

13 April 2015

Company Announcements

For Immediate Release

ASX Code: ONC

PROPOSED DISTRIBUTION OF ADDITIONAL SURPLUS FUNDS

Following discussions with our advisers, the board of OnCard International Limited (**Company**) has decided that the most appropriate method to distribute the Company's surplus funds to shareholders is to undertake an off market share buy-back under an equal access scheme. This action would replace the previously announced intention to return the surplus funds by way of a reduction of share capital.

Under the proposed buy-back, which is subject to shareholder approval, the Company would offer to buy back 95% of each shareholder's shares at 22 cents each. The intention is to hold a general meeting to approve this proposed buy-back in the week beginning 25 May 2015 and to have completed the buy-back with a payment to accepting shareholders before 30 June 2015.

The board's current intention is that the notice of meeting for shareholder consideration of the buy-back, together with an independent expert's report, will be released no later than 24 April 2015 (subject to approval of the proposed timetable from ASX).

Taverners Group, which currently has a relevant interest in over 32% of the issued shares in the Company, has confirmed that it will vote in favour of the buy-back and the Piperoglou / Narlack interests have confirmed their support for this action.

If you have a query about any matter covered by this announcement, please contact the Company's Managing Director, Mr Tony Robinson, on + 61 04 0735 5616.

Ends.