

3 November 2021

The Company Announcements Office
Australian Securities Exchange
via electronic lodgement

Notice under Section 708AA of the Corporations Act 2001 (Cth)

Traffic Technologies Ltd ACN 080 415 407 (ASX code: **TTI**) (**Traffic Technologies or the Company**), today announced it is undertaking a non-renounceable rights issue offer to eligible shareholders (**Rights Issue**). Eligible shareholders are those shareholders who, as at 7.00pm AEDT on Monday, 8 November 2021 (**Record Date**), are registered on the Company's share register and who have a registered address situated in Australia or New Zealand (**Eligible Shareholders**).

Under the terms of the Rights Issue, each Eligible Shareholder will have the right to subscribe for 7 new ordinary shares in the capital of the Company (**New Share**) for every 10 ordinary shares held as at the Record Date, at an issue price of \$0.03 per New Share, to raise up to approximately \$10.13 million (before costs) by the issue of up to approximately 337.56 million New Shares.

In accordance with section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* (**the Act**), the Company gives notice that:

- (a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act;
- (b) this notice is given by the Company under section 708AA(2)(f) of the Act;
- (c) as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules of ASX; and
 - (ii) that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the New Shares;
- (e) the potential effect that the issue of the New Shares under the Rights Issue will have on the control of the Company and the consequences of that will depend on a number of factors including specific investor demand. Assuming that all the shares offered under the Rights Issue are subscribed, the capital structure before the Rights Issue and the potential structure after the Rights Issue is set out below:

Issued Shares	Shares
Total issued capital of the Company as at the Record Date	482,224,695
Number of Shares offered under the Rights Issue (assuming maximum number of Shares are issued under the Rights Issue)	337,557,287
Total Issued Capital of the Company at completion of the Rights Issue	819,781,982

Investors should note the following:

- if particular Eligible Shareholders do not take up all of their entitlements under the Rights Issue, the share interests of those shareholders will be diluted;
- the proportional interests of shareholders with registered addresses outside Australia and New Zealand will be diluted because those shareholders are not entitled to participate in the Rights Issue; and
- should the Company's major shareholders subscribe for their full entitlement under the Rights Issue, there will not be any material impact on the control of the Company following the issue of New Shares under the Rights Issue.

Further details about the Rights Issue were announced on 3 November 2021.

For further information, please view our website (www.trafficltd.com.au) or contact Reach Markets, the advisors managing this offer, on advisers@reachmarkets.com.au or 03 8080 5795.

The release of this announcement was authorised by the Board of Traffic Technologies.

Yours faithfully

Peter Crafter
Company Secretary
Traffic Technologies Ltd