



NOTICE OF ANNUAL GENERAL MEETING OF OBJECTIVE CORPORATION LIMITED

ABN 16 050 539 350

The annual general meeting of Objective Corporation Limited will be held at Level 37, 100 Miller Street, North Sydney, at 10:00am on Tuesday 25 November 2003.

Agenda

Financial report, directors' report and audit report

1. To consider the financial report, including the director's declaration, for the year ended 30 June 2003 and the related directors' report and audit report.

Appointment of Director

2. To elect a director. Mr Tony Walls retires in accordance with the Constitution and, being eligible, offers himself for re-election.

Employee Incentive Plan

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

"To approve:

- (a) the issue of shares and options to employees pursuant to a Plan called the "Objective Corporation Limited Employee Incentive Plan," in accordance with Listing Rule 7.2; and
- (b) the provision of financial assistance in connection with the acquisition of shares or exercise of options in the Company by employees under this Plan."

For the purposes of ASX Listing Rules, Objective Corporation will disregard any votes cast on the resolution by directors except any director that is excluded from participating in any employee incentive plan, each of whom is excluded from voting together with and any associate. However Objective Corporation need not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by 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.*

Employee Incentive Plan loan to Mr Scott Brown

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

“That the Company authorises and approves the participation by Mr Scott Brown, a director of the Company under the Employee Incentive Plan and the provision of an at-call full-recourse loan of \$100,000 to acquire shares on terms outlined in the Explanatory Memorandum which is attached pursuant to ASX Listing Rule 10.14. The Company will cancel 750,000 options that are currently held by Mr Brown.”

For the purposes of ASX Listing Rules, Objective Corporation will disregard any votes cast on the resolution by directors except any director that is excluded from participating in any employee incentive plan, each of whom is excluded from voting together with and any associate. However Objective Corporation need not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or*
- *It is cast by 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.*

Other Business

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

By Order of the Board
Scott Brown
Director/Secretary

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete a proxy form. The proxy form must be received at the Company's registered office 48 hours before the appointed time of the meeting. The completed proxy form may be:

- mailed to Objective Corporation, Level 37, 100 Miller Street North Sydney NSW 2060; or
- faxed on 02 9955 5011; or
- emailed to investor.relations@objective.com.

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the Company.

It is the intention of the Chairman to vote any undirected proxies in favour of resolutions.

Explanatory Memorandum

This Explanatory Memorandum is dated 24 October 2003 and forms part of and should be read in conjunction with the attached Notice of Annual General Meeting. The Explanatory Memorandum has been prepared to assist shareholders of the Company in their consideration of the resolutions proposed in the Notice of Annual General Meeting.

Financial report, directors' report and audit report (resolution 1)

In accordance with the Company's Constitution and the Corporations Act, the business at the Annual General Meeting must include the consideration of the Directors' Report, Financial Statements, and Independent Audit Report for the past financial year.

Appointment of Director (resolution 2)

Pursuant to Article 6 of the Company's Constitution and the Corporations Act one third of the directors of the Company must retire by rotation. A director who retires may offer himself or herself for re-election. Mr Tony Walls retires by rotation at the 2003 Annual General Meeting and, being eligible, offers himself for re-election.

Mr. Tony Walls is Executive Chairman and Chief Executive Officer - Asia Pacific. Tony founded Objective Corporation in 1987. Tony has extensive experience in the IT industry, has a Bachelor of Math (Computing Science), a Grad. Dip in Applied Finance (SIA) and is a Fellow of the Australian Institute of Company Directors.

Employee Incentive Plan (resolution 3)

The Company is proposing to introduce a new Employee Incentive Plan. The new plan will replace the existing Employee Option Plan, which was approved at a General Meeting of the Company on 7th July 2000. The directors believe it is important that the Company can attract and retain talented employees and the Employee Incentive Plan will assist the Company in this goal.

In order for the Employee Incentive Plan to comply with the requirements of ASX listing rule 7.2 the Plan requires the approval of shareholders.

The Employee Incentive Plan will give the directors greater flexibility in providing incentives to employees than the existing Employee Option Plan. Under the Employee Incentive Plan directors will be able to give either loans for employees to acquire shares in the Company under certain conditions or issue options to employees to acquire the shares.

Under the proposed International Accounting Standards the Company will be required to expense the value of options granted. For this reason options are likely to be less attractive to the Company than is currently the case.

Under the Employee Incentive Plan the Company will be able to provide loans to employees to acquire shares in the Company. The Company will not be required to expense such loans and where existing shares are purchased on market, this will not dilute existing shareholders.

The Employee Incentive Plan is summarised below:

Offers

Under the plan the Board may offer to any employee either options to acquire shares or loans to acquire shares in the Company. The CEO Asia Pacific and the CEO Europe/North America will not be participating in the plan.

Price

The Board has a discretion to grant options for a fee and set the exercise price and term of the options.

Quotation

Options issued under the plan will not be quoted on the ASX. Where the Company issues options and the options are exercised, the Company will apply to have the issued shares quoted on the ASX.

Maximum number of shares or options

The company must not issue shares or options to any employee if to do so would contravene applicable laws or result in any employee holding an interest in more than 5% of the shares in the Company.

Sales restrictions

Options issued under the plan are not transferable. Shares acquired under the plan are not transferable unless any loan to acquire the shares has been repaid in full.

New shares

All shares issued on the exercise of options will rank equally with all existing shares from the date of issue.

Dividends

All shares acquired pursuant to the Plan rank equal in all respects and will be entitled to any dividends declared by the Company. Any dividends paid on shares acquired under the Plan will be offset against the loan balance outstanding to acquire shares under the plan. Options issued under the plan are not entitled to dividends.

Restrictions

The board may impose vesting and performance conditions before which options cannot be exercised or the shares sold. The options issued pursuant to the plan will usually lapse and the loans to acquire shares will usually become repayable if the holder ceases to be an employee.

Participation in future issues

Under the Employee option plan's rules, the number of shares over which an option is granted and or the exercise price of the options may be altered in the event of a reconstruction of Objective's Share capital or a bonus or rights issue of shares to shareholders. Shares acquired under the plan will rank equal in all respects with existing shares.

Loans

The Board has a discretion to provide a loan for the acquisition of shares in the Company with a term of up to 5 years, together with further terms and conditions attaching to the loan.

A copy of the Plan Rules can be obtained by request to the Company Secretary.

Employee Incentive Plan loan to Mr Scott Brown (resolution 4)

The Company is seeking approval to provide a loan to Mr Scott Brown, a director of the Company, of \$100,000 to fund the acquisition of shares in the Company under the Employee Incentive Plan. The loan term is five years on an interest free basis, however the Company can recall the loan at any time. The loan will be provided on a full recourse basis with Mr Brown providing a personal guarantee and will be in accordance with the rules of the Employee Incentive Plan, which is summarised above.

If this resolution is passed Mr Brown has agreed to the cancellation of 750,000 options in the company held by him.

The shares will be acquired at the market price at the time of acquisition. The number of shares to be acquired will depend on the market price at the time. The shares will be acquired over the next 12 months from the date of the Annual General Meeting.