



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
The Celtic Club, 48 Ord Street, West Perth, Western Australia
on
31 August 2016 at 9.00am (WST).**

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 Presidents' Room	Commencing
The Celtic Club	at 9:00am (Western Standard Time)
48 Ord Street	on Wednesday
West Perth WA 6005	31 August 2016.

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

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 Wednesday, 31 August 2016 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 26 August 2015 at 5pm (WST).

AGENDA

Ordinary business

1. Annual Report

To table and consider the Annual Financial Report of the Company and its controlled entities for the period ended 31 March 2016, which includes the financial report and director's report in relation to that financial period and the auditor's report on the financial 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 financial report for the financial year ended 31 March 2016."

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

Voting Prohibition Statement: 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

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

"That Mr Paul Boyatzis, 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: Mr Boyatzis has been a Director of the Company since 26 February 2010 and was last re-elected to the Board in 30 August 2013. Mr Boyatzis is presented for re-election in accordance with the rotation requirements of the Company's Constitution.

4. Resolution 3 – Ratification of Placement

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 58,823,529 Shares each at an issue price of \$0.0085 which raised \$500,000 (before costs) on the terms and conditions in the Explanatory Memorandum (Placement)."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the Placement and any associate of those persons.

However, the Company need not disregard a vote 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.

5. Resolution 4 – Ratification of Option Issue

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,000,000 Options each with an exercise price of \$0.02 each and an expiry date of 15 February 2018 on the terms and conditions in the Explanatory Memorandum (Option Issue)."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the Option Issue and any associates of those persons.

However, the Company need not disregard a vote 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.

Special business

6. Resolution 5 – Approval of 10% 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 an annual general meeting.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution 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

7. Resolution 6 – Appointment of Bentleys as Auditors

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

"That, for the purposes of section 327B of the Corporations Act and for all other purposes Bentleys Audit & Corporate (WA) Pty Ltd, having been nominated as auditor and having received their consent in writing to act in the capacity of auditor, be appointed auditors of the Company."

Short Explanation: Subject to the ASIC consenting to the resignation of the current auditors, Deloitte Touche Tohmatsu, and Deloitte Touche Tohmatsu submitting a resignation to the Company, it is proposed that the Company appoint Bentleys as auditor of the Company.

Dated: 26 July 2016

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 The Celtic Club, 48 Ord Street, West Perth, Western Australia on 31 August 2016 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.

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 2016 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 or the ASX website at www.asx.com.au.

Shareholders will be offered the following opportunities:

- (a) Discuss the Annual Financial Report for the financial period ended 31 March 2016.
- (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 auditor's 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.

3. Resolution 1 – Remuneration Report

The Remuneration Report of the Company for the year ending 31 March 2016 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.

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 Boyatzis, the Director longest in office since his last election (on 30 August 2013 having initially been appointed on 26 February 2010), retires by rotation and offers himself for re-election.

Qualifications

Mr Boyatzis is a member of the Australian Institute of Company Directors, the Securities and Derivatives Industry Association and Certified Practising Accountants in Australia. He has over 25 years' experience in the commercial, investment and equity markets, and in particular, with emerging growth companies within the financial services and mining sectors.

Other Material Directorships

Mr Boyatzis has served as Chairman and director of a number of public and private companies in Australia and internationally and is currently also Chairman of Nexus Minerals Limited, Ventnor Resources Limited and Aruma Resources Limited.

Independence

The Board considers Mr Boyatzis is not an independent Director.

Board Recommendation

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

5. Resolution 3 – Ratification of Placement

5.1 Background

On 2 December 2015 the Company announced the placement of 58,823,529 Shares at a price of 0.85 cents each to raise \$500,000 before costs (**Placement**). The funds raised will be used to continue to assess strategic investments that have the potential to add significant value to Shareholders.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of Shares under the Placement to sophisticated and professional investors who are not related parties or associates of related parties of the Company.

5.2 Listing Rule 7.4

Shares under the Placement were issued within the Company's 15% limit permitted under Listing Rule 7.1, without the need for Shareholder approval. The effect of Shareholders passing Resolution 3 by ratifying the issue of the Shares under the Placement will be to restore the Company's ability to issue securities within that limit, to the extent of the 58,823,529 Shares.

5.3 Specific Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval of the First Tranche Placement pursuant to Listing Rule 7.4:

- (a) 58,823,529 Shares were issued on 3 December 2015.
- (b) The Shares were issued at a price of \$0.0085 per Share.
- (c) The Shares are fully paid ordinary shares issued on the same terms and conditions as the Company's existing Shares on issue.
- (d) The Shares were issued to sophisticated and professional investor clients of Red Leaf Securities Pty Ltd and are not related parties or associates of related parties of the Company.
- (e) The funds raised will be used to assess strategic investments that have the potential to add significant value to Shareholders.
- (f) A voting exclusion statement is included in the Notice.

6. Resolution 4 - Ratification of Option Issue

6.1 General

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of 30,000,000 unlisted Options to selected personnel of Transaction Solutions International (India) Pvt Ltd for their ongoing assistance to the Company. The issue of the options was subject to the identification and agreement of the selected personnel.

6.2 Listing Rule 7.4

The Options were issued within the Company's 15% limit permitted under Listing Rule 7.1, without the need for Shareholder approval. The effect of Shareholders passing Resolution 4 by ratifying the issue of the Options will be to restore the Company's ability to issue securities within that limit without the requirement to obtain prior shareholder approval.

6.3 Specific Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval of the Option Issue pursuant to Listing Rule 7.4:

- (a) A total of 30,000,000 Options were issued on 17 February 2016.
- (b) The Options were issued for nil consideration.
- (c) The terms and conditions of the Options are set out in section 6.4 below. The Shares issued upon exercise of the Options will rank equally in all respects with the Company's existing issued Shares.
- (d) The Options were issued to selected personnel of Transaction Solutions International (India) Pvt Ltd based on the assistance provided to the Company.
- (e) No funds were raised from the issue of the Options.
- (f) A voting exclusion statement is included in the Notice.

6.4 Terms of Options

The Options the subject of Resolution 4 were issued on the following terms:

- (a) Each Option entitles the holder to one Share.
- (b) The Options are exercisable at any time prior to 5.00 pm Australian Western Standard Time on 15 February 2018 ("Expiry Date"). The Options may otherwise lapse at the discretion of the Board on the holder's termination of employment of with Transaction Solutions International (India) Pvt Ltd.
- (c) the Options are exercisable at 2 cents each and vest on 15 August 2016.
- (d) The Options will not be listed on ASX and may only be transferred to a nominee with the approval of the Board.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder in accordance with paragraph 5 will be allotted and issued a Share ranking equally with the then issued Shares. The Company will apply to ASX for official quotation of Share issued on the exercise of the Options.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 business days after the issue is announced. This will give Optionholders the opportunity (where Options have vested) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue ("Bonus Issue") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

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 Resolution 5, 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 5.2 below).

The effect of Resolution 5 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 subsequent Shareholder approval and 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 as its market capitalisation at 20 July 2016 was approximately \$36.8 million.

(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 Resolution 5 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 Additional Placement Capacity**

If Resolution 5 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:

$$(Ax D) - E$$

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 shares issued in the 12 months under an exception in ASX Listing Rule 7.2;• plus the number of partly paid shares that became fully paid in the 12 months;• 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;• less the number of fully paid 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 issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.
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(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 Company has 1,838,886,208 Shares on issue as at the date of this Notice. If Resolution 5 is passed, the Company will be permitted to issue (as at the date of this Notice):

- 275,832,931 Equity Securities under ASX Listing Rule 7.1; and
- 183,888,620 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).

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 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 5 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 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		
		1 cent	2 cents	4 cents
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A 1,838,886,208 Shares	10% Voting Dilution	183,888,620 Shares	183,888,620 Shares	183,888,620 Shares
	Funds raised	\$1,838,886	\$3,677,772	\$7,355,545
50% increase in current Variable A 2,758,329,312 Shares	10% Voting Dilution	275,832,931 Shares	275,832,931 Shares	275,832,931 Shares
	Funds raised	\$2,758,329	\$5,516,659	\$11,033,317
100% increase in current Variable A 3,677,772,416 Shares	10% Voting Dilution	367,777,241 Shares	367,777,241 Shares	367,777,241 Shares
	Funds raised	\$3,677,772	\$7,355,545	\$14,711,090

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 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 2 cents, being the closing price of the Shares on ASX on 26 July 2016.

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 31 August 2016 (the date of this Meeting) and expires on the earlier of:

- 31 August 2017, 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 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 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 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 28 August 2015, the Company received Shareholder approval for the 10% Placement Capacity at its 2015 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 31 August 2015) is 88,823,529 (being 58,823,529 Shares and 30,000,000 unlisted Options).

The total number of Equity Securities on issue at 31 August 2015 was 1,780,062,679 Shares. The total number of Equity Securities issued or expected to be issued in the 12 months before this Meeting is approximately 4.99% of the total number of Equity Securities on issue at 31 August 2015 on a fully diluted basis.

The details for each of the separate issue of Equity Securities issued during the 12 months preceding the date of the Meeting are:

Date of issue:	3 December 2015
Number of Equity Securities:	58,823,529 Shares
Summary of terms:	Fully paid ordinary
Basis on which recipients were determined:	Placement to sophisticated and professional investor clients of Red Leaf Securities Pty Ltd.
Price:	0.85 cents per Share.
Discount to market price (at time of issue):	The Shares were issued at a discount of 0.35 cents to the market price of 1.2 cents
Total cash consideration received:	\$500,000
Amount of cash consideration spent:	None of these specific funds spent as yet.
Intended use for remaining amount of cash:	The funds raised will be used to assess strategic investments that have the potential to add significant value to Shareholders.

Date of issue:	17 February 2016
Number of Equity Securities:	30,000,000 Options
Summary of terms:	Unquoted Options exercisable at 2 cents each expiring 15 February 2018.
Basis on which recipients were determined:	Options were issued to selected personnel of Transaction Solutions International (India) Pvt Ltd based on the assistance provided to the Company.
Price:	Nil
Discount to market price (at time of issue):	The Options were a new class of unquoted security issued for nil consideration.
Total cash consideration received:	Nil
Amount of cash consideration spent:	Not applicable.
Intended use for remaining amount of cash:	Not applicable.
Current value:	<p>\$0.0147 per Option for an aggregate of \$442,385 for all Options issued.</p> <p>This value has been measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share, the expected dividend yield and the risk free interest rate for the term of the Option.</p>

(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.

8. Resolution 6 – Appointment of Bentleys as Auditor

Deloitte Touche Tohmatsu (**Deloitte**), the Company's current auditors, have given notice of their intention to resign as auditor of the Company (under section 329 (5) of the Corporations Act) subject to receipt of the consent of ASIC and Shareholder approval of this Resolution 6 for the appointment of Bentleys Audit & Corporate (WA) Pty Ltd (**Bentleys**) as auditor.

Subject to ASIC consenting to the resignation of Deloitte and Deloitte submitting a resignation to the Company, it is proposed that the Company appoint Bentleys as auditor of the Company.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for the appointment of Bentleys as the Company's auditor. A copy of this nomination is attached to this Notice and Explanatory Memorandum as Annexure A.

Bentleys has given its written consent to act as the Company's auditor subject to Shareholder approval of this Resolution 6.

If Resolution 6 is passed, the appointment of Bentleys as the Company's auditor will take effect at the close of this Meeting.

9. 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.

10. 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 2016. 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 29 August 2016 at 5:00pm (Western Standard Time).

11. 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.

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.

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.

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.

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.

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.

ANNEXURE A
LETTER OF NOMINATION OF AUDITOR

26 July 2016

The Chairman
Transaction Solutions International Limited
41 – 47 Colin Street
West Perth WA 6005

Dear Sir

Nomination of Auditor

We, Clandestine Pty Ltd, being a shareholder of Transaction Solutions International Limited, hereby nominate Bentleys Audit & Corporate (WA) Pty Ltd of Level 3, 216 St George's Terrace, Perth, Western Australia to be appointed as auditor of Transaction Solutions International Limited.

We consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting for the 2016 Annual General Meeting of Transaction Solutions International Limited as required by section 328B(3) of the Corporations Act.

Yours faithfully



Gary Elwell
Director

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 The Celtic Club, 48 Ord Street, West Perth, WA, on 31 August 2016 at 9.00am (WST) and at any adjournment thereof in the manner indicated below or, in the absence of indication, 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="text"/>	<input type="text"/>	<input type="text"/>
Resolution 2	Re-election of Director (Paul Boyatzis)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 3	Ratification of Placement	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 4	Ratification of Option Issue	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 5	Approval of 10% Placement Capacity	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resolution 6	Appointment of Bentleys as Auditor	<input type="text"/>	<input type="text"/>	<input type="text"/>

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 delivery to the Company office at Ground Floor, 41 – 47 Colin Street, West Perth, WA, 6005; or
- (b) by facsimile transmission to the Company on facsimile number +618 9226 2237; or
- (c) post to Transaction Solutions International Limited, PO Box 233, West Perth, WA, 6872; or
- (d) 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.