



OnCard International Limited
ACN 084 800 902
GPO Box 2334
Melbourne 3001 Australia
Level 7, 550 Bourke Street
Melbourne 3000 Australia
Tel: + 61 3 9642 3812

**Company Announcements Division
for immediate release**

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ASX Code: ONC

SmartPASS Sale Process Update – Sale Proceeds Received

As previously advised in September 2014 OnCard entered into a conditional agreement to sell its holding in SmartPASS (Shanghai Smart Services Company Limited trading as SmartPASS) for a price of RMB 210million.

We are pleased to announce that today nearly A\$35million (RMB 179million) related to this transaction has been received into the Australian bank account of OnCard. The difference between the RMB 210million and the amount received is taxes paid of approximately RMB 21million to the Chinese Government on the capital gain and a RMB 10million retention still held in a separate bank account jointly controlled by OnCard and the buyer. Payment of this RMB 10million retention is only subject to completion of some residual contractual obligations which are expected to be finalised in the near term.

At this stage the Board has no intention of making a return of funds to shareholders. We continue to work on a number of legacy issues such as a potential Goods and Services Tax liability in Singapore and a final Australian tax position with respect to the sale of SmartPASS.

Further, without the contribution from SmartPASS the China activities are presently unprofitable. OnCard remains committed to funding these activities and has recently sent \$1.5m in two tranches to support these operations. The new management team led by Tony Robinson is still reviewing these existing operations and a number of new opportunities and an update will be provided in February 2015 with the release of the financial results for FY 2014.

Ends.