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**Company Announcements Division  
for immediate release**

**Tuesday 10 June 2014**

**ASX Code: ONC**

**Board and Management Changes**

OnCard International Limited (**OnCard**) is pleased to announce that at a meeting of the board of directors held on Friday 6 June 2014, Ross Burney was elected chairman. Ross has been a non-executive director of the company since May 2010.

The directors also confirmed the appointment of Tony Robinson to the position of managing director of OnCard as foreshadowed in the chairman's address given at the company's annual general meeting held last week on 29 May 2014, a copy of which was released to ASX that day.

Tony will be responsible for the day to day management of the company and its subsidiaries. The material terms of his employment have been agreed in principle and are summarised below:

<b>Base annual remuneration:</b>	\$275,000 (inclusive of superannuation).
<b>Short term incentive:</b>	Tony will be entitled to receive as a short term incentive for each year ending 30 June ( <b>Year</b> ) after the current Year ending 30 June 2014 ( <b>Year2014</b> ) a cash payment of up to 45.5% of his base annual remuneration, subject to the satisfaction of key performance indicators to be agreed between Tony and the board, and subject to Tony remaining employed by the company at the end of the relevant year and, except due to certain prescribed events, also at the time the incentive is due to be paid.
<b>Long term incentive:</b>	<p>Tony (or his nominee) will be entitled to receive as a long term incentive up to 3,600,000 fully paid ordinary shares (<b>Shares</b>) in OnCard for no cash consideration in 3 separate tranches, subject to the company's total shareholder return (<b>TSR</b>) achieving agreed targets for the Years ending 30 June 2015 (<b>Year2015</b>), 30 June 2016 (<b>Year2016</b>) and 30 June 2017 (<b>Year2017</b>), and subject to Tony remaining employed by the company at the end of the relevant Year.</p> <p>The TSR will be determined for each of Year2015, Year2016 and Year2017 as the market value of the Shares at the end of the relevant Year plus all dividends and capital returns made in respect of the Shares after Year2014 up to the end of the relevant Year, and will be measured against the market value of the Shares as at the date of OnCard's annual general meeting held last week on 29 May 2014 when Tony was elected a director of the company or \$0.25, whichever is higher (<b>Starting Value</b>). Market value will be determined by</p>

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reference to the volume weighted average price of the Shares over the period of 20 trading days ending on or before the applicable valuation date.

If the TSR for Year2015 has increased by:

- (a) at least 7.5% of the Starting Value, Tony (or his nominee) will be entitled to 600,000 Shares; and
- (b) at least 10% of the Starting Value, Tony (or his nominee) will be entitled to an additional 600,000 Shares.

If the TSR for Year2016 has increased by:

- (a) at least 7.5% per annum (compounded annually) of the Starting Value, Tony (or his nominee) will be entitled to 1,200,000 Shares; and
- (b) at least 10% per annum (compounded annually) of the Starting Value, Tony (or his nominee) will be entitled to an additional 1,200,000 Shares;

less any Shares received for Year2015. That is, if Tony received his maximum entitlement for Year2015 of 1,200,000 Shares, the maximum number of Shares he could receive for Year2016 would be an additional 1,200,000 Shares.

If the TSR for Year2017 has increased by:

- (a) at least 7.5% per annum (compounded annually) of the Starting Value, Tony (or his nominee) will be entitled to 1,800,000 Shares; and
- (b) at least 10% per annum (compounded annually) of the Starting Value, Tony (or his nominee) will be entitled to an additional 1,800,000 Shares;

less any Shares received for Year2015 or Year2016. That is, if Tony received his maximum entitlement for each of Year2015 and Year2016 of 1,200,000 Shares, the maximum number of Shares he could receive for Year2017 would be an additional 1,200,000 Shares.

In the event of a takeover, merger or other significant transaction, all entitlements to Shares for a future Year may vest early regardless of the TSR at that time.

The TSR determination and/or the number of Shares that are subject to the long term incentive arrangement may be adjusted to take account of any bonus issue, share cancellation, share consolidation or division or other share capital reorganisation.

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OnCard will have the option to satisfy any entitlement to Shares that vests under this long term incentive arrangement by making a cash payment equal to the market value of the Shares at the time the entitlement vests instead of issuing or procuring the transfer of the Shares.

The long term incentive arrangement is subject to the approval of OnCard's shareholders at a general meeting. Further details about the arrangement will be provided to shareholders in the notice of meeting.

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<b>Term:</b>	The employment will continue until it is terminated e.g. for cause or due to illness or death. Either party may also terminate the employment by giving to the other at least 6 months' written notice of termination.
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**Ends.**