

26 October 2020

Dear Shareholder

Please find attached the notice for our 2020 Annual General Meeting to be held on Friday 27 November 2020 at 10.00 am.

In these challenging times, this meeting is to be conducted as a "virtual meeting" in the interest of shareholder wellbeing. Details of how to attend the meeting and vote on-line (using the LUMI app) are set out in the Explanatory Memorandum. Please read that section early as you are required to register on-line with the LUMI app to participate in the meeting. Shareholders will not be able to attend the meeting physically.

I would also like to advise shareholders that the Company has recently instituted a review of the Company's Board composition. As part of that review, we have identified that the Company could benefit from the appointment of a candidate with suitable specialised technology skills and experience, consistent with that increasingly utilised by the Company. Our Nomination and Remuneration Committee has engaged Hattonneale to assist in conducting a search for a suitable candidate and the Board is hopeful that within the next 4-6 months the Company will be able to attract a suitable candidate to expand on the skills and experience currently available at Board level.

I look forward to updating shareholders at our 2020 Annual General Meeting.

Yours sincerely

Garry Lowrey
Chairman

Announcement authorised for release by Garry Lowrey, Chairman.

THIS IS AN IMPORTANT DOCUMENT

AND REQUIRES YOUR ATTENTION

**If you are in doubt as to how to deal with it,
please consult your financial or other professional adviser.**



TRAFFIC TECHNOLOGIES LTD

ACN 080 415 407

**NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS
INCORPORATING EXPLANATORY MEMORANDUM
AND PROXY FORM**

DATE OF MEETING

Friday 27 November 2020

TIME OF MEETING

10.00 a.m. (AEDT)

VIRTUAL MEETING

Due to the ongoing COVID-19 related restrictions, the meeting will be held virtually via the Zoom Video Communications online platform

If you are unable to attend the virtual Annual General Meeting of Members, please complete the Proxy Form and return it in accordance with the instructions set out in that form.

LETTER TO SHAREHOLDERS

26 October 2020

Dear Shareholder,

Enclosed with this letter are the Notice of Annual General Meeting (**Notice**) and Explanatory Memorandum detailing the proposed Resolutions for consideration by Shareholders. Shareholders should consider all of this material before determining how they will vote at the Annual General Meeting.

In light of current public health restrictions relating to the spread of COVID-19 the Company has made the decision to hold the Annual General Meeting as a fully virtual meeting. This will be the first virtual meeting ever held by the Company and will take place on Friday, 27 November 2020 commencing at 10.00am (AEDT).

PARTICIPATION AT THE VIRTUAL MEETING

All Shareholders will have the opportunity to participate in the Meeting online via an internet connection (using a computer, laptop, tablet or smartphone).

The Meeting will be broadcast via the Zoom Video Communications online platform.

If you wish to watch and attend the virtual AGM, you must register with the Secretary, Peter Crafter at peter.crafter@trafficltd.com.au at least 24 hours prior to the meeting. You will then be sent a link to the Meeting webcast.

VOTING OPTIONS

Direct voting online during the Meeting

Due to the virtual nature of the Meeting, Computershare, the Company's Share Registry will be facilitating voting during the Meeting. If you wish to cast your vote during the meeting you will need to either:

- a) visit **web.lumiagm.com/348947478** on your desktop or mobile device. Ensure that your browser is compatible. Lumi AGM supports the latest version of Chrome, Safari, Internet Explorer, Edge or Firefox; or
- b) download **Lumi AGM** from the App Store or Google Play Stores for free. Search for "Lumi AGM".

We would encourage you to download the Lumi AGM app prior to the Meeting to ensure that you can participate successfully. If you have any questions, or need assistance with the Lumi App, please contact the Lumi help line on 03 9415 4024.

Detailed instructions on how to vote online are set out in the "How to Vote" section of this Notice and the "Online Voting Guide" located on page 7 of this Notice.

If you have any questions, or need assistance with the online process, please contact Computershare on 1300 850 505 between 8.30am and 5.00pm Monday to Friday.

Voting via proxy

If you are unable to attend the virtual Annual General Meeting, you are urged to complete the attached Proxy Form and return it, marked attention to the Secretary, so that it is received not later than 10.00 a.m. (AEDT) on Wednesday 25 November 2020:

By facsimile within Australia 1800 783 447 (or from outside Australia +61 3 9473 2555)

By mail to:

*Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Vic 3001*

By hand to:

*Computershare Investor Services Pty Limited
"Yarra Falls"
452 Johnston Street
Abbotsford Vic 3067*

Via our online facility:

Please visit www.investorvote.com.au to submit your voting intentions (if any). To use this online facility, you will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and the six-digit Control Number shown on the Proxy Form.

Custodian voting - For Intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Shareholders are strongly encouraged to lodge a proxy form to vote at the Meeting at least 48 hours before the Meeting.

QUESTIONS

We will provide an opportunity to ask questions at the Meeting however there may be connectivity and other issues during the video conference. Accordingly, we recommend that any Shareholder questions be submitted in advance of the meeting. They should be sent to the Secretary, Peter Crafter at peter.crafter@trafficltd.com.au by 5.00pm on 25 November 2020.

The enclosed Notice and Explanatory Memorandum contain details of the ordinary business of the Company, of receiving the financial report of the Company for the year ended 30 June 2020, the re-election of a director and the approval of the Remuneration Report.

Further details of the Resolutions in the Notice of Annual General Meeting are contained in the Explanatory Memorandum that accompanies the Notice. The Explanatory Memorandum should be read together with, and forms part of, the Notice.

Yours faithfully

Garry Lowrey
Chairman
Traffic Technologies Ltd

TRAFFIC TECHNOLOGIES LTD
ACN 080 415 407
NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS

Notice is hereby given that the Annual General Meeting (**Meeting**) of the members of Traffic Technologies Ltd (ABN 21 080 415 407) (**Company** or **Traffic Technologies**) (**Members**) will be held virtually on Friday 27 November 2020 at 10.00 a.m. (AEDT) for the purpose of considering the items of business in this Notice of Annual General Meeting (**Notice**).

An Explanatory Memorandum containing information relevant to the following Resolutions and a Proxy Form accompany this Notice.

AGENDA

ORDINARY BUSINESS

A. Financial Statements and Reports

To receive and consider the Financial Report, Director's Report and Auditor's Report on the Company and its controlled entities for the financial year ended 30 June 2020.

To receive Members' questions and comments on the management of the Company.

B. Ordinary Resolutions

Resolution 1: Re-election of Mr. Garry Lowrey as a Director

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

"That Mr. Garry Lowrey, who retires by rotation as a Director of the Company at this Annual General Meeting in accordance with clause 15.3 of the Company's Constitution, be re-elected as a Director of the Company."

Resolution 2: Approval of Remuneration Report

To consider and, if thought fit, to pass with or without amendment the following **non-binding** resolution as an ordinary resolution:

"That the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2020 be approved by the Members."

Members should note this Resolution is advisory only and does not bind the Directors or the Company. Members should refer to the Explanatory Memorandum accompanying this Notice for more information.

Voting exclusion:

The Company will disregard any vote cast on Resolution 2 by, or on behalf of:

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, a person (**Voter**) described above may cast a vote on the resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (d) the Voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) 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 for the Company.

GENERAL BUSINESS

To transact any business which may legally be brought forward in accordance with the Constitution.

**By Order of the Board
Garry Lowrey
Chairman**

Dated: 26 October 2020

WHO MAY VOTE

The Company determines that only Members holding Shares as at 7.00 p.m. (AEDT) on Wednesday 25 November 2020 will be entitled to vote at the Annual General Meeting on Friday 27 November 2020 or at any adjourned meeting.

HOW TO VOTE

You may vote by attending the Meeting virtually, by proxy or authorised representative.

Voting at the virtual Meeting

In light of current public health restrictions relating to the spread of COVID-19, the Company has made the decision to hold the Meeting as a fully virtual meeting.

All Shareholders will have the opportunity to vote at the Meeting online via an internet connection (using a computer, laptop, tablet or smartphone). Virtual meetings are accessible on both desktop and mobile devices. In order to vote at the Meeting online you will need to:

(a) visit web.lumiagm.com/348947478 on your desktop or mobile device. Ensure that your browser is compatible (Lumi AGM supports the latest version of Chrome, Safari, Internet Explorer, Edge or Firefox) or download Lumi AGM from the App Store or Google Play Stores for free. Search for "Lumi AGM";

(b) use the unique meeting ID: 348-947-478; and

(c) use your Shareholder Registration Number "SRN", which can be found on the Proxy Form.

We would encourage you to download the Lumi AGM app prior to the Meeting to ensure that you can participate successfully. If you have any questions, or need assistance with the Lumi App, please contact the Lumi help line on 03 9415 4024.

If you have any questions, or need assistance with the online voting process, please contact Computershare on 1300 850 505 between 8.30am and 5.00pm Monday to Friday.

For assistance with the Lumi platform and joining the Meeting, please contact (03) 9415 4024. This line will be active for one hour before the commencement of the Meeting and all calls to this number will be given top priority.

Details of how to vote 'virtually' are also provided in the accompanying Online Meeting Guide which can also be downloaded at www.computershare.com.au/onlinevotingguide. Shareholders are encouraged to review this guide before the Meeting.

As noted above, Shareholders will require the meeting ID – which is 348-947-478 as well as their Shareholder Registration Number "SRN", which can be found on their Proxy Form, for verification purposes. If a person is nominated as a proxy by a Shareholder, the proxy holder will need to obtain the proxy holder user name and password to enable the proxy holder to vote. The proxy holder user name and password can be obtained by contacting Computershare on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the meeting.

Voting by Proxy

You are entitled to appoint a proxy. The proxy need not be a Member of the Company. If you are entitled to cast two (2) or more votes you may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. To vote by proxy, please complete and sign the proxy form attached to this Notice as soon as possible and return it so that it is received by the Company not later than 10.00 a.m. (AEDT) on Wednesday 25 November 2020:

By facsimile: Within Australia on 1800 783 447 (or from outside Australia on +61 3 9473 2555)

By mail to: Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Vic 3001

By hand to: Computershare Investor Services Pty Limited
"Yarra Falls"
452 Johnston Street
Abbotsford Vic 3067

Via our online facility: Please visit www.investorvote.com.au to submit your voting intentions (if any). To use this online facility, you will need your Shareholder Reference

Number (SRN) or Holder Identification Number (HIN) and the six-digit Control Number shown on the Proxy Form.

Custodian voting - For Intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Shareholder questions

While Shareholders will be able to submit questions online at the virtual Meeting, it would be desirable if the Company was able to receive them in advance.

They should be sent to the Secretary, Peter Crafter at peter.crafter@trafficltd.com.au by 5.00pm on 25 November 2020.

Please note that not all questions may be able to be answered during the Meeting. In this case, answers will be made available on the Company's website after the meeting.

FURTHER INFORMATION

Further details of the Resolutions in this Notice are contained in the Explanatory Memorandum accompanying this Notice. The Explanatory Memorandum should be read together with and forms part of this Notice.

Online voting guide

Getting started

To submit your vote online you will need to visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.

To log in, you must have the following information:

Meeting ID

Meeting ID as provided in the Notice of Meeting.

Australian residents

- > **Username** (SRN or HIN) and
- > **Password** (postcode of your registered address).

Overseas Residents

- > **Username** (SRN or HIN) and
- > **Password** (three-character country code) e.g. New Zealand - NZL; United Kingdom - GBR; United States of America - USA; Canada - CAN.

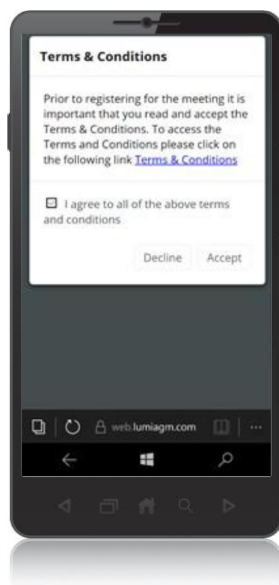
A full list of country codes is provided at the end of this guide.

Appointed Proxies

To receive your unique username and password, please contact Computershare Investor Services on +61 3 9415 4024 Monday to Friday during business hours.

Voting at the meeting

- 1 To participate in voting during the meeting you will be required to enter the unique 9-digit Meeting ID as provided in the Notice of Meeting.
- 2 To proceed into the meeting, you will need to read and accept the Terms & Conditions.
- 3 To register as a securityholder, enter your SRN or HIN and Postcode or Country Code.




4 To register as a proxyholder you will need your username and password as provided by Computershare Investor Services. In the 'SRN or HIN' field enter your username and in the 'Postcode or Country Code' field enter your password.



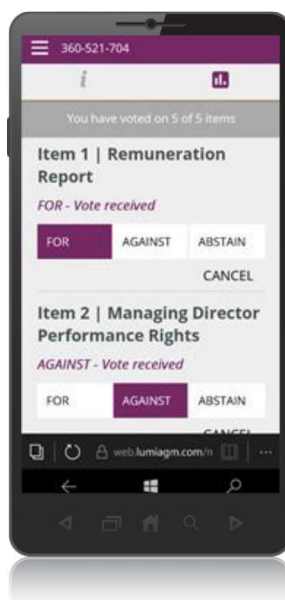
5 Once logged in, you will see the home page, which displays the meeting title and name of the registered securityholder or nominated proxy.



6 When the Chair declares the poll open:

- > A voting icon  will appear on screen and the meeting resolutions will be displayed
- > To vote, tap one of the voting options. Your response will be highlighted
- > To change your vote, simply press a different option to override

The number of items you have voted on or are yet to vote on, is displayed at the top of the screen. Votes may be changed up to the time the Chair closes the poll.



Icon descriptions



Voting icon, used to vote. Only visible when the Chair opens the poll.



COUNTRY CODES

Select your country code from the list below and enter it into the 'Postcode or Country Code' field.

ABW ARUBA	DEU GERMANY	KHM CAMBODIA	PRK KOREA DEM PEOPLES	TJK TAJIKISTAN
AFG AFGHANISTAN	DJI DJIBOUTI	KIR KIRIBATI	REPUBLIC OF	TKL TOKELAU
AGO ANGOLA	DMA DOMINICA	KNA ST KITTS AND NEVIS	PRT PORTUGAL	TKM TURKMENISTAN
AIA ANGUILLA	DNK DENMARK	KOR KOREA REPUBLIC OF	PRY PARAGUAY	TLS EAST TIMOR
ALA ALAND ISLANDS	DOM DOMINICAN REPUBLIC	KWT KUWAIT	PSE PALESTINIAN TERRITORY	DEMOCRATIC REP OF
ALB ALBANIA	DZA ALGERIA	LAO LAO PDR	OCCUPIED	TMP EAST TIMOR
AND ANDORRA	ECU ECUADOR	LBN LEBANON	PYF FRENCH POLYNESIA	TON TONGA
ANT NETHERLANDS ANTILLES	EGY EGYPT	LBR LIBERIA	QAT QATARPL NEPAL	TTO TRINIDAD & TOBAGO
ARE UNITED ARAB EMIRATES	ERI ERITREA	LBY LIBYAN ARAB	NRU NAURU	TKM TURKMENISTAN
ARG ARGENTINA	ESH WESTERN SAHARA	JAMAHIRIYA	NZL NEW ZEALAND	TLS EAST TIMOR
ARM ARMENIA	ESP SPAIN	LCA ST LUCIA	OMN OMAN	DEMOCRATIC REP OF
ASM AMERICAN SAMOA	EST ESTONIA	LIE LIECHTENSTEIN	PAK PAKISTAN	TMP EAST TIMOR
ATA ANTARCTICA	ETH ETHIOPIA	LKA SRI LANKA	PAN PANAMA	TON TONGA
ATF FRENCH SOUTHERN	FIN FINLAND	LSO LESOTHO	PCN PITCAIRN ISLANDS	TTO TRINIDAD & TOBAGO
TERRITORIES	FJI FIJI	LTU LITHUANIA	PER PERU	TZA TANZANIA UNITED
ATG ANTIGUA AND BARBUDA	FLK FALKLAND ISLANDS	LUX LUXEMBOURG	PHL PHILIPPINES	REPUBLIC OF
AUS AUSTRALIA	(MALVINAS)	LVA LATVIA	PLW PALAU	UGA UGANDA
AUT AUSTRIA	FRA FRANCE	MAC MACAO	PNG PAPUA NEW GUINEA	UKR UKRAINE
AZE AZERBAIJAN	FRO FAROE ISLANDS	MAF ST MARTIN	POL POLAND	UMI UNITED STATES MINOR
BDI BURUNDI	FSM MICRONESIA	MAR MOROCCO	PRI PUERTO RICO	OUTLYING
BEL BELGIUM	GAB GABON	MCO MONACO	PRK KOREA DEM PEOPLES	URY URUGUAY
BEN BENIN	GBR UNITED KINGDOM	MDA MOLDOVA REPUBLIC OF	REPUBLIC OF	USA UNITED STATES OF
BFA BURKINA FASO	GEO GEORGIA	MDG MADAGASCAR	PRT PORTUGAL	AMERICA
BGD BANGLADESH	GGY GUERNSEY	MDV MALDIVES	PRY PARAGUAY	UZB UZBEKISTAN
BGR BULGARIA	GHA GHANA	MEX MEXICO	PSE PALESTINIAN TERRITORY	VAT HOLY SEE (VATICAN CITY
BHR BAHRAIN	GIB GIBRALTAR	MHL MARSHALL ISLANDS	OCCUPIED	STATE)
BHS BAHAMAS	GIN GUINEA	MKD MACEDONIA FORMER	PYF FRENCH POLYNESIA	VCT ST VINCENT & THE
BIH BOSNIA & HERZEGOVINA	GLP GUADELOUPE	YUGOSLAV REP	QAT QATAR	GRENADINES
BLM ST BARTHELEMY	GMB GAMBIA	MLI MALI	REU REUNION	VEN VENEZUELA
BLR BELARUS	GNB GUINEA-BISSAU	MLT MALTA	ROU ROMANIA	VGB BRITISH VIRGIN ISLANDS
BLZ BELIZE	GNQ EQUATORIAL GUINEA	MMR MYANMAR	RUS RUSSIAN FEDERATION	VIR US VIRGIN ISLANDS
BMU BERMUDA	GRC GREECE	MNE MONTENEGRO	RWA RWANDA	VNM VIETNAM
BOL BOLIVIA	GRD GRENADA	MNG MONGOLIA	SAU SAUDI ARABIA KINGDOM	VUT VANUATU
BRA BRAZIL	GRL GREENLAND	MNP NORTHERN MARIANA	OF	WLF WALLIS AND FUTUNA
BRB BARBADOS	GTM GUATEMALA	ISLANDS	SCG SERBIA AND	WSM SAMOA
BRN BRUNEI DARUSSALAM	GUF FRENCH GUIANA	MOZ MOZAMBIQUE	MONTENEGRO	YEM YEMEN
BTN BHUTAN	GUM GUAM	MRT MAURITANIA	SDN SUDAN	YMD YEMEN
BUR BURMA	GUY GUYANA	MSR MONTSEERRAT	SEN SENEGAL	DEMOCRATIC
BVT BOUVET ISLAND	HKG HONG KONG	MTQ MARTINIQUE	SGP SINGAPORE	YUG YUGOSLAVIA SOCIALIST
BWA BOTSWANA	HMD HEARD AND MCDONALD	MUS MAURITIUS	SGS STH GEORGIA & STH	FED REP
BLR BELARUS	ISLANDS	MWI MALAWI	SANDWICH ISL	ZAF SOUTH AFRICA
CAF CENTRAL AFRICAN	HND HONDURAS	MYS MALAYSIA	SHN ST HELENA	ZAR ZAIRE
REPUBLIC	HRV CROATIA	MYT MAYOTTE	SJM SVALBARD & JAN MAYEN	ZMB ZAMBIA
CAN CANADA	HTI HAITI	NAM NAMIBIA	SLB SOLOMON ISLANDS	ZWE ZIMBABWE
CCK COCOS (KEELING)	HUN HUNGARY	NCL NEW CALEDONIA	SLE SIERRA LEONE	
ISLANDS	IDN INDONESIA	NER NIGER	SLV EL SALVADOR	
CHE SWITZERLAND	IMN ISLE OF MAN	NFK NORFOLK ISLAND	SMR SAN MARINO	
CHL CHILE	IND INDIA	NGA NIGERIA	SOM SOMALIA	
CHN CHINA	IOT BRITISH INDIAN OCEAN	NIC NICARAGUA	SPM ST PIERRE AND	
CIV COTE D'IVOIRE	TERRITORY	NIU NIUE	MIQUELON	
CMR CAMEROON	IRL IRELAND	NLD NETHERLANDS	SRB SERBIA	
COD CONGO DEMOCRATIC	IRN IRAN ISLAMIC	NOR NORWAY	STP SAO TOME AND	
REPUBLIC OF	REPUBLIC OF	PL NEPAL	PRINCIPE	
COG CONGO PEOPLES	IRQ IRAQ	NRU NAURU	SUR SURINAME	
REPUBLIC OF	ISL ICELAND	NZL NEW ZEALAND	SVK SLOVAKIA	
COK COOK ISLANDS COL	ISM BRITISH ISLES	OMN OMAN	SVN SLOVENIA	
COLOMBIA	ISR ISRAEL	PAK PAKISTAN	SWE SWEDEN	
COM COMOROS	ITA ITALY	PAN PANAMA	SWZ SWAZILAND	
CPV CAPE VERDE	JAM JAMAICA	PCN PITCAIRN ISLANDS	SYC SEYCHELLES	
CRI COSTA RICA	JEY JERSEY	PER PERU	SYR SYRIAN ARAB REPUBLIC	
CUB CUBA	JOR JORDAN	PHL PHILIPPINES	TCA TURKS AND CAICOS	
CXR CHRISTMAS ISLAND	JPN JAPAN	PLW PALAU	ISLANDS	
CYM CAYMAN ISLANDS	KAZ KAZAKHSTAN	PNG PAPUA NEW GUINEA	TCD CHAD	
CYP CYPRUS	KEN KENYA	POL POLAND	TGO TOGO	
CZE CZECH REPUBLIC	KGZ KYRGYZSTAN	PRI PUERTO RICO	THA THAILAND	

TRAFFIC TECHNOLOGIES LTD

ACN 080 415 407

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the purposes of the Corporations Act and the Listing Rules. The purpose of this Explanatory Memorandum is to provide Members with all the information known to the Company that is material to Members in deciding whether or not to approve the Resolutions as set out in the Notice.

The Directors recommend that Members read this Explanatory Memorandum in full and in conjunction with the Notice before making any decision in relation to the proposed Resolutions.

2. ITEMS OF ORDINARY BUSINESS

2.1 Financial Statements and Reports

Members can now elect to receive the Company's Annual Report via a variety of means. Members who opted to access the Annual Report electronically should have received an email link to the electronic document. Members who opted to continue to receive a printed copy of the Annual Report should now have received it. Members who took no action are advised that they can now access an electronic copy of the Annual Report online at the Company's website. Copies of the annual financial statements and reports of the Directors and Auditor will also be tabled at the Meeting.

The purpose of tabling the annual financial report of the Company at the Meeting and the reports of the Directors and Auditor is to provide Members with a reasonable opportunity to ask questions or discuss matters relevant to the management of the Company. The Auditor has been invited to be present at the Meeting and Members will have a reasonable opportunity to ask the Auditor questions relevant to the conduct of the audit and the preparation and content of the Auditor's report. It is not the purpose of the Meeting, nor a requirement of the Corporations Act or the Constitution, that the financial statements be approved or rejected.

2.2 Re-election of Director

Resolution 1 seeks approval for the re-election of the Director who is retiring by rotation. Pursuant to clause 15.3(a)(ii) of the Company's Constitution, at every annual general meeting one-third of the previously elected Directors must retire and are eligible for re-election. The Directors to retire are the Directors longest in office since last being elected and, between Directors who are elected on the same day, the Director to retire is decided by lot to be conducted by the Chairman, or if he or she is a candidate, by the deputy Chairman, unless they agree otherwise.

The Company's Nomination and Remuneration Committee has, consistent with the Company's Corporate Governance Policy, recently instituted a review of the Company's Board composition. As part of that review, the Nomination and Remuneration Committee has identified that the Company could benefit from the appointment of a candidate with suitable specialised technology skills and experience, consistent with that increasingly utilised by the Company. The Nomination and Remuneration Committee has engaged Hattonneale to assist in conducting a search for a suitable candidate and the Board is hopeful that within the next 4-6 months the Company will be able to attract a suitable candidate to expand on the skills and experience currently available at Board level. Further announcements will be made as that review is completed.

For the purposes of this meeting, the Director of the Company who will retire at the Meeting is Mr. Garry Lowrey, who has indicated that he will offer himself for re-election. His profile is set out below:

Profile of Mr. Garry Lowrey, BBus MAppFin CA

Non-Executive Chairman Appointed November 2015.

Mr. Lowrey has over 30 years of experience in a variety of advisory, management and director roles for both private and public companies. Earlier in his career, he was a Director of Potter Warburg's Corporate Finance team, specialising in providing capital markets and mergers and acquisitions advice to small and mid-market companies. Mr. Lowrey was the Managing Director of Wilson Investment Group, an ASX listed wealth management and investment group. Mr. Lowrey served as an Executive Director of Shaw and Partners Limited and was Chairman of Oaktree Group a private retirement village developer and operator. He is presently a Non-

Executive Director of Greenwich Capital Partners, a non-Executive Director of Argus Property Partners Pty Ltd and Chairman of Credit Repair Pty Ltd. Mr. Lowrey holds a Bachelor of Business degree from the University of Technology, Sydney and a Masters of Applied Finance from Macquarie University. He is a chartered accountant. Mr. Lowrey is a member of the Audit, Risk, Nomination & Remuneration and Corporate Governance committees.

Recommendation: The Board recommends that Members **vote in favour** of this Resolution. Mr. Lowrey has abstained from making a recommendation in relation to this Resolution.

2.3 Approval of Remuneration Report

Under section 250R of the Corporations Act, Members have the opportunity to pass a non-binding resolution on the Remuneration Report at the Meeting and, under section 250S of the Corporations Act, the Chairman must allow the Members a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Remuneration Report, which explains the Board's policies in relation to the nature and level of remuneration paid to key management personnel of the Company and which sets out the remuneration details for each of them, forms part of the Directors' Report included in the Annual Report for the financial year ended 30 June 2020. Accordingly, the contents of the Remuneration Report are not reproduced in this Explanatory Memorandum. Members are referred to pages 5-12 of the Annual Report for full details of the remuneration of the Directors and Key Management Personnel.

Members should note that, as specified in section 250R of the Corporations Act, Resolution 2 is advisory only and is not binding on the Company. However, if the vote to approve the Remuneration Report receives a "no" vote by at least 25% of the votes cast, this will constitute a "first strike". Where this occurs, the Company's subsequent remuneration report must include an explanation of the Board's proposed action in response to the "no" vote or an explanation of why no action has been taken.

If:

- (a) a "first strike" occurs at this Meeting; and
- (b) the Company's subsequent remuneration report also receives a "no vote" at the 2021 Annual General Meeting of at least 25% of the votes cast,

then, at the 2021 Annual General Meeting Members will be asked to vote on a "spill resolution" under section 250V of the Corporations Act. If more than 50% of Members (excluding Key Management Personnel) vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the 2021 Annual General Meeting. All of the Directors who are in office when the Company's 2021 Remuneration Report receives that 'no vote', other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the Spill Meeting. Following the Spill Meeting, each person whose election or re-election as a Director is approved, will become a Director of the Company.

Subject to the voting exclusions, the Chairman intends to exercise all undirected proxies in favour of Resolution 2. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 2, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Recommendation: The Board **abstains** from making a recommendation in relation to this Resolution.

3. OTHER INFORMATION

The Board is not aware of any other information which is relevant to the consideration by Members of the proposed Resolutions which are detailed in the Notice. Prior to making any decision, Members may wish to seek advice from their own independent financial adviser or stockbroker as to the effect of the proposed Resolutions.

4. DIRECTORS' APPROVALS AND RECOMMENDATIONS

To the extent permitted by law, it is the intention of the Chairman of the Meeting to vote all undirected proxies granted to him in favour of the Resolutions.

5. GLOSSARY

The following definitions apply throughout the Notice and the accompanying Explanatory Memorandum, unless the context otherwise requires:

Annual General Meeting or **Meeting** means the annual general meeting of Shareholders of the Company to which the Notice relates;

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited (ACN 008 624 691);

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Australia;

Board means the current board of Directors of the Company;

Chairman means the chairman of the Meeting;

Company means Traffic Technologies Limited (ACN 080 415 407);

Constitution means the current Constitution of the Company;

Corporations Act means the *Corporations Act 2001 (Cth)*;

Director means a Director of the Company as at the date of the Explanatory Memorandum;

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice;

Listing Rules means the official rules of the ASX as at the date of this Notice;

Member or **Shareholder** means a holder of Shares in the Company;

Notice means the notice of this Meeting;

Proxy Form means a proxy form in the form enclosed with this document which is given by a Member who is eligible to vote at the meeting;

Resolutions means the resolutions referred to in the Notice;

Secretary means any person appointed to perform the duties of a secretary of the Company; and

Share means a fully paid ordinary share in the capital of the Company.

Where a term used in this Notice and Explanatory Memorandum is not defined but is defined in the Corporations Act, then that term will have the meaning given to it in the Corporations Act.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

TTIRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00 am (AEDT) on Wednesday, 25 November 2020.**

Traffic Technologies Ltd Annual General Meeting

This year, as part of the Australian Government's response to the Coronavirus crisis, temporary modifications have been made to the *Corporations Act 2001* under the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*.

These modifications allow notices of meeting, and other information regarding a meeting to be provided online where it can be viewed and downloaded. We are relying on technology to facilitate shareholder engagement and participation in the meeting. Details of where you can access the notice of meeting, lodge a proxy and participate in the meeting are contained in this letter.

Meeting date and location:

The Annual General Meeting of Traffic Technologies Ltd will be a virtual meeting, which will be conducted online on Friday, 27 November 2020 at 10.00 am (AEDT).

Attending the meeting online:

If you choose to participate online on the day of the meeting you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your vote in real time.

Webcast and Questions

To view the live webcast and ask questions online you will need to register with the Secretary, Peter Crafter at peter.crafter@traffictld.com.au at least 24 hours prior to the meeting. You will then be sent a link to the Meeting webcast.

Voting

To vote online during the meeting you will need to visit **web.lumiagm.com/348947478** on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at **www.computershare.com.au/onlinevotingguide**

Access the meeting documents and lodge your proxy online:

Online:

Access the meeting documents and lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Need assistance?



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1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



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Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Traffic Technologies Ltd hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Traffic Technologies Ltd to be held virtually on Friday, 27 November 2020 at 10.00 am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 2 (except where I/we have indicated a different voting intention in step 2) even though Resolution 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Mr. Garry Lowrey as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

