



TRANSACTION SOLUTIONS INTERNATIONAL LIMITED

ABN 98 057 335 672

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
Level 1, 16 Gympie Way, Willetton, Western Australia
on 28 August 2019 at 10:00am (WST).**

This Notice of Annual General 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) 9430 5033.

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Company will be held at:

Level 1	Commencing
16 Gympie Way	at 10:00am (Western Standard Time)
Willetton	on Wednesday
WA 6159	28 August 2019.

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 10:00am (Western Standard Time).

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- Post or hand deliver to the Company's registered office at 108 Forrest Street, Cottesloe, Western Australia, 6011;
- Facsimile to fax number +61 (8) 9463 1426; or
- Email to pmacleod@gapcs.com.au,

so that it is received not later than 10:00am (WST) on 26 August 2019.

VOTING AND PROXIES

1. 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.
2. 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.
3. The Chairman of the Meeting will vote undirected proxies in favour of all Resolutions. In relation to Resolution 1 the proxy form expressly authorises the Chairman to exercise the proxy even though the resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by a Director, any member of the Key Management Personnel or any of their Closely Related Parties (who are not the Chairman of the Meeting) will not be voted on Resolution 1.
4. In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have set a date and time to determine the identity of those Shareholders entitled to attend and vote at the Meeting. The date is 26 August 2019 at 5.00pm (Western Standard Time).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

TRANSACTION SOLUTIONS INTERNATIONAL LIMITED

ABN 98 057 335 672

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of the Company will be held at Level 1, 16 Gympie Way, Willetton, Western Australia on Wednesday, 28 August 2019 at 10:00am (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 26 August 2019 at 5pm (WST).

AGENDA

1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 31 March 2019, which includes the Financial Report and Director's Report, Remuneration Report and the Auditor's Report.

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 Report for the financial year ended 31 March 2019."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement: In accordance with section 250R of the Corporations Act, a vote on this Resolution 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 this 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 this 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 this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Director – Mr Gary Foster

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

"That Mr Gary Foster, 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."

4. Resolution 3 – Re-election of Director – Mr Howard Digby

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

"That Mr Howard Digby, who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

5. Resolution 4 – Change of Company Name

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

"That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to "Vortiv Limited" with effect from the date that ASIC alters the details of the Company's registration."

6. Resolution 5 – Approval of 10% Placement Capacity

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

"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."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in the issue of Equity Securities under this Resolution or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or an associate of that person. 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.

7. Resolution 6 – Adoption of new Constitution

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

*"That, with effect from the passing of this Resolution and in accordance with section 136 of the Corporations Act, the regulations contained in the printed document produced to this Meeting and signed by the Chair for identification purposes (**Proposed Constitution**) are hereby approved and adopted as the constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company."*

Dated: 25 July 2019

BY ORDER OF THE BOARD



MR PHILLIP MACLEOD
Company Secretary

TRANSACTION SOLUTIONS INTERNATIONAL LIMITED

ABN 98 057 335 672

EXPLANATORY MEMORANDUM

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 Level 1, 16 Gympie Way, Willetton, Western Australia on 28 August 2019 at 10:00am (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.

In accordance with section s250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolution 1 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 1.

However, the prohibition does not apply if:

- (c) the proxy is the Chairperson; and
- (d) the appointment expressly authorises the Chairperson to exercise the proxy even if Resolution 1 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

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 2019 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's annual financial report on its website at www.tsnltd.com.au or the ASX website at www.asx.com.au.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) Discuss the Annual Financial Report for the financial period ended 31 March 2019.
- (b) Ask questions about, or make comment on, the management of the Company.

- (c) Ask questions about, or make comment on, the Remuneration Report.
- (d) Ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

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 content of the Auditor's Report; and
- (b) the conduct of the audit of the Financial Report.

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

3. Resolution 1 – Remuneration Report

The Remuneration Report of the Company for the year ending 31 March 2019 is set out in the Director's 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. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

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") on whether another general meeting be held (within 90 days) at which all of the Directors (other than the Managing Director) who were in office at the date of approval for the applicable Director's Report 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. However, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, Shareholders should be aware that if 25% or more of the votes are cast against the Remuneration Report at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

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.

4. Resolution 2 – Re-election of Director – Mr Gary Foster

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 Foster was appointed as a Director on 25 February 2010. Mr Foster is the Director longest in office since his last election (on 31 August 2017), retires by rotation and offers himself for re-election.

Qualifications

Mr Foster holds a Graduate Certificate of Management and a Certificate III in Agriculture and is a member of the Australian Institute of Company Directors. He was instrumental in building one of the largest independent electronic transaction companies in Australia. Mr Foster has been in executive leadership and management roles for three financial and e-transaction payment companies and is co-founder of the TSI India business.

Other Material Directorships

Mr Foster is the Executive Chairman of Pearl Global Limited.

Independence

The Board considers Mr Foster is not an independent Director.

Board Recommendation

The Directors (apart from Mr Foster) recommend that Shareholders vote in favour of the re-election of Mr Foster.

5. Resolution 3 – Re-election of Director – Mr Howard Digby

The Constitution requires that a Director appointed by the Board must retire at the next AGM following their appointment and is eligible for re-election at that meeting. Mr Digby was appointed by the Board on 13 November 2018 and as required by the Constitution retires and offers himself for re-election at this meeting.

Qualifications

Mr Digby holds a Bachelor of Engineering (Mechanical), Honours, from the University of Western Australia. He began his career at IBM and has spent over 25 years managing technology-related businesses in the Asia Pacific region, of which 12 years were spent in Hong Kong. More recently, he was with The Economist Group as Regional Managing Director. Prior to this he held senior regional management roles at Adobe and Gartner. Upon returning to Perth, Mr Digby served as Executive Editor of WA Business News and now spends his time as an advisor and investor having played key roles in a number of M&A and reverse takeover transactions.

Other Material Directorships

Mr Digby is currently a non-executive director of ASX listed companies HearMeOut Limited, 4DS Memory Limited, Elsie Limited and ImExHS Limited.

Independence

The Board considers Mr Digby is an independent Director.

Board Recommendation

The Directors (apart from Mr Digby) recommend that Shareholders vote in favour of the re-election of Mr Digby.

6. Resolution 4 – Change of Company Name

The Directors have determined to change the Company name to Vortiv Limited as it moves into the cloud and cybersecurity technology services sector following the acquisition of Decipher Works Pty Ltd and Cloudten Industries Pty Ltd and the successful integration of those businesses.

Resolution 4 seeks Shareholder approval for the change of name in accordance with section 157(1)(a) of the Corporations Act. If the proposed change of name is approved, that change of name takes effect from when ASIC alters the details of the Company's registration.

Resolution 4 is a special resolution

Board Recommendation

The Directors recommend that Shareholders vote in favour of the change of the Company name.

7. Resolution 5 – Approval for 10% Placement Capacity

7.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

If Shareholders approve this Resolution, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 7.2 below).

The effect of this Resolution will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

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).

7.2 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.

(b) Shareholder approval

Shareholders must approve the 10% Placement Capacity by special resolution at the annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

(c) Equity Securities

Equity Securities issued under the 10% 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.

(d) Formula for calculating number of Equity Securities that may be issued under the 10% Placement Capacity

If this Resolution is passed, the Company may issue or agree to issue, during the 12-month period after the date of 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">plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
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	<ul style="list-style-type: none"> • plus the number of partly paid shares that became fully paid in the 12 months; • plus the number of fully paid ordinary shares issued in the 12 months with the approval of shareholders under ASX Listing Rules 7.1 or 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; • less the number of fully paid ordinary shares cancelled in the 12 months.
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 the 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 10% 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 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).

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

(a) **Minimum price**

The issue price of the new Equity Securities will be not less than 75% of the volume weighted average price (VWAP) for Equity 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 this Resolution is passed and the Company issues securities under the 10% Placement Capacity, 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 (in the same class) 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		
		0.45 cents	0.9 cents	1.8 cents
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A 2,412,400,843 Shares	10% Voting Dilution	241,240,084 Shares	241,240,084 Shares	241,240,084 Shares
	Funds raised	\$1,085,580	\$2,171,161	\$4,342,322
50% increase in current Variable A 3,618,601,264 Shares	10% Voting Dilution	361,860,126 Shares	361,860,126 Shares	361,860,126 Shares
	Funds raised	\$1,628,371	\$3,256,741	\$6,513,482
100% increase in current Variable A 4,824,801,686 Shares	10% Voting Dilution	482,480,168 Shares	482,480,168 Shares	482,480,168 Shares
	Funds raised	\$2,171,161	\$4,342,322	\$8,684,643

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% 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 10% 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 10% 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 0.9 cents, being the closing price of the Shares on ASX on 24 July 2019.

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 10% Placement Capacity under ASX Listing Rule 7.1A is valid from 28 August 2019 (the date of this Meeting) and expires on the earlier of:

- 28 August 2020, 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 new Equity 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 10% Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The recipients will be determined at the relevant time having regard to factors such as:

- the purpose of the issue;
- 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 Equity 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 recipients are not known but may include existing substantial Shareholders and/or new Shareholders. No recipient under the 10% 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 10% Placement Capacity and it is possible that their shareholding will be diluted.

If the 10% Placement Capacity is used to acquire new assets or investments, then it is likely that the recipients 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 29 August 2018, the Company received Shareholder approval for the 10% Placement Capacity at its 2018 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 28 August 2018) is 638,892,739 (238,208,883 Shares and 400,683,856 Options). The total number of Equity Securities on issue at 28 August 2018 was 2,288,001,793 (2,174,194,960 Shares; 113,806,822 Options; and 11 convertible notes). The total number of Equity Securities issued in the 12 months before this Meeting is 27.9% of the total number of Equity Securities on issue at 28 August 2018.

The details of Equity Securities issued during the 12 months preceding the date of the meeting are:

Date of issue:	21 December 2018
Number of Equity Securities:	232,323,531
Class of Equity Securities and summary of terms:	Fully paid ordinary shares
Name of recipient or basis on which recipients were determined:	The Shares were issued to sophisticated investors under Section 708 of the Corporations Act. The recipients were not related parties of the Company.
Price:	0.85 cents per share
Discount to market price on the date of issue:	The Shares were issued at a 0.15 cent premium to the market price of 0.7 cents.
Total cash consideration received:	\$1,974,750
Amount of cash consideration spent:	\$1,974,750
Use of cash consideration:	Funds used for the purchase of Cloudten Industries Pty Ltd and costs associated with the issue.

Date of issue:	7 February 2019
Number of Equity Securities:	5,882,352
Class of Equity Securities and summary of terms:	Fully paid ordinary shares
Name of recipient or basis on which recipients were determined:	Polaris Equity Pty Ltd and Pokfulam Nominees Pty Ltd. The recipients were related parties of the Company.
Price:	0.85 cents per share
Discount to market price on the date of issue:	The Shares were issued at a 0.05 cent premium to the market price of 0.8 cents.
Total cash consideration received:	\$50,000
Amount of cash consideration spent:	\$50,000
Use of cash consideration:	Funds used for the purchase of Cloudten Industries Pty Ltd and costs associated with the issue.

Date of issue:	21 December 2018 and 7 February 2019
Number of Equity Securities:	<ol style="list-style-type: none"> 1. 119,102,950 2. 119,102,950 3. 59,551,478 4. 59,551,478
Class of Equity Securities and summary of terms:	<p>Unlisted Options:</p> <ol style="list-style-type: none"> 1. exercisable at 1 cent each expiring 7 August 2019 2. exercisable at 1.1 cents each expiring 7 November 2019 3. exercisable at 1.3 cents each expiring 21 December 2020 4. exercisable at 1.5 cents each expiring 21 December 2021
Name of recipient or basis on which recipients were determined:	The Options were free attaching to the Shares issued on 21 December 2018 and 7 February 2019 on the basis of a total of 6 Options for every 4 Shares issued.
Non-cash consideration:	The Options were free attaching to the Share placements on 21 December 2018 and 7 February 2019. No additional funds were raised from the issue of the Options.
Discount to market price on the date of issue:	The Options are new class of equity security. The market price of Shares on 21 December 2018 was 0.7 cents and 0.8 cents on 7 February 2019.
Current value of non-cash consideration:	<p>Based on a Black Scholes option pricing model the Options have a current value of:</p> <ol style="list-style-type: none"> 1. \$28,300 2. \$156,300 3. \$210,400 4. \$273,000

Date of issue:	25 September 2018
Number of Equity Securities:	30,375,000
Class of Equity Securities and summary of terms:	Unlisted Options exercisable at 0.851 cents each expiring 23 September 2020.
Name of recipient or basis on which recipients were determined:	Polaris Equity Pty Ltd.
Non-cash consideration:	The Options were issued as part of the remuneration package of Managing Director, Mr J Lai. No funds were raised from the issue of the Options.
Discount to market price on the date of issue:	The Options are new class of equity security. The market price of Shares on 25 September 2018 was 0.6 cents.
Current value of non-cash consideration:	Based on a Black Scholes option pricing model the Options have a current value of \$122,000.

Date of issue:	7 February 2019
Number of Equity Securities:	12,000,000
Class of Equity Securities and summary of terms:	Unlisted Options exercisable at 1.5 cents each expiring 7 February 2020.
Name of recipient or basis on which recipients were determined:	The Options were issued to nominees of participating brokers of a placement of Shares and Options issued 21 December 2018 and 7 February 2019. The recipients were not related parties of the Company.

Non-cash consideration:	The Options were issued as part of the fee payable for management of a placement of Shares and Options. No funds were raised from the issue of the Options.
Discount to market price on the date of issue:	The Options are new class of equity security. The market price of Shares on 21 December 2018 was 0.7 cents and 0.8 cents on 7 February 2019.
Current value of non-cash consideration:	Based on a Black Scholes option pricing model the Options have a current value of \$16,000.

Date of issue:	7 February 2019
Number of Equity Securities:	1,000,000
Class of Equity Securities and summary of terms:	Unlisted Options exercisable at 1.22 cents each expiring 6 February 2021.
Name of recipient or basis on which recipients were determined:	Pokfulam Nominees Pty Ltd.
Non-cash consideration:	The Options were issued to Director, Mr H Digby with the approval of shareholders at a meeting held 29 January 2019. No funds were raised from the issue of the Options
Discount to market price on the date of issue:	The Options are new class of equity security. The market price of Shares on 7 February 2019 was 0.8 cents.
Current value of non-cash consideration:	Based on a Black Scholes option pricing model the Options have a current value of \$3,800.

(g) **Voting exclusion**

A voting exclusion statement is included in the Notice. 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 10% Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

8. Resolution 6 – Adoption of new Constitution

The current Constitution of the Company was adopted on 13 April 2005.

It is proposed that the current Constitution be replaced by the new Proposed Constitution that reflects compliance with current law and enables the Company to function better in accordance with its constituent documents being the Proposed Constitution. The Proposed Constitution has been approved by ASX as required under the Listing Rules.

Resolution 6 seeks Shareholder approval for the adoption of the Proposed Constitution in accordance with section 136 of the Corporations Act.

Resolution 6 is a special resolution and requires approval of 75% of the votes cast by Shareholders.

A copy of the Proposed Constitution will be sent to any Shareholder upon request and will also be available for inspection at the registered office of the Company located at 108 Forrest Street, Cottesloe, WA, 6011, during normal business hours prior to the Meeting and at the Meeting.

If Resolution 6 is passed, the Proposed Constitution will become effective from the passing of the Resolution. In summary, the Proposed Constitution Includes provisions to the following effect:

(a) **Shares**

The issue of shares and options by the Company is under the control of the Directors, subject to the Corporations Act, Listing Rules and any rights attached to any special class of shares.

(b) Preference Shares

The Corporations Act requires certain rights of preference shares to be either set out in the Company's constitution or approved in general meeting by special resolution before preference shares are issued.

The Proposed Constitution sets out a framework of rights for preference share issues from which the Board can determine to allot and issue preference shares, without the need to obtain further shareholder approval every time an allotment of preference shares is proposed. The Proposed Constitution contains the framework as well as specific rights of preference shares as to the repayment of capital, requirements for redemption (if the preference shares are redeemable), participation in surplus assets and profits, voting rights and priority of payment of capital and dividends. Other specific terms, including the dividend amount, the redemption date (if applicable) and redemption amount (if applicable), would be set by the issuing resolution of the Directors.

(c) Reductions of Capital

The Proposed Constitution is consistent with the Corporations Act requirements which must be satisfied by the Company in undertaking an alteration of capital.

(d) Liens

If the Company issues partly paid shares and a call made on those shares is unpaid, the Company will have a lien over the shares on which the call is unpaid. The lien may be enforced by a sale of those shares.

(e) Transfer of Shares

The Company may participate in any clearing and settlement facility provided under the Corporations Act, the Listing Rules and the ASX Settlement Pty Ltd ("ASX Settlement") Operating Rules. Transfers through ASX Settlement are effected electronically in ASX Settlement's Clearing House Electronic Sub register System ("CHES"). For the purposes of the Company's participation in the CHES, the Company may issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The Directors may refuse to register a transfer of shares in the circumstances permitted or required under the Corporations Act and Listing Rules.

(f) Proportional Takeovers

A proportional takeover bid is one in which the offeror offers only to buy a specified proportion of each Shareholders' shares.

The Proposed Constitution provides for Shareholder approval of any proportional takeover bid for the shares. Subject to the Listing Rules and ASX Settlement Operating Rules, the provisions require the Directors to refuse to register any transfer of shares made in acceptance of a proportional takeover offer until the requisite Shareholder approval has been obtained.

The perceived advantages of including proportional takeover provisions in the Proposed Constitution are that such provisions may:

- (i) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (ii) improve corporate management by eliminating the possible threat of a hostile takeover through longer term planning;
- (iii) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its Shareholders to advise and guide in the event of a proportional bid occurring; and
- (iv) strengthen the position of Shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the offeror and Shareholders, as the more cohesive Shareholders are in

determining their response, the stronger they are. A requirement for approval can force Shareholders to act in a more cohesive manner. Where Shareholders know that a bid will only be successful if a specified majority of Shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

The perceived disadvantages of including proportional takeover provisions in the Proposed Constitution include the following matters:

- (v) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
 - (vi) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other Shareholders; and
 - (vii) a Shareholder may lack a sufficient financial interest in any particular company to have an incentive to determine whether the proposal is appropriate.
 - (viii) To comply with the Corporations Act, the proportional takeover provisions must be renewed by Shareholders in general meeting at least every 3 years to remain in place.
- (g) Alterations of share capital

Shares may be converted or cancelled with Shareholder approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act and the Listing Rules.
- (h) Buy Backs

The Company may buy back shares in itself on terms and at such times determined by the Directors.
- (i) Disposal of less than a Marketable Parcel

For the sake of avoiding excessive administration costs, the Proposed Constitution contains provisions enabling the Company to procure the disposal of shares where the Shareholder holds less than a marketable parcel of shares within the meaning of the Listing Rules (being a parcel of shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant Shareholder holding less than a marketable parcel of shares, who may then elect not to have his or her shares sold by notifying the Directors.
- (j) Variation of class rights

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.
- (k) Meetings of Shareholders

Directors may call a meeting of Shareholders whenever they think fit. Shareholders may call a meeting as provided by the Corporations Act. The Proposed Constitution contains provisions prescribing the content requirements of notices of meetings of Shareholders and all Shareholders are entitled to a notice of meeting. Consistent with the new Corporations Act provisions, a meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.
- (l) Voting of Shareholders

Resolutions of Shareholders will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. On a poll

each eligible Shareholder has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(m) Proxies

An eligible Shareholder may appoint a proxy to attend and vote at the meeting on the Shareholder's behalf. The Proposed Constitution contains provisions specifying the manner of lodgement of proxy instruments. A Shareholder may appoint an individual or corporation to act as its representative.

(n) Directors

Unless changed by the Company in general meeting, the minimum number of directors is 3 and the maximum is 10. The existing directors of the Company may appoint a new Director to fill a casual vacancy or as an addition to the board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as director). No Director other than the Managing Director may hold office for longer than 3 years without submitting himself or herself for re-election.

(o) Powers of Directors

The business of the Company is to be managed by or under the direction of the Directors.

(p) Remuneration of Directors

The Company may pay non-executive Directors a maximum of the total amount as determined by the Shareholders in general meeting and such sum must not be paid by way of commission on, or percentage of, profits or operating revenue.

The remuneration of executive Directors will be subject to the provisions of any contract between each of them and the Company and may be by way of commission on, or percentage of, profits of the Company, but will not be by way of commission on, or percentage of, operating revenue.

(q) Execution of documents

The Proposed Constitution provides for execution of documents by the Company without the use of the Company's company seal.

(r) Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividends, the Directors may from time to time declare dividends to be paid to the shareholders entitled to dividends. Subject to the rights of any preference shares and to the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the dividends as declared shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

(s) Indemnities and insurance

To the extent permitted by law, the Company indemnifies every person who is, or has been, a Director or Secretary of the Company against a liability incurred by that person in his or her capacity as a Director or Secretary provided that the liability does not arise out of conduct involving a lack of good faith (otherwise referred to as an excluded liability). A similar indemnity is provided in respect of legal proceedings. The Company may also pay the premiums on directors' and officers' liability insurance.

9. Enquiries

Shareholders may contact the Company Secretary, Phil MacLeod on (+ 61 8) 9457 5111 if they have any queries in respect of the matters set out in these documents.

10. Definitions

In this Explanatory Memorandum and Notice:

10% 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.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report thereon, in respect to the financial year ended 31 March 2019.

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.

Auditor's Report means the Auditor's report on the Financial Report.

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.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

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.

Directors' Report means the annual Directors' Report prepared under Chapter 2M of the Corporations Act for the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority

and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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.

Proposed Constitution has the meaning given in Resolution 6.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the Remuneration Report of the Company in respect of the financial year ended 31 March 2019 contained in the Directors' Report.

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
TRANSACTION SOLUTIONS INTERNATIONAL LIMITED
ACN 98 057 335 672

ANNUAL GENERAL MEETING

I/We being a Shareholder/Shareholders of the Company and entitled to attend and vote at the Meeting hereby appoint,

OR

the Chair as my/our proxy

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 Level 1, 16 Gympie Way, Willetton, WA, on 28 August 2019 at 10:00am (WST) and at any adjournment thereof in the manner indicated below or, in the absence of indication, and to the extent permitted by law, as he thinks fit.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

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

		For	Against	Abstain*
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director (G Foster)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director (H Digby)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Adoption of new Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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).

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

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

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:

- (a) by post or delivery to the Company's registered office at 108 Forrest Street, Cottesloe, WA, 6011; or
- (b) by facsimile transmission to the Company on facsimile number +618 9463 1426; or
- (c) email to the Company at pmacleod@gapcs.com.au;

so that it is received not less than 48 hours prior to the time of commencement of the Meeting.