

e-pay Asia Limited

ABN 99 089 227 887

Notice of General Meeting and Explanatory Memorandum

General Meeting to be held at Suite 2802, Level 28, St Martins Tower, 31 Market Street, on Friday 5 August 2011 commencing at 11:00 am

This Notice of General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Notice of General Meeting

Notice is given that a General Meeting of e-pay Asia Limited (ABN 99 089 227 887) (**Company**) will be held at Level 28, St Martins Tower, 31 Market Street, on Friday 5 August 2011, commencing at 11:00 a.m.

AGENDA/ORDINARY BUSINESS

Financial Reports

To receive and consider the financial report of the Company and the reports of the Directors and auditor for the year ended 31 December 2010.

Resolution 1 - Remuneration Report

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

"That the Remuneration Report for the year ended 31 December 2010 be adopted."

Resolution 2 - Re-election of Chih Ming Yap as a Director

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

"That in accordance with the Company's Constitution, Mr Chih Ming Yap, who retires in accordance with the Company's constitution and the ASX Listing Rules and who, being eligible for re-election, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3 - Election of C Y Chin as a Director

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

"That Mr CY Chin, having been appointed as a Director of the Company since last annual general meeting, be elected a Director of the Company."

Resolution 4 - Election of Singam Sabaratnam as a Director

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

"That Mr Singam Sabaratnam, having been appointed as a Director of the Company since last annual general meeting, be elected a Director of the Company."



Robert Lees

Company Secretary
e-pay Asia Limited

Dated 30 June 2011

Notes:

Point at Which Voting Rights are Determined

The regulations under the Corporations Act 2001, permit the Company to specify a time, not more than 48 hours before the meeting, at which a “snapshot” of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the meeting. The Company’s directors have determined that holders of shares in the Company as at 3 August 2011 at 7.00pm shall, for the purposes of determining voting entitlements at the General Meeting be taken to be held by the persons registered as holding the shares at that time.

Proxies

Please note that:

1. A member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
2. A proxy need not be a member of the Company; and
3. A member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion is not specified, each proxy is entitled to cast half of the number of votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Explanatory Memorandum

Purpose of this Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders in e-pay Asia Ltd (**Company**) in relation to the business to be conducted at the Company's General Meeting to be held at Level 28, St Martins Tower, 31 Market Street, on Friday 5 August 2011, commencing at 11:00 a.m. (**Meeting**).

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote upon resolutions to be considered at the Meeting. The Company's directors (**Directors**) recommend that shareholders read this Explanatory Memorandum in full before determining how they will vote on the Resolutions.

Receive and Consider the Financial Statements

The Corporations Act 2001 (**Corporations Act**) requires the Financial Report, Directors' Report and Auditor's Report (collectively, **Reports**) for the past financial year to be tabled before the Annual General Meeting, and the Company's Constitution provides for such Reports to be received and considered at that Meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the Reports. The Annual General Meeting provides a forum for Shareholders to ask questions and make comment on the Company's Reports and Accounts and on the business and operations of the Company for the year ended 31 December 2010.

In addition Shareholders may at the Annual General Meeting ask questions of the Company's auditor in relation to the following matters – the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company for the preparation for the financial statements and the auditor's independence in relation to the conduct of the audit. Shareholders may submit written questions to the auditor in relation to the above items. Any written questions to the auditor must be submitted to the Company 5 business days before the Annual General Meeting.

Resolution 1 - Adoption of Remuneration Report

The Remuneration Report of the Company for the period ended 31 December 2010 is set out in the Directors' Report to shareholders (the **Remuneration Report**).

The Remuneration Report sets out the Company's remuneration arrangements for the Managing Director, executives and non-executive Directors. A reasonable opportunity will be provided for discussion of the Remuneration Report at the General Meeting. In addition, the Corporations Act requires that Resolution 1, to adopt the Remuneration Report, be put to the vote. However, the vote on this resolution is only advisory and does not bind the Company or its Directors.

Resolution 2 – Re-Election of Mr Chih Ming Yap as Director

In accordance with the provisions of the Company's Constitution, Mr Chih Ming Yap retires as a Director of the Company and offers himself for re-election.

Mr Yap joined e-pay (M) Sdn Bhd in 1999 as Head of the Finance Department. He was appointed Director of Finance of the Group in 2006 and was appointed to the Board as Chief Financial Officer on 31 July 2007. He is a Chartered Accountant with considerable experience in mergers and acquisitions and joint venture transactions, both in Malaysia and elsewhere and has in-depth knowledge of South-East Asian accounting practices. He was previously Head of Accounts at Telemas Corporation Sdn. Bhd., a leading mobile phone distributor based in Malaysia. Mr. Yap has been an Associate Member of the Chartered Institute of Management Accountants, United Kingdom, since 2000. He is a Malaysian citizen and resides in Kuala Lumpur.

The Directors (with Mr Chih Ming Yap abstaining) recommend that shareholders vote in favour of this resolution.

Resolution 3 - Election of Mr Chun Yean ("CY") Chin as Director

Mr Chin has served at Executive and Board positions with prominent companies throughout Asia. He started his career with Shell and spent 24 years with them, mainly in sales, distribution, marketing and technical services. His last posting in Shell was in London, at the Shell Centre, where he spent three and a half years as shareholder representative and/or functional representative for 26 Shell operating companies in the Asia Pacific Coast, Indo-China, South East Asia, South Asia, the Middle East and also French Africa. He subsequently joined Maxis (the largest mobile operator in Malaysia) in 1997 as Executive Director of Sales, Distribution and Marketing and helped drive the Maxis' telecommunications brand to the number 1 market position in Malaysia. He was seconded to Astro Satellite Broadcast Services ("Astro") as Executive Director of Sales, Distribution and Marketing, in 1999. He was instrumental in building Astro to become the biggest satellite operator in the region, with services in Malaysia, Brunei and now expanding into India. He was then head hunted to join Celcom (2nd largest mobile operator in Malaysia) in 2002 as Head of the Customer Facing Unit and was part of the new management team tasked to restructure the company. He also served in the sales, distribution and marketing functions until 2004. Upon retirement from Celcom, he rejoined Usaha Tegas Sdn Bhd (major shareholder of Maxis and Astro) in 2005. Until 2009, he was in International Projects for market entries and was a director of Aircel Limited (a subsidiary of Maxis in India) from 2006 -2007. Currently, he is also Chairman of Australian Wood Panels.

Chun Yean holds an Honours and Masters degree in Mechanical Engineering. He was a Colombo Plan Scholar (1962-1968) in Canada and a recipient of both the Ford and McAlister Foundation Fellowship and the Imperial Oil Fellowship of Canada Award, in 1967.

The Directors (with Mr Chin abstaining) recommend that shareholders vote in favour of this resolution.

Resolution 4 - Election of Singam Sabaratnam as a Director

Mr Sabaratnam has over 20 years' experience in the management of sales and customer service, largely in the information technology (IT) and telecommunications industries. He has worked in Australia and South East Asia for companies such as Primus and has a very strong understanding of the company's target markets in the region.

Mr Sabaratnam has extensive experience in developing sales channels and the management of sales functions at a senior level across both the IT and telecommunications sectors.

The Directors (with Mr Sabaratnam abstaining) recommend that shareholders vote in favour of this resolution.

**e-Pay Asia Limited
(ABN 99 089 227 887)
Proxy form**

All correspondence to:

e-pay Asia Limited
Suite 2802, Level 28
St, Martins Tower
31 Market Street
SYDNEY NSW 2000
Telephone +612 9267 4633
Facsimile +612 9267 4388
Website: www. epay-asia.com

Section 1: Name and address of member

I/We
of

Section 2: Appointment of proxy

I, being a member of the Company and entitled to attend and vote appoint

the Chairman of the meeting (mark with an 'X') **OR** Write here the full name of the person or body corporate you are appointing if this person **is someone other than** the Chairman of the meeting.

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the meeting, as my proxy to attend, to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit), and to act generally on my behalf, at the General Meeting of the Company to be held at:

Location	Offices of e-pay Asia Limited. Suite 2802, Level 28, St Martins Tower, 31 Market Street, Sydney 2000
Date	Friday, 5 August 2011
Time	11:00 am

and at any adjournment of that meeting.

Section 3: Voting instructions

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

- Resolution 1. Remuneration Report
- Resolution 2. Re-election of Chih Ming Yap as a Director
- Resolution 3. Election of CY Chin as a Director
- Resolution 4. Election of Singam Sabaratnam as a Director

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

If you do not wish to direct the Chairman as your proxy to vote, please place a mark in this box.

By marking this box you acknowledge that the Chairman may exercise your proxy even if he or she has an interest in the outcome of the resolution, and that votes cast by him or her, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box and you have not directed your proxy how to vote, the Chairman will not cast your votes on a resolution and your votes will not be counted in calculating the required majority if a poll is called on a resolution.

The Chairman intends to vote all undirected proxies in favour of the resolutions to be put to the meeting.

Section 4: Signing by member

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

Individual or Member 1	Member 2 (if joint holding)	Member 3 (if joint holding)
Sole Director and Sole Secretary	Director/Company Secretary (delete one)	Director

Please provide the information below in case we need to contact you.

Contact name	Contact day time telephone	/ / Date
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Instructions for completion of proxy form

Section 1: Name and address of member

- 1 This is your address as it appears in the register of members of the Company. If this information is incorrect, please advise the Share Registry – Computershare Investor Services Pty Ltd of any changes.

The Registrar
Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Vic 3001
AUSTRALIA

Members sponsored by a broker (in which case your reference number will commence with an 'x') should advise their broker of any changes. **Please note you cannot change the ownership of your shares using this form.**

Section 2: Appointment of proxy

- 2 If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person or body corporate you wish to appoint as your proxy is someone other than the Chairman of the meeting, write the full name of that person or body corporate in the space provided. A proxy may be an individual or a body corporate. 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 member of the Company.
- 3 If you are entitled to cast two or more votes at the General Meeting, you are entitled to appoint 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 telephoning the Company. Alternatively you may copy this form.
- 4 To appoint a second proxy:
- (a) on each of the first proxy form and 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 one half of your votes, and fractions of votes will be disregarded); and
 - (b) return both forms in the same envelope.

Section 3: Voting instructions

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

Section 4: Signing by member

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

Individual	Where the holding is in one name, the member must sign.
Joint holding	Where the holding is in more than one name, all of the members must sign.
Power of Attorney	To sign under power of attorney, either the power of attorney must have already been lodged with the Company's share registry for notation or the original (or a certified copy) of the power of attorney must accompany this document.
Companies	In the following cases, subject to the Company's constitution, the following person must sign: <ul style="list-style-type: none">(a) Australian proprietary company with a sole director who is also the sole company secretary - that person must sign;(b) Australian proprietary company with a sole director and no company secretary - that person must sign;(c) other Australian companies - two directors, or one director and one company secretary must sign; and(d) foreign company - in accordance with the laws of the jurisdiction of incorporation and constituent documents.

Section 5: Lodging of proxy

- 7 This proxy form (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not later than close of business on the date set out below, by mail, hand delivery, or facsimile.

Last time and date for lodgement *	Date will be 48 hours or earlier than the meeting time
By mail	Suite 2802, Level 28, St. Martins Tower, 31 Market Street, Sydney NSW 2000
By delivery	Suite 2802, Level 28, St. Martins Tower, 31 Market Street, Sydney NSW 2000
By facsimile	+612 9267 4388

* Any proxy form received after that time will not be valid.

For Further Information

If you need any further information about this form or attendance at the Company's General Meeting, please contact Robert Lees, Company Secretary on (02) 9267 4633.