

ANNUAL GENERAL MEETING

The Annual General Meeting of Tracsis plc will be held at the registered office, Leeds Innovation Centre, 103 Clarendon Road, Leeds, LS2 9DF on 28 January 2009 at 2.00pm.

There are a number of items of ordinary and special business that will be dealt with at the Annual General Meeting. These are set out in the resolutions 1 to 11 in the Notice of the Annual General Meeting at the end of the document.

A brief explanation of the resolutions that will be proposed is set out below.

ORDINARY BUSINESS

Resolution 1, which will be proposed as an ordinary resolution, will receive and adopt the accounts for the year ended 31 July 2008 together with the reports of the directors and auditors thereon.

Resolution 2, which will be proposed as an ordinary resolution, will re-elect Raymond Kwan, who retires by rotation, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected.

Resolution 3, which will be proposed as an ordinary resolution, will re-elect Charles Winward, who having been appointed since the last Annual General Meeting, retires in accordance with the Company's Articles of Association, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected.

Resolution 4, which will be proposed as an ordinary resolution, will re-elect Jay Darren Bamforth, who having been appointed since the last Annual General Meeting, retires in accordance with the Company's Articles of Association, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected.

Resolution 5, which will be proposed as an ordinary resolution, will re-elect John Nelson, who having been appointed since the last Annual General Meeting, retires in accordance with the Company's Articles of Association, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected.

Resolution 6, which will be proposed as an ordinary resolution, will re-elect Rodney Jones, who having been appointed since the last Annual General Meeting, retires in accordance with the Company's Articles of Association, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected

Resolution 7, which will be proposed as an ordinary resolution, will re-elect Robert Watson, who having been appointed since the last Annual General Meeting, retires in accordance with the Company's Articles of Association, as director of the Company. He is eligible to stand for re-election and it is recommended that he is re-elected.

Resolution 8, which will be proposed as an ordinary resolution, will re-appoint HW Chartered Accountants as auditors of the Company and authorise the directors to determine their remuneration. In accordance with Company law, the Company is required to appoint auditors at each general meeting at which accounts are laid before the shareholders.

Resolution 9, which will be proposed as an ordinary resolution, will grant to the directors authority to allot relevant securities up to an aggregate nominal amount of £27,382.27 being equivalent to one-third of the current issued share capital of the Company. This authority will expire on the date of the next Annual General Meeting of the Company or on 27 April 2010, whichever is earlier.

SPECIAL BUSINESS

Resolution 10, which will be proposed as a special resolution, will disapply statutory pre-emption rights. It will disapply, until the next Annual General Meeting of the Company or on 27 April 2010, whichever is earlier, the statutory pre-emption rights for any allotment of shares in connection with pro-rata issues of new shares to exiting shareholders, grants of employee options and otherwise in respect of allotments of shares for cash up to an aggregate nominal amount of £7,584.56, which is equivalent to 10% of existing share capital of the Company.

Resolution 11, which will be proposed as a special resolution, will grant to the Company authority to make market purchases of up to 1,896,140 ordinary shares (representing 10% of its present issued share capital) at a minimum price of 0.4p per share and a maximum price of not more than 5% above the average of the market values of those shares as derived from the London Stock Exchange Daily Official List for the 5 business days before the purchase is made, such authority to expire on the earlier of 27 April 2010 or the date of the next Annual General Meeting of the Company. This proposal should not be taken as an indication that the Company would purchase shares at any particular price or indeed at all, and the directors will only consider making purchases if they believe that to do so would result in the best interest of the shareholders generally.