

**iCash Payment Systems Limited
ACN 061 041 281**



**Notice of General Meeting
to be held on 5 August 2010**

**Explanatory Memorandum
for the Notice of General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES
YOUR IMMEDIATE ATTENTION.
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR
OTHER PROFESSIONAL ADVISER.**

**NOTICE OF THE GENERAL MEETING TO BE HELD AT
LEVEL 14, 264 – 278 GEORGE STREET, SYDNEY
AT 10.30AM SYDNEY TIME ON THURSDAY, 5 AUGUST 2010
TO BE VALID, FORMS OF PROXY FOR USE AT THE GENERAL MEETING MUST BE
COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN
10.30AM SYDNEY TIME ON TUESDAY, 3 AUGUST 2010**

Section A - Executive Chairman's Letter

2 July 2010

Dear Shareholder

The Directors of iCash Payment Systems Limited (**Company**) have convened the General Meeting of Shareholders to be held on 5 August 2010 to:

- obtain the approval of Shareholders for the:
 - consolidation of the Company's Shares; and
 - issue of post-consolidated Shares to the Placement Investors to raise further working capital for the Company; and
- ratify past issues of Shares.

Notice of General Meeting and accompanying documents

This letter is accompanied by a Notice of General Meeting and the Explanatory Memorandum. The Notice of General Meeting sets out the Resolutions that Shareholders are to consider. The Explanatory Memorandum explains in greater detail the background to the proposed Resolutions.

Shareholders are encouraged to read the enclosed Explanatory Memorandum and to attend the General Meeting and vote on the Resolutions. A proxy form is enclosed to enable any Shareholder who is unable to attend the General Meeting to vote at that meeting.

The Directors support the Resolutions contained in the Notice of General Meeting. We recommend that you vote in favour of all Resolutions, full details of which are contained in the Notice of General Meeting.

Yours faithfully

James Manny
Executive Chairman

Section B - Glossary

1. Definitions

The following definitions are used in the Executive Chairman's Letter, the Notice of General Meeting and the Explanatory Memorandum:

Associate has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act;

ASX means ASX Limited ACN 008 624 691;

ASX Listing Rules means the official listing rules issued and enforced by the ASX as amended from time to time;

Board or **Board of Directors** means the board of Directors of the Company;

Business Day means a day which is not a Saturday, Sunday or public holiday in Sydney;

Chairman means chairman of the Company, who is currently the Executive Chairman, James Manny;

Company or **ICP** means iCash Payment Systems Limited ACN 061 041 281;

Consolidated Share means an ordinary share in the issued capital of the Company after the Consolidation of Shares and **Consolidated Shares** means any two or more of them;

Consolidation of Shares means the consolidation of the Company's existing share capital by consolidating each 10 Shares held by a Shareholder into one Consolidated Share pursuant to the approval of Shareholders at the General Meeting;

Constitution means the constitution of the Company, as amended from time to time;

Corporations Act means *Corporations Act 2001* (Cth);

Directors means the directors of the Company;

Explanatory Memorandum means the explanatory memorandum set out in Section D of this document;

General Meeting means the general meeting of the Company to be held on 5 August 2010 pursuant to the Notice of General Meeting;

ICP or the **Company** means iCash Payment Systems Limited ACN 061 041 281;

Notice of General Meeting or **Notice** means the notice of General Meeting set out in Section C of this document;

Officially Quoted and **Official Quotation** means, in relation to a Share or an Option, officially quoted by the ASX;

Option means an option in the issued capital of the Company which when exercised converts into one Share and **Options** means any two or more of them;

Placement Investors means institutional or sophisticated investors, being persons who, because of one or more of sections 708(8), 708(10), 708(11) and 708(12) of the Corporations Act, may subscribe for Placement Shares without receiving a disclosure document issued by the Company in accordance with Part 6D.2 of the Corporations Act;

Placement Shares means up to 10,000,000 Consolidated Shares to be issued to the Placement Investors pursuant to Resolution 2;

Resolution means a resolution passed by the requisite majority of members of the Company on a show of hands or by the requisite majority of votes given on a poll;

Share means a fully paid ordinary share in the issued capital of the Company and **Shares** means any two or more of them; and

Shareholder means a holder of a Share or a Consolidated Share, as the case may be.

2. Interpretation

For the purposes of interpreting the Executive Chairman's Letter, the Explanatory Memorandum and the Notice of General Meeting:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include both genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define limit or affect the meaning or interpretation of the Executive Chairman's Letter, the Explanatory Memorandum and the Notice of General Meeting;
- (e) reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors, substitutes (including without limitation persons taking by novation and assignment); and
- (f) reference to **\$, A\$, Australian Dollars** or **dollars** is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia.

Section C - Notice of General Meeting

NOTICE IS HEREBY GIVEN that the General Meeting of the Shareholders of iCash Payment Systems Limited ACN 061 041 281 (**ICP** or the **Company**) will be held at Level 14, 264-278 George Street, Sydney on 5 August 2010 at 10.30am (Sydney time).

Defined terms used in this Notice of General Meeting have the meanings given to them in the Glossary accompanying this Notice of General Meeting.

1. Business

1.1 Resolution 1: Consolidation of Shares

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

"That, for the purposes of section 254H of the Corporations Act, ASX Listing Rule 7.20, ASX Listing Rule 7.22 and for all other purposes, the issued capital of the Company be consolidated on the basis that every 10 Shares be consolidated into one Consolidated Share, and to deal with fractional entitlements arising from the Consolidation of Shares in accordance with paragraph 2 of the Explanatory Memorandum (Section D -)."

1.2 Resolution 2: Issue of Shares to the Placement Investors

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

"That, in accordance with ASX Listing Rule 7.1 and for all other purposes, the Company be permitted and authorised to issue up to 10,000,000 Consolidated Shares to the Placement Investors at an issue price determined in accordance with the formula set out in paragraph 3(c) of the Explanatory Memorandum (Section D -)."

1.3 Resolution 3: Past issues of Shares

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

"That, in accordance with ASX Listing Rule 7.4, Shareholders ratify the past issue of a total of 90,000,000 Shares to the allottees, and on the terms, set out in paragraph 4 of the Explanatory Memorandum (Section D -)."

2. Voting exclusion statements

2.1 Resolution 2

In accordance with the notice requirements of ASX Listing Rule 7.3.8 for approval under ASX Listing Rule 7.1 and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 2 by:

- (a) each Placement Investor;
- (b) any Associate of that person; and
- (c) a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed, and an Associate of any such person.

However, the Company will not disregard a vote if:

- (d) 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

- (e) 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.

2.2 **Resolution 3**

In accordance with the notice requirements of ASX Listing Rule 7.5.6 for approval under ASX Listing Rule 7.4, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 3 by:

- (a) a person who participated in the issue of Shares referred to in Resolution 3; and
- (b) any Associate of that person(s).

However, the Company will not disregard a vote if:

- (c) 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
- (d) 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.

3. Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at 7:00pm Sydney time on 3 August 2010, being the second Business Day prior to the date of the General Meeting.

4. Votes of members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote for each Share held by him, her or it.

5. Proxies

Please note that:

- (a) a member entitled to attend and vote at the General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of General Meeting;
- (c) where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If a member appoints two proxies, and the appointment does not specify the proportion of the member's voting rights each proxy may exercise, each proxy may exercise one-half of the voting rights;
- (d) a proxy need not be a member of the Company;
- (e) a proxy form may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where a proxy form so provides, the proxy is not entitled to vote on the Resolution except as specified in the proxy form;

- (f) a proxy has the authority to vote on the member's behalf as he or she thinks fit, on any motion to adjourn the General Meeting, or any other procedural motion, unless the member gives a direction to the contrary;
- (g) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (h) to be valid, a proxy form must be signed by the member or the member's attorney or, if the member is a corporation, executed in accordance with the corporation's Constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney); and
- (i) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than 10.30am on 3 August 2010:

by the Company:

- in person: iCash Payment Systems Limited
Level 17, 115 Pitt Street
SYDNEY NSW 2000
Australia
- or - by mail iCash Payment Systems Limited
GPO Box 208
SYDNEY NSW 2001
Australia
- or - by facsimile: +61 2 9223 6895

by the Company's share registry:

- in person: Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
SYDNEY NSW 2000
Australia
- or - by mail: Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001
Australia
- or - by facsimile: +61 3 9473 2555

By order of the Board:

Company Secretary

Dated: 2 July 2010
Sydney

Section D - Explanatory Memorandum

1. Introduction

This Explanatory Memorandum contains the information needed for ICP's Shareholders to assess Resolutions 1 through 3 to be put to them at the General Meeting of ICP on 5 August 2010. A Notice of General Meeting accompanies this document.

This Explanatory Memorandum, as well as the Notice of General Meeting, should be read carefully and in their entirety.

2. Resolution 1 – Consolidation of Shares

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise shareholders of certain matters, which are set out below.

2.1 Background

Following the completion of the Company's recent capital raising, the Company has 853,467,341 Shares on issue. This is an extremely large number of Shares to have on issue and it subjects the Company to a number of disadvantages, including:

- (a) additional share price volatility arising from the fact the minimum permissible share price movement permitted by the ASX represents a higher proportion of the Company's share price than it would if the Company had a more typical share price;
- (b) that the Company has a far greater number of Shares on issue than comparable companies, meaning that its share price is far lower for reasons other than valuation;
- (c) removing any negative perceptions associated with a low share price and earnings per share which are a fraction of a cent; and
- (d) administrative inconvenience, including the need to calculate dividends to the nearest 0.1 cent.

The Directors believe that the Consolidation of Shares would assist in eliminating or mitigating these disadvantages and would establish a share price more appropriate for a listed entity of its size and more comparable to those of its peer companies.

2.2 Shares

Resolution 1 seeks shareholder approval to consolidate the Company's issued capital by consolidating every 10 Shares into one Consolidated Share.

The effect of the Consolidation of Shares is that Shareholders will hold a proportionately (10:1) lower number of Shares. For example, if you held 10,000 Shares before the Consolidation of Shares, you would hold 1,000 Consolidated Shares after the Consolidation of Shares, but the Company's share price should, all other things being equal, increase to reflect the Consolidation of Shares and the smaller number of shares on issue. However the Company does not guarantee that its share price will increase in that proportion accordingly.

If this Resolution is passed, the number of Shares on issue will be reduced from 853,467,341 to 85,346,734 Consolidated Shares.

2.3 Options

The Company has unlisted Options on issue. In accordance with the option terms and ASX Listing Rule 7.22, these Options will be consolidated on the same basis as the Shares, that is, every 10 Options to acquire a Share will be consolidated into one Option to acquire a Consolidated Share, and their exercise price amended in inverse proportions to the consolidation ratio. This will occur under the option terms.

The effect of the Consolidation of Shares on the number and exercise price of Options on issue is set out below (as at the date of the Notice of General Meeting):

Options			
Pre-consolidation		Post-consolidation	
Exercise price	Number	Exercise price	Number
\$0.15	7,000,000	\$1.50	700,000
\$0.20	7,000,000	\$2.00	700,000
\$0.25	7,000,000	\$2.50	700,000

2.4 Holding statements

From the date of the Consolidation of Shares, all existing holding statements for Shares and Options will cease to have any effect, except as evidence of entitlement to a certain number of Consolidated Shares and Options on a post-consolidation basis. After the Consolidation of Shares becomes effective, the Company will arrange for new holding statements to be issued to Shareholders and optionholders. It is the responsibility of each Shareholder and optionholder to check the number of Shares and Options held prior to a disposal.

2.5 Fractional entitlements and unmarketable parcels

Not all Shareholders and optionholders will hold a number of Shares and Options which can be evenly divided by 10. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Consolidated Share or Option.

Listing Rule 8.10.1(h) allows an entity whose securities are listed on the ASX to request that the ASX Settlement and Transfer Corporation Pty Limited apply a holding lock, or refuse to register a paper-based transfer, in specified circumstances including where the registration of that transfer will create a new holding which at the time the transfer is lodged is less than a marketable parcel (ie a holding less than \$500 in value).

The Company has requested that a holding lock be in place in order to prevent the danger of Shareholder abuse or manipulation through the splitting of holdings into multiple unmarketable parcels ahead of the proposed Consolidation of Shares.

2.6 Taxation implications

Shareholders and optionholders are advised to seek their own tax advice on the effect of the Consolidation of Shares and neither the Company, nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation implications arising from the Consolidation of Shares.

2.7 Indicative timetable

Event	Date
Announcement of Consolidation of Shares	2 July 2010
Record date to determine eligibility to vote at the General Meeting	3 August 2010
General Meeting	5 August 2010
Company announces to the ASX that Shareholders have approved Consolidation of Shares	5 August 2010
Last day for ASX trading of Shares on a pre-consolidated basis Last day for optionholder to lodge notice of exercise of Options on a pre-consolidated basis	6 August 2010
Trading in Consolidated Shares, on a deferred settlement basis, starts	9 August 2010
Last day for Company to register share transfers on a pre-consolidated basis Last day for Company to issue Shares resulting from exercise of options on a pre-consolidated basis	13 August 2010
First day of Company to register share transfers on a consolidated basis and first day for Company to issue holding statements for Consolidated Shares and Options on a consolidated basis	16 August 2010
Company announces to the ASX that despatch of the new holding statements has occurred Deferred settlement trading ends	20 August 2010
Normal T+3 trading in Consolidated Shares starts on the ASX	23 August 2010
Settlement of trades conducted on a deferred settlement basis and first settlement of grades conducted on the normal T+3 basis	26 August 2010

3. Resolution 2: Issue of Consolidated Shares to the Placement Investors

Pursuant to ASX Listing Rule 7.3, the following information is provided regarding ASX Listing Rule 7.1 approval:

- (a) **ASX Listing Rule 7.3.1:** *Maximum number of securities to be issued pursuant to Resolution 2*

10,000,000 Consolidated Shares (**Placement Shares**). The Placement Shares will be issued to Placement Investors for the purposes of raising additional working capital for the Company. No Placement Shares will be issued to a Placement Investor if, as a result of that issue, the Placement Investor or other person acquires a relevant interest in Consolidated Shares in breach of section 606 of the Corporations Act.

(b) **ASX Listing Rules 7.3.2 and 7.3.7: *Date by which securities will be issued and allotted***

If Shareholder approval is obtained, the issue and allotment of the Placement Shares to the Placement Investors will occur on a date or dates which is or are no later than three months after the date of this General Meeting or such later time as deemed appropriate by an ASX waiver.

(c) **ASX Listing Rule 7.3.3: *Issue price of securities***

The issue price of the Placement Shares will be determined at the time of issue of the Placement Shares to a Placement Investor. The issue price will be calculated using a discount of no more than 20% to the average market price of Consolidated Shares in the five trading days on which sales in the Consolidated Shares were recorded prior to the date on which the issue of Placement Shares is made to the relevant Placement Investor. The market price is the closing price of the shares on each day.

(d) **ASX Listing Rule 7.3.4: *Names of allottees***

The allottees are the Placement Investors. The Placement Investors must be persons who are not related parties of the Company.

(e) **ASX Listing Rule 7.3.5: *Terms of securities***

The Company will apply to the ASX to have the Placement Shares issued to the Placement Investors Officially Quoted and these Placement Shares will rank equally with all the other Consolidated Shares on issue. In all other respects, the rights and entitlements of the holders in respect of the Placement Shares issued to the Placement Investors will be identical to the rights and entitlements of the holders of existing issued Consolidated Shares.

(f) **ASX Listing Rule 7.3.6: *Intended use of the funds***

The funds raised by the issue of up to 10,000,000 Consolidated Shares to the Placement Investors will be used to provide additional working capital to the Company.

(g) **ASX Listing Rule 7.3.8: *A voting exclusion statement***

A voting exclusion statement is included at paragraph 2.1 of the Notice of General Meeting (Section C).

4. Resolution 3 – Past issues of Shares

Pursuant to ASX Listing Rule 7.5, the following information is provided regarding ASX Listing Rule 7.4 approval:

ASX Listing Rule 7.1 provides that a company must not issue equity securities, or agree to issue equity securities (which includes shares and options) without the approval of shareholders if the number of equity securities to be issued in any 12-month period (including equity securities issued on the exercise of any convertible securities) exceeds 15% of the issued capital of the company preceding the issue. ASX Listing Rule 7.4 allows for subsequent shareholder approval if the company did not breach ASX Listing Rule 7.1 at the time of issue and the holders of ordinary shares subsequently approve it.

During November 2009, the Company issued a total of 90,000,000 Shares to various allottees. As at 28 June 2010, the 90,000,000 Shares represented 10.5% of the then issued capital of the Company. Accordingly, the Company is seeking approval of the issue of the 90,000,000 Shares in the manner provided by ASX Listing Rule 7.4. Details of these issues are set out in the schedule that is included in this paragraph 2 of this Explanatory Memorandum (Schedule of Past Issues of Shares). None of the allottees is related to the Company.

The Company was not required to provide any of the allottees with a disclosure document.

Although Shareholder approval was not required for the issue of the Shares referred to in the Schedule of Past Issues of Shares, the Company now seeks Shareholder approval for these issues in the manner provided by ASX Listing Rule 7.4, because this will enable the Company to issue, pursuant to ASX Listing Rule 7.1, further equity securities up to the 15% limit from time to time as required by the Company, to capitalise on future expansion, acquisition and product commercialisation opportunities without needing to obtain prior Shareholder approval.

These Shares rank equally with all the other Shares on issue.

The amount raised by the issue of Shares for which Shareholder approval is sought is set out in the Schedule of Past Issues of Shares below.

A voting exclusion statement is included in paragraph 2.2 of the Notice of General Meeting (Section C).

Resolution 3 – Schedule of Past Issues of Shares

No.	Date of Issue	Number of Shares	Issue Price Per Share \$	Total Amount Paid \$	Name of Allottee	Purpose of Issue
1	23/11/2009	3,000,000	0.05	150,000	Gek Kuan Lim	To fund ongoing working capital
2	23/11/2009	9,000,000	0.05	450,000	Irrewarra Investments Pty Ltd	To fund ongoing working capital
3	23/11/2009	9,800,000	0.05	490,000	ANZ Nominees Limited	To fund ongoing working capital
4	23/11/2009	450,000	0.05	22,500	Accord Investment Corporation Pty Ltd	To fund ongoing working capital
5	23/11/2009	900,000	0.05	45,000	Goldbondsuper Pty Ltd	To fund ongoing working capital
6	23/11/2009	900,000	0.05	45,000	Mr John Hobson + Ms Roslyn Wells	To fund ongoing working capital
7	23/11/2009	3,000,000	0.05	150,000	RAH STC Pty Ltd	To fund ongoing working capital
8	23/11/2009	900,000	0.05	45,000	Newfund Pty Ltd	To fund ongoing working capital
9	23/11/2009	850,000	0.05	42,500	Sail Ahead Pty Ltd	To fund ongoing working capital
10	23/11/2009	750,000	0.05	37,500	Mrs Eva Xiradis	To fund ongoing working capital
11	23/11/2009	450,000	0.05	22,500	Fortis Clearing Nominees Pty Ltd	To fund ongoing working capital
12	23/11/2009	1,750,000	0.05	87,500	Fortis Clearing Nominees Pty Ltd	To fund ongoing working capital
13	23/11/2009	2,500,000	0.05	125,000	Mrs Kerri Ann Hendry	To fund ongoing working capital
14	23/11/2009	512,727	0.05	25,636.35	Lowan Investments Pty Ltd	To fund ongoing working capital
15	23/11/2009	512,727	0.05	25,636.35	Medi Consumables Pty Ltd	To fund ongoing working capital
16	23/11/2009	427,273	0.05	21,363.65	Arastar Pty Ltd	To fund ongoing working capital
17	23/11/2009	512,727	0.05	25,636.35	Towns Corporation Pty Ltd	To fund ongoing working capital
18	23/11/2009	512,727	0.05	25,636.35	Allthread Industries Pty Limited	To fund ongoing working capital
19	23/11/2009	1,709,092	0.05	85,454.60	Henderson International Pty Ltd	To fund ongoing working capital

No.	Date of Issue	Number of Shares	Issue Price Per Share \$	Total Amount Paid \$	Name of Allottee	Purpose of Issue
20	23/11/2009	512,727	0.05	25,636.35	Mini Investments Pty Ltd	To fund ongoing working capital
21	23/11/2009	9,600,000	0.05	480,000	HSBC Custody Nominees (Australia) Limited	To fund ongoing working capital
22	23/11/2009	27,450,000	0.05	1,372,500	UBS Nominees Pty Ltd,	To fund ongoing working capital
23	23/11/2009	10,000,000	0.05	500,000	WERFT Pty Limited	To fund ongoing working capital
24	23/11/2009	4,000,000	0.05	200,000	Bond Street Custodians Limited	To fund ongoing working capital
Total		90,000,000		\$4,500,000		

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iCash Payment Systems Limited
 ABN 87 061 041 281

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



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

Proxy Form

For your vote to be effective it must be received by 10:30am (AEST) on Tuesday, 3 August 2010

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 in step 2. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item in step 2 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.investorcentre.com under the information tab, "Downloadable forms".

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: I9999999999



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

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

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.



I 9999999999

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 iCash Payment Systems 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 General Meeting of iCash Payment Systems Limited to be held at Level 14, 264 - 278 George Street, Sydney on Thursday, 5 August 2010 at 10:30am (AEST) 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.

Business	For	Against	Abstain
1. Consolidation of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Issue of Consolidated Shares to the Placement Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification - Past issues of Shares	<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 ____/____/____