

000001 000 TTI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

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

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

Proxy Form

For your vote to be effective it must be received by 11:00am Sunday 25 October 2009

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions

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

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

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

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

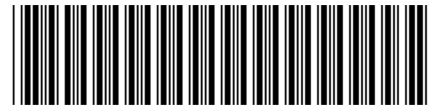
SRN/HIN: I999999999



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

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



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I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

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

the Chairman of the meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Traffic Technologies Limited to be held at the Hilton on the Park, 192 Wellington Parade, East Melbourne Victoria on Tuesday, 27 October 2009 at 11:00am and at any adjournment of that meeting.

STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Election of Mr Rajeev Dhawan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Garry Sladden as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Ray Horsburgh as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____

THIS IS AN IMPORTANT DOCUMENT

AND REQUIRES YOUR ATTENTION

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



TRAFFIC TECHNOLOGIES LIMITED

ACN 080 415 407

NOTICE OF ANNUAL GENERAL MEETING OF MEMBERS

INCORPORATING EXPLANATORY MEMORANDUM

AND PROXY FORM

DATE OF MEETING

Tuesday 27 October 2009

TIME OF MEETING

11.00 am (AEDT)

PLACE OF MEETING

Hilton on the Park, 192 Wellington Parade, East Melbourne Victoria 3002

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

LETTER TO SHAREHOLDERS

25 September 2009

Dear Shareholder,

Enclosed with this letter are the Notice of Annual General Meeting and Explanatory Memorandum detailing the proposals to be put to Shareholders. Shareholders should consider all of this material before determining how they will vote at the Annual General Meeting. The Annual General Meeting of the Company is to be held at 11.00 am (AEDT) on Tuesday 27 October 2009 at Hilton on the Park, 192 Wellington Parade, East Melbourne Victoria 3002.

Please note the Annual General Meeting will follow immediately after the shareholder requisitioned Extraordinary General Meeting.

The enclosed Notice and Explanatory Memorandum contain details of the ordinary business of the Company of receiving the financial report of the Company for the year ended 30 June 2009, the election of directors, and the approval of the Remuneration Report.

The Directors recommend that you vote in favour of the Resolutions.

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

If you are unable to attend the Annual General Meeting, you are urged to complete the attached Proxy Form and return it attention to the Secretary by:

Facsimile within Australia 1800 783 447 (or from outside Australia +61 3 9473 2555); or

By mail to:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Vic 3001

so that it is received not later than 11.00 am (AEDT) on Sunday 25 October 2009.

Yours faithfully



Ray Horsburgh
Chairman
Traffic Technologies Limited

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

Notice is hereby given that the Annual General Meeting of the Members of Traffic Technologies Limited (ABN 21 080 415 407) (**Company** or **Traffic Technologies**) will be held on Tuesday 27 October 2009 at 11.00 am (AEDT) at Hilton on the Park, 192 Wellington Parade, East Melbourne Victoria 3002, for the purpose of considering the items of business in this Notice of Annual General Meeting (**Notice**).

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

AGENDA

ORDINARY BUSINESS

A. Financial Statements and Reports

To receive and consider the Financial Report, Director's Report and Auditor's Report upon the Company and its controlled entities for the financial year ended 30 June 2009.

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

B. Ordinary Resolutions

Resolution 1: Election of Mr. Rajeev Dhawan as a Director

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

"That, having been appointed by the Board, and being eligible and having signified his candidature, Mr. Rajeev Dhawan, being eligible and having consented to act, be elected as a Director of the Company."

Resolution 2: Election of Mr. Garry Sladden as a Director

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

"That, having been appointed by the Board, and being eligible and having signified his candidature, Mr. Garry Sladden, being eligible and having consented to act, be elected as a Director of the Company."

Resolution 3: Re-election of Mr. Ray Horsburgh as a Director

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

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

Resolution 4: Approval of Remuneration Report

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

"That the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2009 be approved by the Members."

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

GENERAL BUSINESS

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

By Order of the Board



Ray Horsburgh
Chairman

Dated: 25 September 2009

WHO MAY VOTE

The Company determines that only members holding Shares as at 7.00pm on Sunday 25 October 2009 will be entitled to vote at the Annual General Meeting on Tuesday 27 October 2009 or at any adjourned meeting.

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 Annual General Meeting on the date and time and at the place set out above. If you plan on attending the meeting please arrive at the venue 30 minutes prior to the time designated for the meeting so that the Company may check your Shareholding against the Company's share register and note your attendance. In order to vote in person at the meeting, a corporation that is a Shareholder may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of their appointment, including any authority under which such appointment is signed.

Voting by Proxy

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

Facsimile within Australia 1800 783 447 (or from outside Australia +61 3 9473 2555); or

By mail to:

Computershare Investor Services
GPO Box 242
Melbourne Vic 3001

so that it is received by the Company not later than 11.00 am (AEDT) on Sunday 25 October 2009.

FURTHER INFORMATION

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

TRAFFIC TECHNOLOGIES LTD

ACN 080 415 407

EXPLANATORY MEMORANDUM

1. INTRODUCTION

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

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

2. ITEMS OF ORDINARY BUSINESS

2.1 Financial Statements and Reports

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

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

2.2 Election of Directors

Resolutions 1–3 deal with the election and re-election of Directors.

Resolutions 1-2 seeks approval for the election of Directors who have been appointed by the Board since the last Annual General Meeting. The Corporations Act 2001 states that the Board has the power to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director appointed to the Board in this way may hold office only until the next Annual General Meeting and is then eligible for election at that meeting. The following Directors appointed by the Board offer themselves for election: Mr. Rajeev Dhawan and Mr. Garry Sladden, who were appointed to the Board on 27 January 2009. Pursuant to the Company's Constitution they now retire and offer themselves for re-election. Their profiles are set out below:

Profile of Mr. Rajeev Dhawan BComm, CA, MBA

(Age 43) Non-Executive Director. Appointed January 2009.

Mr. Rajeev Dhawan is a director of Equity Partners Two Pty Ltd (Equity Partners), the registered holder of 1,100 ordinary shares and 31,692,208 preference shares in the Company. Equity Partners holds those shares and options over shares on trust for a number of institutional investors, being the investors in Equity Partners 2 Fund. Mr. Dhawan has been appointed to the Board of the Company as the representative of Equity Partners. Mr. Dhawan has 15 years' venture capital and private equity experience. Prior to joining Equity Partners in 2005, he worked at Hambro-Grantham Management/Colonial First State Private Equity (CFSPE) from 1993, where he focused on mid-size expansion capital and buyout transactions. He was a Director from 1998 and led the majority of CFSPE's investments from then. Mr. Dhawan has also served as a director of the following listed companies during the last three years: Snowball Group Limited, FlexiGroup Limited and Portland Orthopaedics Limited.

Profile of Mr. Garry Sladden

(Age 48) Non-Executive Director. Appointed January 2009.

Mr. Sladden has been appointed to the Board of the Company as the nominee of Equity Partners. Mr. Sladden is an experienced business executive and company director. He held various management roles at National Australia Bank from 1990 to 1998. He was General Manager – Operations at Consolidated Press Holdings Limited from 1998 to 2004. He has been a business consultant from 2006 to date and was Group Executive – Operations at City Pacific Limited from April to August 2007. Mr. Sladden is Chairman of ASX listed Trafalgar Corporate Group Ltd and is a director of Endeavour Healthcare Ltd.

Resolution 3 seeks approval for the re-election of the Director who is retiring by rotation. Under ASX Listing Rule 14.4, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. In this regard, the Director of the Company who will retire at the Meeting is Mr Ray Horsburgh, who has indicated that he will offer himself for re-election. His profile is set out below:

Profile of Mr. Raymond K Horsburgh AM B.Eng (Chem.) FAICD (Hon D Univ) FIEAust

(Age 66) Non-Executive Chairman. Appointed November 2006.

Mr. Horsburgh held various positions with Australian Consolidated Industries from 1963 to 1994 including the position of Chief Executive Officer of ACI Glass which he held from 1991 to 1994. In 1994 he was appointed Chief Executive Officer of Smorgon Steel Group Limited and held the position of Group Managing Director and Chief Executive Officer until he retired from the position on 30 June 2007. He is a former Director of the Business Council of Australia, ANI Limited, Email Limited, Metacorp Limited and a former President of Williamstown Rotary Club. He is currently Chairman of Toll Holdings Limited and the Essendon Football Club, a Non Executive Director of CSR Limited and National Can Industries Limited. He is also on the Board of Western Chances and Westbourne and Williamstown Grammar Schools. Mr Horsburgh was awarded an Order of Australia on Australia Day 2006 for Service to the Steel Industry and Service to Disadvantaged Youth. He was appointed to the Board of Traffic Technologies Ltd in November 2006 and as Chairman in November 2007.

2.3 Approval of Remuneration Report

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

The Remuneration Report, which explains the Board's policies in relation to the nature and level of remuneration paid to Directors and specified executives of the Company and which sets out the remuneration details for each Director and specified executive, forms part of the Directors' Report included in the Annual Report for the financial year ended 30 June 2009. Accordingly, the contents of the Remuneration Report are not reproduced in this Explanatory Memorandum. Members are referred to page 10 of the Annual Report for full details of the remuneration of the Directors and specified executives.

Members are advised that the purpose of Resolution 4 is to provide Members with a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. However, Members should note that, as specified in Section 250R of the Corporations Act, Resolution 4 is a non-binding resolution and is not binding on the Company.

3. OTHER INFORMATION

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

4. DIRECTORS' APPROVALS AND RECOMMENDATIONS

The Directors recommend that Shareholders vote in favour of the proposed Resolutions. It is the intention of the Chairman of the Meeting to vote all undirected proxies granted to him in favour of the Resolutions.