

CLARIFICATION OF VOTING REQUIREMENTS IN NOTICE OF ANNUAL GENERAL MEETING

We refer to the notice of Annual General Meeting of the shareholders of Pivotal Systems Corporation (**Pivotal** or **Company**) to be held on 23 May 2019 (Sydney time) that was released on the ASX on 2 May 2019 (Sydney time) (**AGM Notice**). There was an error on page 13 of the AGM Notice in relation to the voting requirements to approve the resolution in Item 2 for the election of Peter McGregor as a Director of the Company.

The voting requirements in the AGM Notice to approve the election of Peter McGregor as a Director of the Company noted that shareholders could vote on this resolution either "FOR", "AGAINST" or "ABSTAIN". The inclusion of "AGAINST" was an oversight and this should have referred to being able to vote only "FOR" or "ABSTAIN" on the election of Peter McGregor.

The reason for this is that the Company is incorporated in Delaware, United States and is therefore governed by, amongst other things, Delaware General Corporation Law (**DGCL**) in relation to the form and content of resolutions and proxy forms proposed at a meeting of shareholders. The DGCL provides that directors will be elected or re-elected by a plurality vote. Under DGCL, a plurality vote means that, on an election of a particular number of directors, the same number of nominees receiving the highest number of "FOR" votes will be elected and the "AGAINST" votes will have no legal effect on the election or re-election. As such, it is common practice for US companies to exclude "AGAINST" from the proxy form and also the CDI voting form.

Pivotal's board of Directors is divided into three classes, being Class I, Class II and Class III Directors. Class I is comprised of two directors which are currently Peter McGregor and Joe Monkowski. As Directors are elected by plurality of votes, this means the two Class I Director nominees receiving the highest number of "FOR" votes will be elected as the Class I Directors.

Further to this and as noted in the AGM Notice, abstentions are considered shares present and entitled to vote to for the purposes of determining quorum, but will have no effect on the election or re-election of directors including under Item 2 for the election of Peter McGregor as a Director of the Company.

Whilst the AGM Notice contained this oversight, both the proxy form and CDI voting form are correct and refer only to voting "FOR" or "ABSTAIN" on Item 2 for the election of Peter McGregor as a Director of the Company. As such, securityholders should use the form of proxy form and CDI voting form that have been provided to them by the Company with the AGM Notice.



John Hoffman (Director)
14 May 2019 (Fremont PDT), 15 May 2019 (Sydney AEST)