate flexibility provided for under the Corporations Act in relation to cut-off periods for receipt of proxies.
10. Article 10.7	To allow for flexibility regarding current and future amendments and updates to the Corporations Act.
11. Article 10.11	To allow for flexibility regarding current and future amendments and updates to the Corporations Act.
12. Articles 10.17 – 10.25	To reflect changes to the Corporations Act and to allow for flexibility regarding current and future amendments and updates to the Corporations Act. The current Articles were drafted to reflect provisions of the Corporations Law relating to Directors' interests. Those provisions have been substantially altered and simplified by the corresponding provisions of the Corporations Act. The new Article reflects the current law.
13. Article 21.3	To allow for flexibility regarding current and future amendments and updates to the Corporations Act.