



Astra Glen Pty Ltd
ABN: 54 006 687 805
10 Seymour Ave, Armadale, Victoria, 3143
P. (03) 9429 2888 F. (03) 9429 5888

8 September 2009

Dear Fellow Shareholder

**Traffic Technologies Limited (TTI)
General Meeting**

We refer to the **enclosed** notice of meeting and explanatory statement convening a General Meeting of shareholders of TTI to be held at **10:00am (EST) on Wednesday, 14 October 2009 at Karstens at CQ Level 8, 123 Queen Street, Melbourne, Victoria, 3000** and a proxy form for completion by shareholders who are unable or do not intend to attend the General Meeting (“Notice”).

On 4 September 2009, TTI announced on ASX that the enclosed Notice was, in their opinion, defective. On the same day, TTI’s lawyers wrote to us setting out a number of defects in the Notice. We have taken advice and consider that the Notice and each of the proposed resolutions is valid. Set out below is each alleged defect raised by TTI and our response:

1. Section 203D of the Corporations Act 2001 (“the Act”)

TTI’s Claim

The convening shareholders failed to comply with section 203D of the Act by not providing the directors of TTI with two months’ notice of the proposed resolutions contained in the Notice.

Our Response

We provided notice of the proposal to remove Mr Ray Horsburgh, Mr Alan Brown and Mr Con Liosatos, by letter dated 12 August 2009 (in excess of two months prior to the General Meeting).

2. Proxy Forms

TTI’s Claim

TTI’s lawyers argued that TTI did not approve of the proxy votes being delivered to Registries Limited, despite this being the location for TTI’s proxy votes for the last few years (as evidenced by the notice of general meetings listed on ASX).

Our Position

We believe that this is the most appropriate location for the proxy forms to be directed as this is the Company’s standard procedure for a general meeting and it provides an independent location for proxies to be delivered to.

However, on 8 September 2009, TTI’s lawyers advised us that TTI has now changed its registry to Computershare Investor Services Limited.



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Accordingly, we have now updated the Notice to provide that all proxies are to be returned to TTI's new registry, Computershare Investor Services Pty Limited.

3. *Voting Entitlement and Unchecked Proxies*

TTI's Request

TTI's Lawyers requested the following amendments:

- changing the voting entitlement from 10:00 am on Monday, 12 October 2009 to 7:00 pm Monday, 12 October 2009; and
- removing the reference to the Chairman voting undirected proxies against the resolutions.

Our Response

We have amended the Notice as requested by TTI.

4. *Conclusion*

We have sought to accommodate TTI in relation to their requests. We have not called the General Meeting, nor have we undertaken any subsequent action, to deprive the Directors of their rights.

We consider that the actions of TTI must be undertaken for the benefit of the members of TTI, and not to frustrate our right to call the General Meeting in accordance with the Act.

We will continue to try to resolve any issues that the directors of TTI may raise in the period from the date of this letter until the General Meeting and will advise you of the progress.

We would welcome the opportunity to discuss any of the matters set out above or any matter in connection with TTI generally. Please contact Con Scrinis on (03) 9429 2888 or by email at con@scrinis.com.au with any queries.

Yours sincerely

A handwritten signature in black ink, appearing to be "Con Scrinis", written over a horizontal line.

**Executed by Con Scrinis
On his own behalf and for and on behalf of
Astra Glen Pty Ltd**

A handwritten signature in black ink, appearing to be "K. J. Aldridge", written over a horizontal line.

**Keith James Aldridge
for and on behalf of KJ Aldridge
Investment Group Pty Ltd**