



decimal

Decimal Software Limited

ACN 009 235 956

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

19 January 2016

Time of Meeting

10 am WST

Place of Meeting

The Hay Room BDO, 38 Station Street, Subiaco, WA, 6008

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Decimal Software Limited

ACN 009 235 956

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Decimal Software Limited ACN 009 235 956 (Company) will be held at The Hay Room BDO, 38 Station Street, Subiaco, WA, 6008 on 19 January 2016 at 10am (WST) for the purpose of transacting the following business referred to in this Notice of General Meeting.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

AGENDA

Resolutions

Resolution 1 – Election of Gary Cox as a Director

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, Mr Gary Cox, having been appointed as a Director on 1 December 2015 in accordance with article 6.2(b) of the Constitution, retires under article 6.3(i) of the Constitution, and being eligible, is re-elected as a Director of the Company."

Details of Gary Cox are set out in the Explanatory Memorandum.

Resolution 2 – Election of Nic Pollock as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of article 6.2(c) of the Constitution, Mr Nic Pollock is elected as a Director of the Company effective from 31 January 2016."

Details of Nic Pollock are set out in the Explanatory Memorandum.

Resolution 3 – Ratification of Tranche 1 Placement Shares

To consider and, if thought fit to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 26,000,000 Shares to professional and sophisticated investors on 3 December 2015 under the Placement, on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue of the Tranche 1 Placement Shares or any of their Associates. However, the Company need not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4 – Approval of issue of Tranche 2 Placement Shares

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 24,000,000 Shares to professional and sophisticated investors under the Placement on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 4 by a person who may participate in the issue of the Tranche 2 Placement Shares, and Associates of those persons, and persons who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 4 is passed, and Associates of those persons. However, the Company will not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Approval of grant of Options to Nic Pollock

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 4,000,000 Options to Nic Pollock (or his nominee(s)) under the Company’s Equity Incentive Plan (EIP) on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by Mr Nic Pollock and any of his Associates. However, the Company will not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting prohibition: In accordance with the Corporations Act, a vote on Resolution 5 must not be cast by a person appointed as a proxy if:

- (a) the proxy is either:
 - i. a member of the Key Management Personnel; or
 - ii. a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 5.

However, this prohibition will not apply if:

- the Proxy Form specifies how the proxy is to vote on Resolution 5; or
- the proxy is the Chair, who may vote on Resolution 5 in accordance with the express authorisation on the Proxy Form.

In addition, a vote on Resolution 5 must not be cast (in any capacity) by or on behalf of Mr Pollock or any of his Associates. However, this prohibition does not apply if:

- the vote is cast by a person as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 5; and
- the vote is not cast on behalf of Mr Pollock, his Associates or any of his related parties.

Resolution 6 – Approval of grant of Options to Jan Kolbusz

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 2,500,000 Options to Jan Kolbusz (or his nominee(s)) under the Company’s EIP on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by any Director who is eligible to participate in the Equity Incentive Plan and any Associate of such a Director. However, the Company will not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting prohibition: In accordance with the Corporations Act, a vote on Resolution 6 must not be cast by a person appointed as a proxy if:

- (a) the proxy is either:
- i. a member of the Key Management Personnel; or
 - ii. a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 6.

However, this prohibition will not apply if:

- the Proxy Form specifies how the proxy is to vote on Resolution 6; or
- the proxy is the Chair, who may vote on Resolution 6 in accordance with the express authorisation on the Proxy Form.

In addition, a vote on Resolution 6 must not be cast (in any capacity) by or on behalf of Mr Kolbusz or any of his Associates. However, this prohibition does not apply if:

- the vote is cast by a person as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 6; and
- the vote is not cast on behalf of Mr Kolbusz, his Associates or any of his related parties.

Resolution 7 – Approval of grant of Options to Robert Kirtlan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 500,000 Options to Robert Kirtlan (or his nominee(s)) on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by Rob Kirtlan and his Associates. However, the Company will not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting prohibition: In accordance with the Corporations Act, a vote on Resolution 7 must not be cast by a person appointed as a proxy if:

- (a) the proxy is either:
- i. a member of the Key Management Personnel; or
 - ii. a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 7.

However, this prohibition will not apply if:

- the Proxy Form specifies how the proxy is to vote on Resolution 7; or
- the proxy is the Chair, who may vote on Resolution 7 in accordance with the express authorisation on the Proxy Form.

In addition, a vote on Resolution 7 must not be cast (in any capacity) by or on behalf of Mr Kirtlan or any of his Associates. However, this prohibition does not apply if:

- the vote is cast by a person as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 7; and
- the vote is not cast on behalf of Mr Kirtlan, his Associates or any of his related parties.

Resolution 8 – Approval of grant of Options to Gary Cox

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11, Chapter 2E of the Corporations Act, and for all other purposes, Shareholders approve the grant of 500,000 Options to Gary Cox (or his nominee(s)) on the terms and conditions in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on Resolution 8 by Gary Cox and his Associates. However, the Company will not disregard a vote if the vote is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting prohibition: In accordance with the Corporations Act, a vote on Resolution 8 must not be cast by a person appointed as a proxy if:

- (a) the proxy is either:
 - i. a member of the Key Management Personnel; or
 - ii. a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 8.

However, this prohibition will not apply if:

- the Proxy Form specifies how the proxy is to vote on Resolution 8; or
- the proxy is the Chair, who may vote on Resolution 8 in accordance with the express authorisation on the Proxy Form.

In addition, a vote on Resolution 8 must not be cast (in any capacity) by or on behalf of Mr Cox or any of his Associates. However, this prohibition does not apply if:

- the vote is cast by a person as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 8; and
- the vote is not cast on behalf of Mr Cox, his Associates or any of his related parties.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board of Decimal Software Limited



Stef Weber
Company Secretary

Dated: 9 December 2015

Instructions on how to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of a power of attorney, or the original power of attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on the Resolutions, if the proxy is the

Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- To be effective, proxies must be lodged by 10am (WST time) on 17 January 2016. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed Proxy Form in person or by post to the Company at Unit 1, 174 Hampden Road, Nedlands, WA 6009; or
 - by faxing a completed Proxy Form to the Company on facsimile number +61 2 8047 8616; or
 - by email to finance@decimal.com.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10am (WST time) on 17 January 2016. If facsimile transmission is used, the Power of Attorney must be certified. Please mark them to the attention of the Company Secretary.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4:00pm (WST) on 17 January 2016.

Enquiries

Shareholders are asked to contact the Company Secretary, Mr Stef Weber, on 1300 220 799 if they have any queries in respect of the matters set out in these documents.

Decimal Software Limited

ACN 009 235 956

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

RESOLUTION 1 – Election of Gary Cox as a Director

As announced by the Company on 26 November 2015, Mr Gary Cox was appointed as a Director on 1 December 2015 under article 6.2(b) of the Constitution to fill a casual vacancy. Pursuant to article 6.3(i) of the Company's Constitution, Mr Cox retires and, being eligible, offers himself for re-election as a Director.

Mr Cox has had a highly successful and diverse career in business. He has had substantial experience in the IT sector, particularly in building his own IT recruitment business which was ultimately sold to one of the world's largest IT recruitment firms, Adecco. During his time in this business Mr Cox gained considerable insight into the IT sector and brings experience in structure, costs and revenue models relevant to the IT industry. He was General Manager for Optus in WA and oversaw its successful start-up and launch for four years. More recently he has built a successful business which he is in the process of divesting.

The Board (other than Mr Gary Cox) unanimously recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 – Election of Nic Pollock as a Director

As announced on 19 November 2015, the Company appointed Nic Pollock as Chief Executive Officer effective 23 November 2015. On 26 November 2015, the Company announced that it proposes to appoint Mr Pollock as a Director effective 31 January 2016.

Article 6.2(c) of the Company's Constitution allows Shareholders to approve new Directors of the Company. Accordingly, Resolution 2 asks Shareholders to approve Mr Pollock's appointment as Director effective 31 January 2016.

Mr Pollock is an accomplished technology executive who has been operating in the enterprise software and professional services market at senior levels for over 20 years. Commencing in banking technologies for Natwest in London, he then moved quickly to regional and global leadership roles. During this period, he worked with enterprise software leader Oracle and was also Managing Director, Asia Pacific with Gemcom, the world's biggest supplier of resources industry planning and scheduling software. Mr Pollock also has experience leading and consulting to emerging technology businesses through to commercialisation and rapidly growing sales.

The Board unanimously recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – Ratification of Tranche 1 Placement Shares

3.1 Background to the Placement

As announced on 26 November 2015, the Company has agreed to issue 50,000,000 Shares to sophisticated and professional investors at 7 cents per Share to raise A\$3,500,000 before costs (**Placement**). The proceeds from the Placement will be used to focus the Company's strategy to bring its robo advice strategy to market and for working capital purposes. The Placement has two tranches, namely:

- **Tranche 1** – the issue of 26,000,000 Shares to sophisticated and professional investors under ASX Listing Rule 7.1 (which is the subject of Resolution 3) (**Tranche 1 Placement Shares**); and

- **Tranche 2** – the issue of 24,000,000 Shares to sophisticated and professional investors which is subject to Shareholder approval under Resolution 4 (**Tranche 2 Placement Shares**).

The Tranche 1 Placement Shares were issued on 3 December 2015. Resolution 3 seeks the approval of Shareholders to the issue of the Tranche 1 Placement Shares for the purposes of Listing Rule 7.4 so that the issue of these Tranche 1 Placement Shares does not count towards the Company's ability to issue up to 15% of its securities without the approval of its Shareholders under Listing Rule 7.1.

The issue of the Tranche 2 Placement Shares require Shareholder approval, which is the subject of Resolution 4.

3.2 Requirement for Shareholder approval to ratify the Tranche 1 Placement Shares

Under Listing Rule 7.1, the Company must not issue or agree to issue equity securities which amount to more than 15% of its issued share capital in any 12 month period, unless the issue of equity securities has been approved by Shareholders.

ASX Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to ensure that any Share issues that have been ratified by Shareholders do not count towards determining the number of Shares that are able to be issued by the Company under ASX Listing Rule 7.1 without requiring prior Shareholder approval to be obtained.

Accordingly, Resolution 3 seeks to ratify the issue of the 26,000,000 Tranche 1 Placement Shares at 7 cents per Share to sophisticated and professional investors. The Company confirms that the issue and allotment of the Tranche 1 Placement Shares did not breach ASX Listing Rule 7.1. The Company also confirms that the sophisticated and professional investors who participated in Tranche 1 of the Placement are not related parties of the Company.

3.3 Details of the Tranche 1 Placement Shares required in accordance with Listing Rule 7.5

Total number of Shares the subject of Tranche 1 of the Placement	26,000,000 fully paid ordinary shares in the capital of the Company.
Issue price of each Share	7 cents per Share.
Terms of the issue	The Shares issued rank equally with all other fully paid Shares on issue in the Company.
Allottees	Sophisticated and professional investors to whom an offer may be made without disclosure pursuant to section 708(8), (10), or (11) of the Corporations Act.
Use or intended use of the funds raised	The proceeds from the issue of the Tranche 1 Placement Shares will be used to focus the Company's strategy to bring its robo advice strategy to market and for working capital purposes.
Voting exclusion statement	A voting exclusion statement for Resolution 3 is included in the Notice.

3.4 Directors' recommendation

The Board unanimously recommends Shareholders vote in favour of Resolution 3.

The Chair intends to vote undirected proxies in favour of Resolution 3.

RESOLUTION 4 – Approval of issue of Tranche 2 Placement Shares

4.1 Background

As indicated above, Listing Rule 7.1 prohibits the Company from issuing or agreeing to issue equity securities which amount to more than 15% of its issued share capital in any 12 month period unless the issue of equity securities has been approved by Shareholders. The proposed issue of the Tranche 2 Placement Shares exceeds this 15% limitation, such that the issue of the Tranche 2 Placement Shares is being made subject to the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 4 seeks the approval of the issue of the Tranche 2 Placement Shares under Listing Rule 7.1. The Company confirms that the sophisticated and professional investors who are to participate in Tranche 2 of the Placement are not related parties of the Company.

4.2 Details of the proposed issue of the Tranche 2 Placement Shares required in accordance with Listing Rule 7.3

Maximum number of securities	24,000,000 fully paid ordinary shares in the capital of the Company.
Date of issue	If Resolution 4 is approved, it is anticipated that the Company will issue and allot all of the Tranche 2 Placement Shares on the same day, which is expected to occur as soon as practicable following the receipt of Shareholder approval, but in any event within three months of the date of receipt of the Shareholder approval (or such later date as permitted by ASX waiver or modification of the Listing Rules).
Issue price of each security	7 cents per Share.
Proposed allottees	Sophisticated and professional investors to whom an offer may be made without disclosure pursuant to section 708(8), (10), or (11) of the Corporations Act and to whom ASX Listing Rule 10.11 does not apply.
Terms of the issue	The Shares to be issued will rank equally with all other fully paid Shares on issue in the Company.
Use or intended use of the funds raised	The proceeds from the placement will be used to focus the Company's strategy to bring its robo advice strategy to market and for working capital purposes.
Voting exclusion statement	A voting exclusion statement for Resolution 4 is included in the Notice.

4.3 Directors' recommendation

The Board unanimously recommends Shareholders vote in favour of Resolution 4.

The Chairman intends to vote undirected proxies in favour of Resolution 4.

RESOLUTION 5 – Approval of grant of Options to Nic Pollock

5.1 Background

As announced on 19 November 2015, the Company proposes to issue Options to Mr Nic Pollock (the Chief Executive Officer of the Company) (or his nominee(s)) as part of his remuneration package under the EIP (a copy of the EIP is attached to the Company's 2014 notice of annual general meeting).

As the primary purpose of the grant of the Options to Mr Pollock is to motivate and reward his performance in his role as Chief Executive Officer and not to raise capital, the Board considers the grant of Options to Mr Pollock to be reasonable. In addition, the experience and expert knowledge of Mr Pollock will be important at this critical time in driving the commercialisation of the Company to the next level. Having considered the alternatives to an issue of Options (such as a higher cash-based component of remuneration), the Board considers that the grant of the Options is an effective way to remunerate Mr Pollock for his services as the Options provided to Mr Pollock preserves the Company's cash resources.

Listing Rule 10.11 requires Shareholder approval for the issue of securities (including Options) to a related party of the Company. As it is intended for Mr Pollock to be appointed to the Board on 31 January 2016, Mr Pollock is a related party of the Company under section 228(6) of the Corporations Act. Accordingly, Resolution 5 seeks Shareholder approval for the grant of Options to Mr Pollock pursuant to Listing Rule 10.11.

Further, Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either the giving of the financial benefit falls within one of the nominated exceptions or shareholder approval is obtained prior to the giving of the financial benefit. As described above, Mr Pollock is a related party of the Company under section 228(6) of the Corporations Act.

One of the exceptions to the requirement to obtain shareholder approval in accordance with Chapter 2E of the Corporations Act applies where the financial benefit constitutes part of the related party's "reasonable remuneration". The Board considers that the issue of the Options constitutes part of Mr Pollock's reasonable remuneration, however it believes it prudent to obtain Shareholder approval for this purpose. Accordingly, Resolution 5 also seeks Shareholder approval of the grant of Options to Mr Pollock in accordance with Chapter 2E of the Corporations Act.

5.2 Information required for the purposes of Listing Rule 10.13

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided for the purposes of obtaining Shareholder approval for Resolution 5:

Name of person receiving securities	The Options are proposed to be granted to Mr Nic Pollock, the Company's Chief Executive Officer (and proposed Director subject to Resolution 2), or his nominee(s).
Maximum number of securities to be issued	The maximum number of Options (being the nature of the financial benefit being provided) to be granted to Mr Pollock is 4,000,000.
Date of issue	The Options will be granted to Mr Pollock (or his nominee(s)) no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated all Options will be issued together on one date.
Issue price	The Options will be granted to Mr Pollock for nil cash consideration.
Use of funds	No funds will be raised by the grant of the Options to Mr Pollock. Any funds raised from the exercise of the Options will be used to focus the Company's strategy to bring its robo advice strategy to market and for general working capital requirements.

Terms of Options The terms and conditions of the Options are set out in the EIP and his letter of offer and are summarised in Annexure A of the Explanatory Statement. In particular, the Options will be issued in three tranches on terms set out in the table below:

Tranche	Number of Options	Vesting Date	Expiry Date	Exercise Price
1	1,333,333	23 November 2016	23 November 2018	\$0.18
2	1,333,333	23 November 2017	23 November 2019	\$0.35
3	1,333,334	23 November 2018	23 November 2020	\$0.60

Voting exclusion statement A voting exclusion statement in respect of Resolution 5 is included in the Notice of Meeting.

No loans will be made by the Company in connection with the acquisition of the Options by Mr Pollock. The current EIP was approved at the Company's 2014 annual general meeting. As at the date of the Meeting, 1.5 million Options have been granted to Mr Kolbusz under Listing Rule 10.14 for nil consideration.

5.3 Information required for the purposes of Chapter 2E of the Corporations Act

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolution 5:

- (a) as it is intended for Mr Pollock to be appointed a Director of the Company, Mr Pollock is a related party of the Company;
- (b) the maximum number of Options (being the nature of the financial benefit being provided) to be granted to Mr Pollock is 4,000,000;
- (c) the terms and conditions of the Options are set out in the terms of the EIP and his letter of offer and are summarised in Annexure A. In particular, the Options will be issued in three tranches on terms set out in the table above;
- (d) the value of the Options the subject of Resolution 5 and their pricing methodology is set out in Annexure B;
- (e) Mr Pollock commenced as Chief Executive Officer on 23 November 2015, with an annual cash remuneration of \$200,000 per annum plus superannuation contributions;
- (f) Mr Pollock currently holds no Shares or Options in the Company;
- (g) if the Options are granted to Mr Pollock, the total number of unlisted Options on issue will increase from 8,833,343 to 12,833,343. If the Options the subject of Resolution 5 are exercised, a total of 4,000,000 Shares would be issued. Based on the issued capital of the Company as at the last practicable date before finalising this document, this would increase the number of Shares on issue from 205,498,524 to 209,598,524 with the effect that the shareholding of existing Shareholders would be diluted by 1.91%; and
- (h) the Directors do not have any interests in the outcome of Resolution 5 for the purposes of section 219(1)(d) of the Corporations Act, other than in their capacity as Shareholders.

Further information required for the purposes of Chapter 2E of the Corporations Act is set out in section 8 below.

5.4 ASX Listing Rule 7.1

If Shareholders approve an issue of securities under Listing Rule 10.11, Listing Rule 7.2 (Exception 14) provides that separate approval is not required to the issue of those securities. Accordingly, if Resolution 5 is approved, the issue of Options will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of Listing Rule 7.1.

5.5 Directors' recommendation

In view of their interests in the outcome of Resolutions 6-8, Rob Kirtlan, Gary Cox and Jan Kolbusz decline to make a recommendation to Shareholders in relation to Resolution 5 so as to avoid any perceived conflict of interest in making a recommendation on the issue of Options to Mr Pollock.

Michael Sertorio, the Company's only remaining Director, having considered the alternatives to an issue of Options to Mr Pollock (such as a higher cash-based component of remuneration), believes that the grant of Options to Mr Pollock are reasonable and appropriate and constitute an important component in his remuneration package and recommends Shareholders vote in favour of Resolution 5.

The Chair intends to vote undirected proxies in favour of Resolution 5.

5.6 Other information

There are no material opportunity costs to the Company, no taxation consequences to the Company and no material benefits foregone by the Company in issuing the Options.

The Directors are not aware of any information other than that set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolution 5.

RESOLUTION 6 – Approval of grant of Options to Jan Kolbusz

6.1 Background

The Company proposes to issue Options to Mr Jan Kolbusz (or his nominee(s)) under the EIP. As a Director, Mr Kolbusz is a related party of the Company.

The grant of Options is in recognition of Mr Kolbusz' contribution to the Company's development to date and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership.

The Board considers that Mr Kolbusz' experience in the technology industry will greatly assist the Company in achieving its strategy and objectives. Under the Company's current circumstances, the Directors consider (in the absence of Mr Kolbusz) that the incentives intended for Mr Kolbusz represented by the grant of these Options are a cost effective and efficient means for the Company to provide a reward and an incentive.

The proposed grant of Options to Mr Kolbusz will be subject to the terms of the EIP, a copy of which is available online attached to the Company's 2014 notice of annual general meeting.

Listing Rule 10.14 requires Shareholder approval for the issue of securities (including Options) to a Director (or their Associate) of the Company under its Equity Incentive Plan. Accordingly, Resolution 6 seeks Shareholder approval for the grant of Options to Mr Kolbusz pursuant to Listing Rule 10.14.

Further, Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either the giving of the financial benefit falls within one of the nominated exceptions or shareholder approval is obtained prior to the giving of the financial benefit.

One of the exceptions to the requirement to obtain shareholder approval in accordance with Chapter 2E of the Corporations Act applies where the financial benefit constitutes part of the related party's "reasonable remuneration". The Board considers that the issue of the Options constitutes part of Mr Kolbusz' reasonable remuneration, however it believes it prudent to obtain Shareholder approval for this purpose. Accordingly, Resolution 6 also seeks Shareholder approval of the grant of Options to Mr Kolbusz in accordance with Chapter 2E of the Corporations Act.

6.2 Information required for the purposes of Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided for the purposes of obtaining Shareholder approval for Resolution 6:

Name of person receiving securities	The Options are proposed to be granted to Mr Jan Kolbusz, Executive Director Strategy and Innovation, or his nominee(s).
Maximum number of securities to be issued	The maximum number of Options (being the nature of the financial benefit being provided) to be granted to Mr Kolbusz is 2,500,000.
Date of issue	The Options will be granted to Mr Kolbusz (or his nominee(s)) as soon as practicable following receipt of Shareholder approval, and in any event no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated all Options will be issued together on one date.
Issue price	The Options will be granted to Mr Kolbusz for nil cash consideration.
Terms of Options	The terms and conditions of the Options are set out in the EIP and in Mr Kolbusz' offer letter and are summarised in Annexure A of the Explanatory Statement. In particular, the Options will be issued with the exercise price being the price that is 150% of the volume weighted average price of Shares on ASX over the previous 15 trading days before the date of the Meeting and the expiry date being the date three years after issue. The Options will vest on issue.
Names of all persons who received securities under the Equity Incentive Plan	The current Equity Incentive Plan was approved at the Company's 2014 annual general meeting. As at the date of the Meeting, 1.5 million Options have been granted to Mr Kolbusz under Listing Rule 10.14 for nil consideration.
Names of all Directors (and their Associates) entitled to participate in the Equity Incentive Plan	Executive Directors are the only Directors currently eligible to participate in the Equity Incentive Plan.
Loans	No loans will be made by the Company in connection with the acquisition of the Options by Mr Kolbusz.
Voting exclusion statement	A voting exclusion statement in respect of Resolution 6 is included in the Notice of Meeting.

6.3 Information required for the purposes of Chapter 2E of the Corporations Act

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolution 6:

- (a) as a Director of the Company, Mr Kolbusz is a related party of the Company;
- (b) the maximum number of Options (being the nature of the financial benefit being provided) to be granted to Mr Kolbusz is 2,500,000;
- (c) the terms and conditions of the Options are set out in the EIP and Mr Kolbusz' offer letter and are summarised in Annexure A. In particular, the Options will be issued with the exercise price being the price that is 150% of the volume weighted average price of Shares on the ASX over the previous 15 trading days before the Meeting and the expiry date being the date three years after issue, and the Options will vest on issue;

- (d) the value of the Options the subject of Resolution 6 and their pricing methodology is set out in Annexure B;
- (e) in the financial year ended 30 June 2015 Mr Kolbusz received cash remuneration of \$300,000 (excluding superannuation contributions) plus \$46,991 in post-employment benefits, long service leave entitlements and Share-based payments. As at 30 November 2015 Mr Kolbusz has received \$112,500 cash remuneration in the current financial year;
- (f) Mr Kolbusz holds 11,871,032 Shares and 1,500,000 Options in the Company;
- (g) if the Options are granted to Mr Kolbusz, the total number of unlisted Options on issue will increase from 8,833,343 to 11,333,343. If these Options the subject of Resolution 6 are exercised, a total of 2,500,000 Shares would be issued. Based on the issued capital of the Company as at the last practicable date before finalising this document, this would increase the number of Shares on issue from 205,498,524 to 207,998,524 with the effect that the shareholding of existing Shareholders would be diluted by 1.20%; and
- (h) other than Mr Kolbusz, the Directors do not have any interests in the outcome of Resolution 6 for the purposes of section 219(1)(d) of the Corporations Act, other than in their capacity as Shareholders.

Further information required for the purposes of Chapter 2E of the Corporations Act is set out in section 8 below.

6.4 ASX Listing Rule 7.1

If Shareholders approve an issue of securities under Listing Rule 10.14, Listing Rule 7.2 (Exception 14) provides that separate approval is not required to the issue of those securities. Accordingly, if Resolution 6 is approved, the issue of Options will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of Listing Rule 7.1.

6.5 Directors' recommendation

In view of their interests in the outcome of Resolutions 7 and 8, Rob Kirtlan and Gary Cox decline to make a recommendation to Shareholders in relation to Resolution 6 so as to avoid any perceived conflict of interest in making a recommendation on the issue of Options to Mr Kolbusz.

Michael Sertorio, the Company's only remaining Director, having considered the alternatives to an issue of Options to Mr Kolbusz (such as a higher cash-based component of remuneration), believes that the grant of Options to Mr Kolbusz are reasonable and appropriate and constitute an important component in his remuneration package and recommends Shareholders vote in favour of Resolution 6.

The Chair intends to vote undirected proxies in favour of Resolution 6.

6.6 Other information

There are no material opportunity costs to the Company, no taxation consequences to the Company and no material benefits foregone by the Company in issuing the Options.

The Directors are not aware of any information other than that set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolution 6.

RESOLUTIONS 7 AND 8 – Approval of grant of Options to Robert Kirtlan and Gary Cox

7.1 Background

The Company proposes to issue Options to Mr Robert Kirtlan and Mr Gary Cox (or their nominee(s)). As the Company's Non-Executive Directors, Mr Rob Kirtlan and Mr Gary Cox are related parties of the Company.

The Board acknowledges the grant of Options to the Non-Executive Directors is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, at this important stage of the

Company's development the Non-Executive Directors have a high workload and bring significant expertise and connections to the Company.

Having considered these factors, the Board (excluding Mr Kirtlan and Mr Cox) considers this issue of Options to Mr Kirtlan and Mr Cox will encourage productivity, enhance loyalty and provide an incentive for future performance whilst preserving the Company's cash resources. In determining the number, value and terms of the Options to be granted, the Board took into account:

- the experience and expert knowledge of both Mr Kirtlan and Mr Cox;
- Mr Kirtlan and Mr Cox's existing remuneration packages (details of which are set out below);
- what it considered to be an appropriate assessment of the overall reasonable remuneration for a non-executive director of the Board for an organisation of the Company's size and geographical location; and
- the alternatives to an issue of Options (such as a higher cash-based component of remuneration); and
- the significant contribution that Mr Kirtlan and Mr Cox are likely to have to the Company's success.

Listing Rule 10.11 requires Shareholder approval for the issue of securities (including Options) to a related party of the Company. Accordingly, Resolutions 7 and 8 seek Shareholder approval for the grant of Options to Mr Kirtlan and Mr Cox respectively pursuant to Listing Rule 10.11.

As described above, Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company. Again, the Board (other than Mr Kirtlan and Mr Cox who are not able to make a recommendation due to their own interest in the Resolutions) considers that the issue of the Options constitutes part of Mr Kirtlan and Mr Cox's reasonable remuneration, however it considers it prudent to obtain Shareholder approval for this purpose. Accordingly, Resolutions 7 and 8 also seek Shareholder approval of the grant of Options to Mr Kirtlan and Mr Cox in accordance with Chapter 2E of the Corporations Act.

7.2 Information required for the purposes of Listing Rule 10.13

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided for the purposes of obtaining Shareholder approval for Resolutions 7 and 8:

Name of person receiving securities	The Options are proposed to be granted to Mr Robert Kirtlan and Mr Gary Cox, being Non-Executive Directors of the Company, or their nominee(s).
Maximum number of securities to be issued	The maximum number of Options (being the nature of the financial benefit being provided) to be granted to each of the Non-Executive Directors is 500,000.
Date of issue	The Options will be granted to Mr Kirtlan and Mr Cox (or their nominee(s)) as soon as practicable following receipt of Shareholder approval, and in any event no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated all Options will be issued together on one date.
Issue price	The Options will be granted to Mr Kirtlan and Mr Cox for nil cash consideration.
Terms of Options	The terms and conditions of the Options are set out and summarised in Annexure C of the Explanatory Statement. In particular, the Options will be issued with the exercise price being the price that is 150% of the volume weighted average price of Shares on ASX over the previous 15 trading days before the Meeting and the expiry date being the date three years after issue. The Options will vest on issue.

Use or intended use of the funds raised	No funds will be raised by the grant of the Options to Mr Kirtlan and Mr Cox. Any funds raised from the exercise of the Options will be used to focus the Company's strategy to bring its robo advice strategy to market and for working capital purposes.
Voting exclusion statement	Voting exclusion statements in respect of Resolutions 7 and 8 are included in the Notice of Meeting.

7.3 Information required for the purposes of Chapter 2E of the Corporations Act

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following information is provided for the purposes of obtaining Shareholder approval for Resolutions 7 and 8:

- (a) as the Company's Non-Executive Directors, Mr Kirtlan and Mr Cox are related parties of the Company;
- (b) the maximum number of Options (being the nature of the financial benefit being provided) to be granted is 500,000 to each of Mr Kirtlan and Mr Cox;
- (c) the terms and conditions of the Options are set out and summarised in Annexure C. In particular, the Options will be issued with the exercise price being the price that is 150% of the volume weighted average price of Shares on ASX over the previous 15 trading days before the Meeting and the expiry date being the date three years after issue, and the Options will vest on issue;
- (d) the value of the Options and the pricing methodology is set out in Annexure B;
- (e) In the financial year ended 30 June 2015, Mr Kirtlan received \$24,000 cash remuneration, excluding superannuation contributions. As at 8 December 2015, Mr Kirtlan has received \$8,000 cash remuneration in the current financial year. Mr Cox was appointed on 1 December 2015, and has not yet received any cash remuneration;
- (f) Mr Kirtlan holds 1,160,535 Shares in the Company and no Options. Mr Cox currently holds no Shares or Options in the Company;
- (g) if the Options are granted to Mr Kirtlan and Mr Cox, the total number of unlisted Options on issue will increase from 8,833,343 to 9,833,343. If these Options the subject of Resolutions 7 and 8 are exercised, a total of 1,000,000 Shares would be issued. Based on the issued capital of the Company as at the last practicable date before finalising this document, this would increase the number of Shares on issue from 205,498,524 to 206,498,524 with the effect that the shareholding of existing Shareholders would be diluted by 0.48%, and individual dilution rates of 0.24% for each of Mr Kirtlan and Mr Cox; and
- (h) other than Mr Kirtlan and Mr Cox, the Directors do not have any interests in the outcome of Resolutions 7 or 8 for the purposes of section 219(1)(d) of the Corporations Act, other than in their capacity as Shareholders.

Further information required for the purposes of Chapter 2E of the Corporations Act is set out in section 8 below.

7.4 ASX Listing Rule 7.1

If Shareholders approve an issue of securities under Listing Rule 10.11, Listing Rule 7.2 (Exception 14) provides that separate approval is not required to the issue of those securities. Accordingly, if Resolutions 7 and 8 are approved, the issue of Options will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of Listing Rule 7.1.

7.5 Directors' recommendation

Mr Kirtlan and Mr Cox have a material personal interest in Resolutions 7 and 8 respectively because they relate to the issue of Options to them. Mr Kirtlan and Mr Cox did not vote on the respective Board resolutions to approve the issue of Options to them. Accordingly Mr Kirtlan and Mr Cox decline to make a recommendation to Shareholders in relation to Resolutions 7 and 8 given their material personal interest in the outcome of Resolutions 7 and 8.

In view of his interest in the outcome of Resolution 6, Jan Kolbusz declines to make a recommendation to Shareholders in relation to Resolutions 7 and 8 so as to avoid any perceived conflict of interest in making a recommendation on the issue of Options to Mr Kirtlan and Mr Cox.

Michael Sertorio, the Company's only remaining Director, having considered the alternatives to an issue of Options to Mr Kirtlan and Mr Cox (such as a higher cash-based component of remuneration), believes that the grant of Options to Mr Kirtlan and Mr Cox are reasonable and appropriate and constitute an important component in his remuneration package and recommends Shareholders vote in favour of Resolutions 7 and 8.

The Chair intends to vote undirected proxies in favour of Resolutions 7 and 8.

7.6 Other information

There are no material opportunity costs to the Company, no taxation consequences to the Company and no material benefits foregone by the Company in issuing the Options.

The Directors are not aware of any information other than that set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolutions 7 and 8.

8 ADDITIONAL INFORMATION REQUIRED BY CHAPTER 2E OF THE CORPORATIONS ACT

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act, the following additional information is provided for the purposes of obtaining Shareholder approval for Resolutions 5 to 8:

- (a) the highest and lowest closing prices of the Company's Shares on the ASX in the 12 months prior to the date of finalisation of this Explanatory Statement were 20 cents on 25 February 2015 and 5.5 cents on 20 October 2015;
- (b) the closing price of the Company's shares on ASX on 8 December 2015 (being the last practicable date prior to the finalisation of the Explanatory Memorandum) was 9 cents;
- (c) the market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company;
- (d) Australian International Financial Reporting Standards require the Options to be expensed, which is guided by AASB 2 – Share Based Payments. In accordance with AASB 2, these Options will be expensed in the financial year ended 30 June 2016. Expensing the Options will have the effect of increasing both the expenses and contributed equity of the Company. Whilst there will be a reduction in profit, there will be no impact on the net assets or the cash position or financial resources of the Company as a result of expensing the Options. There are no tax implications for the Company in issuing these Options; and
- (e) the number of Options to be issued to Mr Pollock, Mr Kolbusz, Mr Kirtlan and Mr Cox has been determined based on factors such as the significant contribution that they are likely to have or have had to the Company's ongoing success. Regard has also been given to issues such as alignment of interests to the Company through an equity holding. The Board considers the number of Options issued to Mr Pollock, Mr Kolbusz, Mr Kirtlan and Mr Cox will ensure that overall executive and director emoluments remain competitive with market standards.

GLOSSARY

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1) (a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the Directors.

Chair means Robert Kirtlan, or any other individual elected to chair any meeting of the Company from time to time.

Closely Related Party has the meaning given to that term in the Corporations Act, under which a Closely Related Party of a member of the Key Management Personnel refers to a company the member controls, the member's spouse, child or dependant (or a child or dependant of the member's spouse), or anyone else who is one of the member's family and may be expected to influence or be influenced by the member in the member's dealings with the entity.

Company means Decimal Software Limited ACN 009 235 956.

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

EIP or Equity Incentive Plan means the Company's equity incentive plan, approved by Shareholders at the Company's 2014 annual general meeting.

Executive Director means an executive Director of the Company.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

General Meeting or Meeting means the general meeting convened by the Notice.

Key Management Personnel has the meaning given in the Corporations Act and refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rules means the ASX Listing Rules.

Non-Executive Director means a non-executive Director of the Company.

Notice or Notice of Meeting means this Notice of General Meeting.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the placement announced by the Company on 26 November 2015 to issue 50,000,000 Shares at 7 cents per Share to raise A\$3,500,000 (before costs).

Proxy Form means the proxy form accompanying the Notice.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties.

Shareholder means a member of the Company from time to time.

Shares means ordinary shares in the capital of the Company.

Tranche 1 Placement Shares the issue of 26,000,000 Shares under Listing Rule 7.1 pursuant to the Placement.

Tranche 2 Placement Shares the issue of 24,000,000 Shares subject to Shareholder approval pursuant to the Placement.

WST means Australian Western Standard Time.

ANNEXURE A – TERMS OF OPTIONS TO BE ISSUED UNDER EIP

The Options proposed to be granted to Mr Pollock and Mr Kolbusz are on the terms set out in the EIP and their respective offer letters, such terms are summarised below.

- (a) Each Option entitles the Optionholder to subscribe for and be issued one Share in the Company on exercise of the Option and payment of the exercise price.
- (b) Application will not be made for official quotation of the Options on the ASX or any other financial market.
- (c) Subject to the EIP and the offer letter, the Options are exercisable on or before 5pm (Australian WST) on the relevant expiry date by completing an option exercise notice and delivering it to the Company's registered office with the exercise monies.
- (d) The Company must give the holder of each Option a certificate or holding statement stating the number of Options issued to each holder, the exercise price of the Options and the date of issue of the Options.
- (e) Subject to the EIP, the offer letter, and any vesting conditions, an Optionholder may at any time up to the expiry date give an exercise notice to the Company or its share registry requiring the Company to issue Shares on exercise of the Options, accompanied by payment of the exercise price in full for each Option exercised. Any Option not exercised automatically expires on the expiry date.
- (f) Options may only be exercised during the hours of 8.30am to 5.00pm (AWST) on a day which ASX is open for trading ("Business Day"). A notice in writing received outside of these times will be deemed received at 8.30am on the next Business Day.
- (g) The exercise notice must be accompanied by the certificate or holding statement for the Options being exercised and a cheque made payable to the Company for the exercise price for the Options being exercised.
- (h) The Options will be deemed to have been exercised on the date the exercise notice is received or deemed to be received by the Company or its share registry.
- (i) On exercise of Options, the Company must allot to the holder the number of Shares for which the Options are exercised and deliver a holding statement with respect to such Shares within 10 Business Days of receipt of the exercise notice.
- (j) Options are not transferable except as required by law or the ASX Listing Rules.
- (k) If the Board determines that an Optionholder has acted fraudulently, dishonestly or has wilfully breached his or her obligations to the Company then the Board may determine that their Options (whether vested or unvested) shall automatically lapse upon written notification to the Optionholder.
- (l) All Shares issued upon exercise of the Options will rank equally in all respects with the Company's then issued Shares. If the Company's Shares are listed on ASX or any other financial market, the Company will apply for quotation of the Shares within 5 business days of issuing the Shares.
- (m) There are no dividend, voting or participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, Optionholders will be given a reasonable opportunity to exercise any vested Options prior to the date for determining entitlements to participate in any such issue.
- (n) A holder cannot participate in a bonus issue or new issue of securities in the Company without first exercising the Options. Holders who exercise their Options before the applicable record date for a bonus issue or new issue will be entitled to participate in the new issue.
- (o) Except as expressly set out in the EIP or offer letter, an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (p) If there is a pro rata issue (other than a bonus issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the exercise price of an Option will be adjusted in the manner provided in the Listing Rules.
- (q) If there is a bonus issue (**Bonus Issue**) to the holders of Shares in the Company, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder would have received if the Options had been exercised before the record date for the Bonus Issue (**Bonus Shares**).

The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of the class on issue as at the date of issue of the Bonus Shares.

- (r) In the event of a reorganisation of the issued capital of the Company prior to the expiry date of an Option, the Options must be re-organised in accordance with the ASX Listing Rules which apply at that time.
- (s) The Company is entitled to treat the registered holder of an Option as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

ANNEXURE B – VALUATION OF OPTIONS

Valuation of Nic Pollock Tranche 1 options (1,333,333)

BLACK SCHOLES MODEL	
Underlying security spot price	\$ 0.088
Strike / exercise price	\$ 0.180
Risk free rate	2.95%
Dividend rate (Decrease in Share Price)	0.00%
Issue / Valuation Date	21-Jan-16
Expiry date	23-Nov-18
Time to expiry (years)	2.84110
Volatility rate	120.00%
Options issued / granted	1,333,333
Fair value of one option	\$ 0.0513
Total fair value of options	\$ 68,423

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Risk Free rate determined by using 10 year government bond rates as per Bloomberg

Valuation of Nic Pollock Tranche 2 options (1,333,333)

BLACK SCHOLES MODEL	
Underlying security spot price	\$ 0.088
Strike / exercise price	\$ 0.350
Risk free rate	2.95%
Dividend rate (Decrease in Share Price)	0.00%
Issue / Valuation Date	21-Jan-16
Expiry date	23-Nov-19
Time to expiry (years)	3.84110
Volatility rate	120.00%
Options issued / granted	1,333,333
Fair value of one option	\$ 0.0514
Total fair value of options	\$ 68,590

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Risk Free rate determined by using 10 year government bond rates as per Bloomberg

Valuation of Nic Pollock Tranche 3 options (1,333,334)

BLACK SCHOLES MODEL	
Underlying security spot price	\$ 0.088
Strike / exercise price	\$ 0.600
Risk free rate	2.95%
Dividend rate (Decrease in Share Price)	0.00%
Issue / Valuation Date	21-Jan-16
Expiry date	23-Nov-20
Time to expiry (years)	4.84384
Volatility rate	120.00%
Options issued / granted	1,333,334
Fair value of one option	\$ 0.0532
Total fair value of options	\$ 70,965

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Risk Free rate determined by using 10 year government bond rates as per Bloomberg

Valuation of Jan Kolbusz options (2,500,000)

BLACK SCHOLES MODEL	
Underlying security spot price	\$ 0.088
Strike / exercise price	\$ 0.134
Risk free rate	2.95%
Dividend rate (Decrease in Share Price)	0.00%
Issue / Valuation Date	21-Jan-16
Expiry date	21-Jan-19
Time to expiry (years)	3.00274
Volatility rate	120.00%
Options issued / granted	2,500,000
Fair value of one option	\$ 0.0573
Total fair value of options	\$ 143,142

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Strike rate based on 150% of the 15 day VWAP of Decimal as at 8 December 2015
- 3 Risk free rate determined by using 10 year government bond rates as per Bloomberg

Valuation of Robert Kirtlan options (500,000)

BLACK SCHOLES MODEL	
Underlying security spot price	\$ 0.088
Strike / exercise price	\$ 0.134
Risk free rate	2.95%
Dividend rate (Decrease in Share Price)	0.00%
Issue / Valuation Date	21-Jan-16
Expiry date	21-Jan-19
Time to expiry (years)	3.00274
Volatility rate	120.00%
Options issued / granted	500,000
Fair value of one option	\$ 0.0573
Total fair value of options	\$ 28,628

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Strike rate based on 150% of the 15 day VWAP of Decimal as at 8 December 2015
- 3 Risk free rate determined by using 10 year government bond rates as per Bloomberg

Valuation of Gary Cox options (500,000)

BLACK SCHOLES MODEL		
Underlying security spot price	\$	0.088
Strike / exercise price	\$	0.134
Risk free rate		2.95%
Dividend rate (Decrease in Share Price)		0.00%
Issue / Valuation Date		21-Jan-16
Expiry date		21-Jan-19
Time to expiry (years)		3.00274
Volatility rate		120.00%
Options issued / granted		500,000
Fair value of one option	\$	0.0573
Total fair value of options	\$	28,628

Assumptions

- 1 Underlying security spot price based on Decimal closing share price as at 8 December 2015
- 2 Strike rate based on 150% of the 15 day VWAP of Decimal as at 8 December 2015
- 3 Risk free rate determined by using 10 year government bond rates as per Bloomberg

ANNEXURE C – TERMS OF OPTIONS TO BE ISSUED TO NON-EXECUTIVE DIRECTORS

The Options proposed to be granted to Mr Kirtlan and Mr Cox are on terms set out in their invitation letters, the key terms of which are set out below.

- (a) Each Option entitles the Optionholder to subscribe for and be issued one Share in the Company on exercise of the Option and payment of the exercise price.
- (b) Application will not be made for official quotation of the Options on the ASX or any other financial market.
- (c) The Options are exercisable on or before 5pm (Australian WST) on the relevant expiry date by completing an option exercise notice and delivering it to the Company's registered office with the exercise monies.
- (d) The Company must give the holder of each Option a certificate or holding statement stating the number of Options issued to each holder, the exercise price of the Options and the date of issue of the Options.
- (e) An Optionholder may at any time up to the expiry date give an exercise notice to the Company or its share registry requiring the Company to issue Shares on exercise of the Options, accompanied by payment of the exercise price in full for each Option exercised. Any Option not exercised automatically expires on the expiry date.
- (f) Options may only be exercised during the hours of 8.30am to 5.00pm (AWST) on a day which ASX is open for trading ("Business Day"). A notice in writing received outside of these times will be deemed received at 8.30am on the next Business Day.
- (g) The exercise notice must be accompanied by the certificate or holding statement for the Options being exercised and a cheque made payable to the Company for the exercise price for the Options being exercised.
- (h) The Options will be deemed to have been exercised on the date the exercise notice is received or deemed to be received by the Company or its share registry.
- (i) On exercise of Options, the Company must allot to the holder the number of Shares for which the Options are exercised and deliver a holding statement with respect to such Shares within 10 Business Days of receipt of the exercise notice.
- (j) Options are not transferable except as required by law or the ASX Listing Rules.
- (k) If the Board determines that an Optionholder has acted fraudulently, dishonestly or has wilfully breached his or her obligations to the Company then the Board may determine that their Options shall automatically lapse upon written notification to the Optionholder.
- (l) All Shares issued upon exercise of the Options will rank equally in all respects with the Company's then issued Shares. If the Company's Shares are listed on ASX or any other financial market, the Company will apply for quotation of the Shares within 5 business days of issuing the Shares.
- (m) There are no dividend, voting or participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, Optionholders will be given a reasonable opportunity to exercise any Options prior to the date for determining entitlements to participate in any such issue.
- (n) A holder cannot participate in a bonus issue or new issue of securities in the Company without first exercising the Options. Holders who exercise their Options before the applicable record date for a bonus issue or new issue will be entitled to participate in the new issue.
- (o) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (p) If there is a pro rata issue (other than a bonus issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the exercise price of an Option will be adjusted in the manner provided in the Listing Rules.
- (q) If there is a bonus issue (**Bonus Issue**) to the holders of Shares in the Company, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the holder would have received if the Options had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the

same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of the class on issue as at the date of issue of the Bonus Shares.

- (r) In the event of a reorganisation of the issued capital of the Company prior to the expiry date of an Option, the Options must be re-organised in accordance with the ASX Listing Rules which apply at that time.
- (s) The Company is entitled to treat the registered holder of an Option as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

PROXY FORM

Decimal Software Limited
ACN 009 235 956

Appointment of Proxy

If appointing a proxy to attend the General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse side of this page.

I/We _____ of _____, being a Shareholder/Shareholders of Decimal Software Limited, pursuant to my/our right to appoint not more than two proxies, appoint:

<input type="checkbox"/>	The Chair of the Meeting (mark with an "X")	OR	<input type="text"/>	Write here the name of the person you are appointing if this person is someone other than the Chair of the Meeting.
			<input type="text"/>	Write here the name of the person you are appointing as a second proxy (if any).

or failing him/her, (if no proxy is specified above), the Chair of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the General Meeting to be held at 20 January 2016 and at any adjournment of that Meeting.

This proxy is to be used in respect of _____% of the ordinary Shares I/we hold.

Voting directions to your Proxy

If the Chair of the Meeting is your proxy or is appointed as your proxy by default, the Chair of the Meeting intends to vote all available undirected proxies in favour of Resolutions 1 to 8.

Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair of the Meeting to vote in accordance with the Chair's voting intentions on all Resolutions (except where I/we have indicated a different voting intention) even though Resolutions 5-8 are connected directly or indirectly with the remuneration of Directors and Key Management Personnel, which includes the Chair of the Meeting.

RESOLUTION	For	Against	Abstain*
1. Election of Gary Cox as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Nic Pollock as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of issue of Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of grant of Options to Nic Pollock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of grant of Options to Jan Kolbusz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of grant of Options to Robert Kirtlan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Approval of grant of Options to Gary Cox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

*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.

PLEASE SIGN HERE

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

If executed by a company, executed in accordance with section 127 of the *Corporations Act 2001* (Cth):

Individual or Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Date: _____/_____/_____

Contact Name

Contact Business Telephone/Mobile

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. Completion of a Proxy Form will not prevent individual Shareholders from attending the General Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the General Meeting.
2. A Shareholder of the Company 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 Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes.
3. A proxy need not be a Shareholder of the Company.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.
5. Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
6. If a representative of a company Shareholder is to attend the Meeting, a properly executed original (or certified copy) of evidence of appointment is required. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment to including any authority under which it is signed.
7. If a representative as power of attorney of a Shareholder is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms in paragraph 9 below.

8. 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, all of the Shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.
- Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this Proxy Form must be signed by that person.
- If the company (pursuant to section 204A of the Corporations Act) does not have a Company Secretary, a Sole Director can also sign alone.
- Otherwise this Proxy 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.

9. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later 10am (WST) on 17 January 2016 (48 hours before the commencement of the Meeting). Any Proxy Form received after that time will not be valid for the scheduled Meeting.

- Hand deliveries:** Unit 1, 174 Hampden Road, Nedlands, WA 6009
- Postal address:** Unit 1, 174 Hampden Road, Nedlands, WA 6009
- Fax number:** +61 2 8047 8616
- Email:** finance@decimal.com