

ECSI LIMITED

ABN 68 004 240 313

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting	Monday 12 July 2010
Time of Meeting	2.30 pm
Place of Meeting	ECSI Limited Level 2 145 Flinders Lane Melbourne Victoria 3000

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 professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Chairman (+61 3) 9018 2222.

CONTENTS PAGE

Notice of General Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	7
Proxy Form	11

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of General Meeting relates will be held at 2:30pm (EST) on 12th July 2010 at:

ECSI Limited, Level 2, 145 Flinders Lane, Melbourne, Victoria 3000.

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects you shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

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

- (a) post to ECSI Limited, Level 2, 145 Flinders Lane, Melbourne, Victoria 3000; or
- (b) facsimile to the Company on facsimile number +613 9018 2211,

so that it is received not later than 2:30pm (EST) on 10th July 2010.

Proxy Forms received later than this time will be invalid.

NOTICE TO GENERAL MEETING

Notice is given that the General Meeting of Shareholders of ECSI Limited ('**the Company**') or ('**ECSI**') will be held at Level 2, 145 Flinders Lane, Melbourne, Victoria at 2:30 pm on Monday 12th July 2010 to consider and, if thought fit, to pass the following resolutions.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 2:30 pm on 10th July 2010.

Terms and abbreviations used in this Notice of General Meeting and the Explanatory Statement are defined in the Glossary.

AGENDA

Resolution 1: Approval of conversion of unsecured loan to the Company to shares

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

"That the Shareholders approve the conversion of \$12,000 of loan funds provided by Alex Fulkoski into equity by the issue of 480,000 shares in ECSI Limited at 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The entity will disregard any votes cast on a resolution by:

- Alex Fulkoski;
- any associate of Alex Fulkoski.

However, the entity need not disregard a vote if:

- 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
- 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.

Resolution 2 - Approval of conversion of unsecured loan to the Company by Director related party to shares

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

"That in accordance with ASX Listing Rule 10.11 the Shareholders grant a mandate for, a director related party – Girvy Holdings Pty Ltd to convert a loan amounting to \$24,998 equity by the issue of 999,920 shares in ECSI Limited at 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Girvy Holdings Pty Ltd & James Green;
- any associate of Girvy Holdings Pty Ltd & James Green.

However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 3 - Approval of Director's conversion of unsecured loans to the Company to shares

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

"That in accordance with ASX Listing Rule 10.11 the Shareholders grant a mandate for James Edward Green, director to convert a loan amounting to \$25,348 into 1,013,935 ordinary shares in ECSI Limited at a price of 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- James Green;
- any associate of James Green.

However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 4 - Approval of Director's conversion of accrued Director's fees to shares

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

"That in accordance with ASX Listing Rule 10.11 the Shareholders grant a mandate for James Edward Green, director to convert accrued director's fees amounting to \$81,901 into 3,276,040 ordinary shares in ECSI Limited at a price of 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- James Green;
- any associate of James Green.

However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 5 - Approval of Director's conversion of accrued Director's fees to ordinary shares

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

"That in accordance with ASX Listing Rule 10.11 the Shareholders grant a mandate for Graeme Green, director to convert accrued director's fees amounting to \$58,756 into 2,350,240 ordinary shares in ECSI Limited at a price of 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Graeme Green;
- any associate of Graeme Green.

However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6 - Approval of former Director's conversion of accrued Director's fees to ordinary shares

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

"That in accordance with ASX Listing Rule 10.11 the Shareholders grant a mandate for Dr Huang (Ben) Xu, former director to convert accrued director's fees amounting to \$18,750 into 750,000 ordinary shares in ECSI Limited at a price of 2.5 cents per share."

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this Resolution by:

- Huang (Ben) Xu;
- any associate of Huang (Ben) Xu.

However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 7 – Replacement of the Constitution

To consider and if thought fit, to pass, the following Special Resolution without amendment:

"That the current Constitution of the Company be repealed and replaced with a replacement Constitution."

NOTE

Under the Corporations act, in order for this Resolution to be effective, it needs to be approved by a special majority of at least 75% of those members present at the meeting either in person or by proxy.

**DATED: 2nd JUNE 2010
BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'J Green', written in a cursive style.

**J GREEN
CHAIRMAN
ECSI LIMITED**

NOTES:

1. Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting is incorporated in and comprises part of this Notice of Extraordinary General Meeting, and should be read in conjunction with this Notice of Extraordinary General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used both in this Notice of Extraordinary General Meeting and the Explanatory Notes.

2. 'Snap Shot' Time

The Company may specify a time, not more than 48 hours before the Meeting, at which a 'snap-shot' of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the Meeting.

The Company (as convenor of the Meeting) has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 7.00 pm (Melbourne time) on 10 July 2010.

This means that any Shareholder registered at 7.00 pm (Melbourne time) on 10 July 2010 is entitled to attend and vote at the Meeting.

3. Proxies

A shareholder entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote for the shareholder at the Meeting. A proxy need not be a shareholder. If the shareholder is entitled to cast two or more votes at the Meeting the shareholder may appoint two proxies and may specify the proportion or number of votes which each proxy is appointed to exercise. A form of proxy accompanies this Notice.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of a Notice convening the Extraordinary General Meeting of shareholders of ECSI Limited to be held on Monday 12 July 2010. This Explanatory Memorandum is to assist shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the resolutions proposed. Both documents should be read in their entirety and in conjunction with each other.

The Directors wanting to place the Company on a sound financial footing are seeking approval to convert current loans and accrued Directors fees to equity. The company has from March to May 2010 raised \$2,352,400 in additional equity by the issue of shares at 1.8 cents per share with a free attaching Option for every 1 shares issued.

The director's seek to convert \$62,346 of debt to equity, by issuing 2,493,855 shares at a price of 2.5 cents per share with a free attaching Option (in the ratio of 1 option for every 2 shares issued) being 1,246,927 options to the lenders listed below in resolutions 1 to 3.

The director's seek to convert \$159,407 of Directors accrued fees to equity, by issuing 6,376,280 shares at a price of 2.5 cents per share with a free attaching Option (in the ratio of 1 option for every 2 shares issued) being 3,188,140 options to the Directors and former Director, listed below in resolutions 4 to 6.

All the resolutions are ordinary resolutions. They are separate resolutions and in no way dependent on each other.

The company intends to issue and allot all the shares of the 6 Resolutions within 1 month after the date of the meeting.

Resolution 1 - Approval of conversion of unsecured loan to the Company to shares

The Directors are seeking approval to convert current loans funds of \$12,000 supplied by Alex Fulkoski to equity.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and Part 2E of the Corporations Act.

ASX Listing Rule 7.3 requires the notice of meeting to include the following information:

- (a) 480,000 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.
- (d) The Allottee is Alex Fulkoski and he is not a related party of the Company.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.
- (f) The loan funds were supplied to provide working capital to the company. No new funds will be raised from the issue of the shares.

Each of the Directors unanimously recommends that Shareholders vote in favour of the resolution.

Resolution 2 - Approval of conversion of unsecured loan to the Company by Director related party to shares

The Directors are seeking approval to convert current loans funds of \$24,998 supplied by a Director related party to equity.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 and Part 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

It is a requirement under Listing Rule 10.11 for the approval of members to be given for an issue of shares to a Director.

ASX Listing Rule 10.13 requires the notice of meeting to include the following information:

- (a) 999,920 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.
- (d) The Allottee is Girvy Holdings Pty Ltd – ACN 005 486 411 and is a related party of the Company. A Director, James Green is sole Director & shareholder of Girvy Holdings Pty Ltd.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.
- (f) The loan funds were supplied to provide working capital to the company. No new funds will be raised from the issue of the shares.

Each of the Directors (with James Green abstaining) recommends that Shareholders vote in favour of the resolution

Resolution 3 - Approval of Director's conversion of unsecured loans to the Company to shares

The Directors are seeking approval to convert current loans funds of \$25,348 supplied by a Director to equity.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 and Part 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

It is a requirement under Listing Rule 10.11 for the approval of members to be given for an issue of shares to a Director.

ASX Listing Rule 10.13 requires the notice of meeting to include the following information:

- (a) 1,013,935 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.
- (d) The Allottee is a Director, James Green.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.

- (f) The loan funds were supplied to provide working capital to the company. No new funds will be raised from the issue of the shares

Each of the Directors (with James Green abstaining) recommends that Shareholders vote in favour of the resolution.

Resolution 4 - Approval of Conversion of accrued Directors fees to Shares

Approval is sought for the following director to convert the accrued Directors fees of \$81,901, to shares.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 and Part 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

It is a requirement under Listing Rule 10.11 for the approval of members to be given for an issue of shares to a Director.

ASX Listing Rule 10.13 requires the notice of meeting to include the following information:

- (a) 3,276,040 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.
- (d) The Allottee is a Director, James Green.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.
- (f) The debt is accrued and currently unpaid Directors fees up to 31 December 2009. No new funds will be raised from the issue of the shares.

Each of the Directors (with James Green abstaining) recommends that Shareholders vote in favour of the resolution.

Resolution 5 - Approval of Conversion of accrued Directors fees to Shares

Approval is sought for the following director to convert the accrued Directors fees of \$58,756, to shares.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 and Part 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

It is a requirement under Listing Rule 10.11 for the approval of members to be given for an issue of shares to a Director.

ASX Listing Rule 10.13 requires the notice of meeting to include the following information:

- (a) 2,350,240 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.

- (d) The Allottee is a Director, Graeme Green.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.
- (f) The debt is accrued and currently unpaid Directors fees up to 31 December 2009. No new funds will be raised from the issue of the shares.

Each of the Directors (with Graeme Green abstaining) recommends that Shareholders vote in favour of the resolution

Resolution 6 - Approval of Conversion of accrued Directors fees to Shares

Approval is sought for the following former director to convert the accrued Directors fees of \$18,750 to shares.

Approval for the issue of shares is sought in accordance with the provisions of Listing Rules 7.1 and 10.11 and Part 2E of the Corporations Act. If approval is given under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

It is a requirement under Listing Rule 10.11 for the approval of members to be given for an issue of shares to a former Director.

ASX Listing Rule 10.13 requires the notice of meeting to include the following information:

- (a) 750,000 Shares are to be allotted.
- (b) The Allotted Shares are to be issued at 2.5 cents for each share.
- (c) The Allotted Shares are to be issued on the same terms and rank equally with other Shares on issue.
- (d) The Allottee is a former Director, Huang (Ben) Xu having resigned 9 April 2010.
- (e) The shares will be issued and allotted within 1 month after the date of the meeting.
- (f) The debt is accrued and currently unpaid Directors fees up to 31 December 2009. No new funds will be raised from the issue of the shares

Each of the Directors unanimously recommends that Shareholders vote in favour of the resolution,

Summary of the effect of the Resolutions on Issued Capital

	Shares on issue	Options on Issue
Current balance	422,338,474	130,688,888
Resolution 1 Conversion of loan by Alex Fulkoski	480,000	-
Resolution 2 Conversion of loan by Director related party – James Green	999,920	-
Resolution 3 Conversion of Directors loan by James Green	1,013,935	-
Resolution 4 Conversion of accrued Directors Fees of James Green	3,276,040	-
Resolution 5 Conversion of accrued Directors Fees of Graeme Green	2,350,240	-
Resolution 6 Conversion of accrued Directors Fees of Huang Xu	750,000	-
	431,208,609	130,688,888

Resolution 7 – Replacement of the Constitution

Directors propose that the Company adopting a new constitution to reflect amendments to both the Corporations Act and the ASX Listing Rules which have been made since the current Constitution was originally adopted. Section 136(2) of the Corporations Act provides that a company may repeal its constitution and adopt a new constitution by special resolution.

This is a Special Resolution requiring approval by 75% of those members present at the meeting either in person or by proxy.

If you would like a copy of the existing constitution of the Company or the new proposed Constitution, please contact Mr Robert Lees on +612 9299 9580 between 9.00am and 5.00pm (AEDT) Monday to Friday or by email – robert@coysec.com.au.

Mark this box with an 'X' if you have made any changes to your address details (see reverse) reverse)

Appointment of Proxy

I/We (name of shareholder) _____

Of (address) _____

Being a member/s of ECSI LIMITED and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting.

or failing the person named, or if no person 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 General Meeting of ECSI Limited to be held at The Ivy, Level 2, 145 Flinders Lane, Melbourne Vic 3000 at 2:30 pm (Melbourne time) on Monday 12 July 2010 and at any adjournment of that meeting.

Important:

If the Chair of the meeting is appointed as your proxy, or may be appointed by default, and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Voting Directions to your proxy – please mark to indicate your directions

- Resolution 1:** Conversion of unsecured loan from Alex Fulkoski to shares
- Resolution 2:** Conversion of unsecured loan from Director related entity of James Green to shares
- Resolution 3:** Conversion of unsecured loan from Director, James Green to shares
- Resolution 4:** Conversion of accrued Directors Fees of James Green to shares
- Resolution 5:** Conversion of accrued Directors Fees of Graeme Green to shares
- Resolution 6:** Conversion of accrued Directors Fees of Huang Xu to shares
- Resolution 7:** Replacement of Constitution

For	Against	Abstain*

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business unless he has an interest in the outcome of that item. *If you mark the Abstain box for the item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in computing the required majority on a poll.

Appointing a second proxy

We wish to appoint a second proxy

Mark with an 'X' if you wish to appoint a second proxy

AND

%

OR

State the percentage of your voting rights or the number of shares for this Proxy Form

PLEASE SIGN HERE

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

Individual or Securityholder1	Securityholder2	Securityholder3

Individual/Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date _____/_____/_____

HOW TO COMPLETE THE PROXY FORM

1 Your Address

This form has been sent to your address as it appears on the company's share register. If this address is incorrect, please mark the box and write the correct address on the form. **Please note, you cannot change ownership of your shares using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite the item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on an item by inserting the percentage or number of shares you wish to vote in the appropriate box. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's registered office or you may copy this form.

To appoint a second proxy you must:

- a) indicate that you wish to appoint a second proxy by marking the box;
- b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded;
- c) return both forms together in the same envelope.

5 Signing Instructions

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

Individual: where the holding is in one name, the holder must sign.

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

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below no later than 48 hours before the commencement of the meeting at 2:30 pm on Monday 12 July 2010. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

by posting, delivery or facsimile to:

ECSI LTD
Level 2/145 Flinders Lane
Melbourne 3000

Telephone: 03 9018 2222
Facsimile: 03 9018 2211