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Techniche Limited (ABN 83 010 506 162) and its Controlled Entities
Ground Floor, 143 Coronation Drive, Milton, Brisbane QLD

22 October 2020

Request for removal from ASX official list

Techniche Limited (**the Company**) has submitted a formal request to the Australian Securities Exchange (**ASX**) that the Company be removed from the ASX official list. This would mean that the Company's shares would no longer be quoted on the ASX. ASX has approved the Company's request and resolved to remove the Company from the ASX official list, subject to the satisfaction of the conditions set out in Annexure A.

The Company's reason for seeking removal from the ASX official list is that the Company's Directors believe that the Company and its shareholders do not benefit from being publicly listed for the following reasons:

- the price of the Company's shares is consistently and materially lower than the underlying value of the Company;
- this limits the ability of the Company if it wishes to raise funds as the current valuation would have a material dilutionary impact on Shareholders;
- low liquidity levels in trading of the Company's shares has resulted in limited trading opportunities for Shareholders; and
- removal from the ASX official list will allow the Company's board and management to reset the Company valuation and will open up the potential for alternate private market valuations, funding alternatives and strategic transactions as the Company executes on its business strategy.

The consequences for the Company and its shareholders if the Company is removed from ASX official list include:

- the Company's shares will no longer be quoted on ASX and will no longer be traded on the ASX;
- the Company's shares will only be capable of sale via off-market private transactions which will require the Company's shareholders to identify and agree terms with potential purchasers of the Company's shares;
- the Company will no longer be able to raise capital from the issue of securities by means of limited disclosure fundraising documents;
- for as long as the Company has at least 50 members the Company will remain subject to the "takeovers" provisions of the *Corporations Act*;
- for as long as the Company has at least 100 members it will be classed as an "unlisted disclosing entity" under the *Corporations Act* and therefore be subject to the "continuous disclosure" provisions of the *Corporations Act* which are substantially the same as those imposed under ASX Listing Rule 3.1; and
- a reduction of obligations associated with a listing on ASX, which may include relief from some reporting and disclosure requirements, removal of restrictions on the issue of shares by the Company and requirements concerning significant changes to the Company's activities; and
- the *ASX Corporate Governance Principles and Recommendations* will no longer be applicable to the Company.

Prior to the Company's removal from the ASX official list the Company will conduct an on-market share buyback in order to possibly assist those of the Company's shareholders wishing to sell their shares in the Company due to the possible removal of the Company from the official list of the ASX.

The proposed removal from the ASX official list is subject to shareholder approval (as a special resolution at the Company's annual general meeting scheduled to be held on 26 November 2020). Further details relating to the proposed removal from the ASX official list will be included in the Notice of Meeting which will be despatched to the Company's shareholders in due course. All shareholders will be entitled to vote on the resolution.

The proposed timetable for the removal of the Company from the ASX official list is as follows:

Event	Date
2020 AGM	26 November 2020
Suspension Date (date on which Shares are suspended from trading on ASX)	25 January 2021
Delisting Date (date on which Delisting is expected to take effect)	1 February 2021

If a shareholder of the Company considers the proposed delisting to be contrary to the interests of the shareholders of the Company as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a shareholder or shareholders the shareholder may apply to the Court for an order under Part 2F.1 of the *Corporations Act*. Under section 233 of the *Corporations Act* the Court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

If a shareholder of the Company considers the proposed delisting involves "unacceptable circumstances" the shareholder may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the *Corporations Act*. Under section 657D of the *Corporations Act*, if the Takeovers Panel has declared circumstances to be unacceptable it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

This announcement is authorised by the Board.

About Techniche

Techniche (ASX: TCN) is a niche global software house with many Fortune 100 clients using our asset & network management applications. With offices and teams in the 3 regions of EMEA, APAC and the North America, our focus is to continue to grow revenues with our current products while developing a new platform to address the emerging need to manage the increasing range of IP enabled operational assets (IoT) on a network, particularly in light industry, where asset reliability and availability is critical. Techniche has two existing product lines known as Statseeker and Urgent.

Contact

To learn more about Techniche or about this Market Release please visit our website https://technichegroup.com/ or contact;
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ASX

22 October 2020

Mr John Lemon
Company Secretary
Techniche Limited

By email:

Dear Mr Lemon

Techniche Limited ('TCN'): Removal Request Decision

I refer to your letter dated 21 October 2020 formally applying for the removal of TCN from the official list of ASX Limited ('ASX').

ASX's formal decision is as follows:

Decision

1. *Based solely on the information provided, ASX Limited ('ASX') resolves to remove Techniche Limited ('TCN') from the official list of ASX pursuant to Listing Rule 17.11, on a date to be decided in consultation with the Company, subject to compliance with the following conditions:*

   1.1. *TCN's removal from the official list of ASX is approved by a special resolution of ordinary shareholders of the Company.*

   1.2. *The notice of meeting seeking shareholder approval for the TCN's removal from the official list must include a statement, in form and substance, satisfactory to ASX, setting out:*

      1.2.1. *That the removal will take place no earlier than one month after approval is granted;*

      1.2.2. *The time and date at which the Company will be removed from the ASX if that approval is given; and*

      1.2.3. *That if shareholders wish to sell their shares on ASX, they will need to do so before TCN is removed from the official list of ASX; and if they do not, details of the processes that will exist after the Company is removed from the official list to allow shareholders to dispose of their holdings and how they can access those processes.*

   1.3. *TCN releases the full terms of this decision to the market immediately.*

2. *ASX has considered Listing Rule 17.11 only and makes no statement as to TCN's compliance with other listing rules*

Basis for Decision

Listing Rule 17.11

3. *ASX may remove an entity from the official list of ASX at the request of an entity. Removal from the official list at an entity's request recognises that remaining listed may no longer be suitable for a listed entity at a particular stage in its existence. There is no requirement for ASX to act on the request. ASX's power not to agree to requests for delisting enables it to ensure that delisting is not sought for inappropriate reasons or conducted in a way that is clearly harmful to the market or to security holders' legitimate interests. ASX may impose conditions on granting the request. The power to impose conditions enables ASX to ensure that an orderly market is maintained in the period leading up to the delisting, and that the listed entity makes appropriate arrangements in connection with its delisting. These conditions may include: (i) seeking security holder approval for delisting; (ii) giving advanced notice of an amount of time which is adequate to the*

particular circumstances; or (iii) providing alternative arrangements for security holders to exit their investment before or after delisting.

Facts/Reasons for providing the Decision

4. *The circumstances faced by TCN are those to which section 2.7 of Guidance Note 33 applies. TCN's directors, having regard to factors including, but not limited to TCN's concentrated shareholdings and inability to maintain a sufficient spread for an orderly and liquid market, have formed the view that it is no longer in the interests of TCN and its security holders for TCN to remain listed on ASX. Where an entity requests removal from the official list of ASX and its ordinary securities are not readily able to be traded on another exchange, ASX will usually require the entity to obtain security holder approval for removal from the official list and that the removal does not take place any earlier than one month after security holder approval has been obtained. An exception to these conditions are certain circumstances where the entity has been the subject of a successful takeover bid for its ordinary securities, however this exception does not apply in TCN's case. The standard conditions will therefore be enforced in these circumstances to ensure that the interests of security holders as a group are addressed, and that all security holders have an opportunity to express a view on whether or not the entity should be removed from the official list. In order to provide shareholders with the opportunity to sell their shares in TCN prior to its delisting, TCN will provide shareholders at least one month from the delisting approval being obtained to sell their shares on-market prior to being delisted. Further, the standard conditions will in effect be imposed as a safeguard to minority security holders so that they are not denied a market for their securities*

Conditions of Decision

ASX's Decision is subject to the conditions outlined above. Under Listing Rule 18.1, these conditions must be complied with for the decision to be effective.

ASX's power to vary or revoke decision

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke the waiver(s) at any time.

Further, the requirement for the notice of meeting seeking approval of security holders to TCN's removal from the official list, must also (in form and substance satisfactory to ASX) include information that addresses the bullet points in section 2.11 of ASX Guidance Note 33.

If you have any further enquiries in relation to this matter, please do not hesitate to contact me.

Regards

Ivan Tatkovich
Adviser, Listings Compliance (Sydney)