



Multi Channel Solutions Limited
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6th October 2010

The Manager
Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sir/Madam

Major breakthrough on Cat Litter Sales

Multi Channel Solutions Limited is pleased to announce that its American subsidiary, Home & Business Consumer Products LLC, has made a major breakthrough into the \$1.4 billion dollar Cat Litter market in America. In addition to acceptance of our Cat Litter product and receiving orders from Pet Food Experts – one of the largest Pet retailers in America, it has received ranging acceptance of this product from Kroger – the second largest Food Retailer in the US. This acceptance has been confirmed by the receipt of opening orders due for shipment on 15th October. Our Desert's Sand Cat Litter will now be carried on shelf in 2200 of their stores across the country and they will launch the product with a significant promotional program.

The acceptance by Kroger and its decision to range the product in all stores has enormous implications for us. The very fact of this acceptance now makes other retailers aware of the confidence Kroger has in our Cat Litter and encourages them to more seriously consider ranging our product. There is already evidence of this, as we are receiving positive interest from several major retailers in the country and are close to formal acceptance and finalizing documentation in several large chains.

This order, in addition to acceptance by Pet Food Experts will now give us distribution in approximately 3,800 stores.

Mr. Des Smale, Managing Director of Multi Channel Solutions said that we have an excellent product that is proven to be better than the best alternative Cat Litter product on the market. All trials and tests have been positive. He also said that we are ready to ship these order this week and have adequate stock on hand. The Board will keep you updated on further progress as it occurs.

Why Desert's Sand Cat Litter – is the best

Litter Type	Clay	Silica Gel	Recycled Paper	Plant-Based Litter	Pine/ Cedar Sawdust	Desert's Sand
Absorption %	40%	400%	30%	40%	20%	400%
No Toxic Chemicals		✓				✓
Biodegradable		✓	✓	✓	✓	✓
No Tracking	✓	✓				✓
No/ Low Dust	✓	✓	✓	✓	✓	✓
Kills Pathogens					✓	✓
Can Be Flushed Down Toilet		✓	✓	✓		✓
Has Odour Control	Some	✓	Some	Some	Some	✓
Does Not Clump	✓	✓	✓	✓	✓	✓
Controls Mildew		✓	✓	✓	✓	✓
No Harmful Ingestion	✓	✓	✓	✓	✓	✓
Low Allergen	✓	✓	✓	✓	✓	✓
Approx. Days Use	4	30	4	4	4	30

In addition to the Cat Litter product our US subsidiary, Home & Business Consumer Products LLC also currently markets a range of High Definition Cables, Hand Sanitizers, Hospital Tilt Tables and Media Racks. The company is also negotiating exclusive distribution of new products that are appropriate for our current distribution and the wider retail market In America.

The Australian subsidiary, Bronson Marketing continues to expand its product range from Bath & Beauty into a more diverse range which includes Cotton, Biscuits, Shampoos, Conditioners and Hair Gels. The recent move to our new location in Kings Park has resulted in significant operational efficiencies, as well as substantial cost reductions.

Des Smale
Chairman