



## **TRANSACTION SOLUTIONS INTERNATIONAL LIMITED**

ABN 98 057 335 672

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### **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 29 August 2014 at 9.00am (WST).**

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*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9226 2235.***

## TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

### Venue

The Annual General Meeting of Transaction Solutions International Limited will be held at:  
The Celtic Club  
48 Ord Street  
West Perth WA 6005

Commencing  
at 9:00am (Western Standard Time)  
on 29 August 2014.

### How to Vote

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

### Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 9:00am (Western Standard Time).

### Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting. Your proxy form is enclosed.

# TRANSACTION SOLUTIONS INTERNATIONAL LIMITED

## ABN 98 057 335 672

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### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Transaction Solutions International Limited (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 29 August 2014 at 9.00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 27 August 2014 at 5pm (WST).

### AGENDA

#### Ordinary business

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#### 1. Annual Report

To table and consider the Annual Financial Report of the Company and its controlled entities for the period ended 31 March 2014, which includes the financial report and director's report in relation to that financial period and the auditor's report on the financial report.

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#### 2. Resolution 1 – Remuneration Report

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 March 2014."*

**Short Explanation:** The Remuneration Report is in the Directors Report section of the Company's annual financial report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The resolution will be determined as an ordinary resolution but is advisory only and does not bind the Directors or the Company.

**Voting Exclusion:** A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (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, the voter may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; 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 entity.

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### 3. Resolution 2 – Re-election of Director

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

*"That Mr James Carroll, who retires by rotation in accordance with the Company's Constitution and, being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

**Short Explanation:** James Carroll has been a Director of the Company since 1 June 2012 and was last re-elected to the Board in November 2012. Mr Carroll is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

#### **Special business**

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### 4. Resolution 3 – Approval of Additional Placement Capacity

To consider, and if thought fit, to pass as a **special resolution** with or without amendment the following:

*"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, to be issued on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

**Short Explanation:** ASX Listing Rule 7.1A permits eligible entities to obtain shareholder approval to issue an additional 10% of the entities' issued ordinary securities during a 12 month period. Shareholder approval must be given by a special resolution (at least 75% approval) at an annual general meeting.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote cast on this Resolution if:

- (a) 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
  - (b) 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
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Dated: 28 July 2014

**BY ORDER OF THE BOARD**



**MR PHILLIP MACLEOD**  
Company Secretary

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# TRANSACTION SOLUTIONS INTERNATIONAL LIMITED

## ABN 98 057 335 672

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### EXPLANATORY MEMORANDUM

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#### 1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 29 August 2014 at 9.00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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#### 2. Annual Financial Report

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 March 2014 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. Shareholders may view the Company annual financial report on its website at [www.tsnltd.com.au](http://www.tsnltd.com.au).

Shareholders will be offered the following opportunities:

- (a) Discuss the Annual Financial Report for the financial period ended 31 March 2014.
- (b) Ask questions and make comment on the management of the Company.
- (c) Ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the presentation and content of the auditors report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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### 3. Resolution 1 – Remuneration Report

The Remuneration Report of the Company for the year ending 31 March 2014 is set out in the director's report of the Company's annual financial report. The Remuneration Report sets out the Company's remuneration arrangements for executive and non-executive Directors and executive employees of the Company.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election. The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

#### Previous Voting Results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

#### Proxy Restrictions

Pursuant to the Corporations Act, if you appoint a member of the Key Management Personnel (other than the Chair) or any Closely Related Party as your proxy to vote on this Resolution 1, ***you must direct the proxy how they are to vote***. Where you do not direct such a person on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

If you appoint the Chair as your proxy, and you do not direct the Chair on how to vote on this Resolution 1, then by signing and returning the proxy form you are giving express authorisation for the Chair to vote all undirected proxies **FOR Resolution 1** even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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### 4. Resolution 2 – Re-election of Director

The Constitution requires that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number).

The Constitution provides that a Director who retires under these circumstances is eligible for re-election. Mr James Carroll will retire by rotation and seeks re-election accordingly.

Information about Mr Carroll is available in the 2014 annual financial report of the Company.

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### 5. Resolution 3 – Approval for Additional Placement Capacity

#### 5.1 General

ASX Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

During 2012 the ASX amended the ASX Listing Rules to allow small to mid-cap companies to seek shareholder approval for additional placement capacity. ASX Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("Additional Placement Capacity").

The Company seeks Shareholder approval under Resolution 3 to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance the formula prescribed in ASX Listing Rule 7.1A.2 (set out below).

## 5.2 Requirements of ASX Listing Rule 7.1A

### (a) Eligible entities

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as its market capitalisation at 24 July 2014 was approximately \$10.7 million.

### (b) Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the annual general meeting.

### (c) Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has only one class of Equity Securities quoted on ASX being fully paid ordinary Shares. The Company also has unquoted Options on issue.

### (d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 3 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A	The number of fully paid shares on issue 12 months before the date of issue or agreement: <ul style="list-style-type: none"> <li>plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;</li> <li>plus the number of partly paid shares that became fully paid in the 12 months;</li> <li>plus the number of fully paid shares issued in the 12 months with the approval of shareholders under ASX Listing Rules 7.1 or 7.4;</li> <li>less the number of fully paid shares cancelled in the 12 months.</li> </ul>
D	10%
E	The number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

(e) **Interaction between ASX Listing Rules 7.1 and 7.1A**

The Additional Placement Capacity under ASX Listing Rule 7.1A is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The Company has 1,780,063,679 Shares on issue as at the date of this Notice. If Resolution 3 is passed, the Company will be permitted to issue (as at the date of this Notice):

- 267,009,551 Equity Securities under ASX Listing Rule 7.1; and
- 178,006,367 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under ASX Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 3 will be to allow the Company to issue securities under ASX Listing Rule 7.1A without using the Company's placement capacity under ASX Listing Rule 7.1.

**5.3 Information for Shareholders as required by ASX Listing Rule 7.3A**

(a) **Minimum price**

The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 trading days of the date above, the date on which the Equity Securities are issued.

(b) **Risk of economic and voting dilution**

If Resolution 3 is passed and the Company issues securities under the Additional Placement Facility, existing Shareholders' voting power in the Company will be diluted.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date or the new Equity Securities may be issued as part of the consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice.



The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under ASX Listing Rule 7.1 that are approved by Shareholders in the future;
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		0.3 cents	0.6 cents	1.2 cents
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
<b>Current Variable A</b> 1,780,063,679 Shares	<b>10% Voting Dilution</b>	178,006,367 Shares	178,006,367 Shares	178,006,367 Shares
	<b>Funds raised</b>	\$534,019	\$1,068,038	\$2,136,076
<b>50% increase in current Variable A</b> 2,670,095,518 Shares	<b>10% Voting Dilution</b>	267,009,551 Shares	267,009,551 Shares	267,009,551 Shares
	<b>Funds raised</b>	\$801,029	\$1,602,057	\$3,204,115
<b>100% increase in current Variable A</b> 3,560,127,358 Shares	<b>10% Voting Dilution</b>	356,012,735 Shares	356,012,735 Shares	356,012,735 Shares
	<b>Funds raised</b>	\$1,068,038	\$2,136,076	\$4,272,153

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Options are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is 0.6 cents, being the closing price of the Shares on ASX on 24 July 2014.

The Company's ability to issue securities under ASX Listing Rule 7.1A is in addition to its ability to issue securities under ASX Listing Rule 7.1.

(c) **Placement Period**

Shareholder approval of the Additional Placement Capacity under ASX Listing Rule 7.1A is valid from 29 August 2014 (the date of this Meeting) and expires on the earlier of:

- 29 August 2015, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (significant change to nature or scale of activities) or ASX Listing Rule 11.2 (disposal of the main undertaking) (the "**Placement Period**").

The Company will only issue and allot new securities during the Placement Period. The approval will cease to be valid in the event that shareholders' approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

(d) **Purposes for which the new Equity Securities may be issued**

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the acquisition of new assets or investments (including the expenses associated such acquisition), continued expenditure on the Company's current assets and operations including general working capital; or
- non-cash consideration for acquisition of new assets and investments or for the payment of goods and services provided to the Company. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) **Allocation policy**

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A on the issue of any new securities.

(f) **Details of Equity Securities issued in the 12 months preceding the date of the Meeting**

On 30 August 2013, the Company received Shareholder approval for the Additional Placement Capacity at its 2013 annual general meeting. Pursuant to Listing Rule 7.3A.6 the following information is provided to Shareholders:

The total number of Equity Securities issued in the 12 months before this Meeting (that is, since 30 August 2013) is nil.

The total number of Equity Securities on issue at 30 August 2013 was 1,780,062,679 Shares and 48,000,000 Options.

(g) **Voting exclusion**

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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## **6. Enquiries**

Shareholders may contact the Company Secretary, Phil MacLeod on (+ 61 8) 9226 2235 if they have any queries in respect of the matters set out in these documents.

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## **7. Voting and Proxies**

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. A proxy need not be a Shareholder of the Company.

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the 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.

The chairman of the Meeting will vote undirected proxies on, and in favour of, all of the proposed Resolutions (including Resolution 1 (Adoption of Remuneration Report)). In relation to Resolution 1, the proxy form expressly authorises the chairman of the Meeting to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year 31 March 2014. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 27 August 2014 at 5:00pm (Western Standard Time).

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## 8. Definitions

In this Explanatory Memorandum and Notice:

**Additional Placement Capacity** means the capacity to issue additional Equity Securities by way of placement approved by Shareholders under Listing Rule 7.1A.

**Annual General Meeting and Meeting** means the meeting convened by this Notice.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of the ASX.

**Board** means the board of Directors.

**Business Day** has the same meaning as in the ASX Listing Rules.

**Chair or Chairman** means the chairman of the Company.

**Company** means Transaction Solutions International Limited ABN 98 057 335 672.

**Constitution** means the Constitution of the Company.

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

**Director** means a director of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Notice** means this notice of meeting.

**Option** means an option to acquire a Share.

**Placement Period** means the period during which Shareholder approval under Listing Rule 7.1A is valid.

**Proxy Form** means the proxy form attached to the Notice.

**Resolution** means a resolution contained in this Notice.

**Section** means a section contained in this Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

**\$** means Australian dollars unless otherwise stated.

In this Notice, words importing the singular include the plural and vice versa.

## PROXY FORM

The Company Secretary  
Transaction Solutions International Limited

**By delivery:**  
41 – 47 Colin Street  
WEST PERTH WA 6005

**By post:**  
PO Box 233  
WEST PERTH WA 6872

**By facsimile:**  
+61 8 9226 2237

I/We <sup>1</sup> \_\_\_\_\_

being a Shareholder/Shareholders of the Company and entitled to attend and vote,

hereby appoint <sup>2</sup> \_\_\_\_\_

or failing such appointment the chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Meeting of the Company to be held at The Celtic Club, 48 Ord Street, West Perth, WA, on 29 August 2014 at 9.00am (WST) and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is \* [ ]% of the Shareholder's votes\*/ [ ] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

**Important note for Resolution 1:** If you appoint a member of the Company's key management personnel (other than the chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolution 1, your proxy will NOT cast your vote on the resolution and your votes will not be counted.

If you appoint the chair of the Meeting as your proxy (or the chair of the Meeting becomes your proxy by default) and you do not direct your proxy how to vote in respect of Resolution 1, your vote will be cast in favour of Resolution 1, and you hereby expressly authorise the chair of the Meeting to exercise your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of the members of the Company's key management personnel. **The Chair intends to vote any such undirected proxies in favour of all Resolutions.**

The proxy is to vote on the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 2	Re-election of Director (James Carroll)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 3	Approval of Additional Placement Capacity	<input type="text"/>	<input type="text"/>	<input type="text"/>

### Authorised signature/s

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

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date \_\_\_\_\_

<sup>1</sup> Insert name and address of Shareholder

<sup>2</sup> Insert name and address of proxy

\*Omit if not applicable

**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding:                where the holding is in more than one name all of the holders must sign.

Power of Attorney:        if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies:                a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate 'Certificate of Appointment of Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (24 Colin Street, West Perth, WA, 6005) or Facsimile (08) 9226 2237 if faxed from within Australia or +618 9226 2237 if faxed from outside Australia) or received by post at PO Box 233, West Perth, WA, 6872 not less than 48 hours prior to the time of commencement of the Meeting (WST).