



ECSI LIMITED

ABN 68 004 240 313

Company Update

Proposed Transaction – Mi Media Holdings & Essential Digital Group

The board is pleased to announce the proposed transaction announced on 28 December 2012 (**proposed transaction**) is progressing forward.

RSM Bird Cameron and K&L Gates are currently completing both the Notice of Meeting and Independents Expert Report.

The board anticipates being in receipt of both reports very shortly with a planned mail out to the shareholders anticipated by the end of May 2013.

The board has been keeping abreast with developments of Mi Media Holdings and Essential Digital Group during this period and is pleased with the developments within the business.

Mi Media Update

Mi Media continues to strengthen its content partnerships and alliances. The Company recently signed an agreement with Rhapsody, and plans to deploy the solution across its range of automotive and mobile products. The Rhapsody subscription service has in excess of 1 million subscribers and has a strong base in USA and parts of Europe.

In addition, Mi Media renewed agreements with existing content partners including AOL ShoutCast and Radioio. AOL ShoutCast last month registered

approximately 500 million listening hours, and has a strong audience in USA and Europe.

These alliances reinforce Mi Media's position as one of the world's largest and most diverse content aggregators.

The Company has also renewed its content supplier agreement with M1 Singapore, with the Global Radio directory services available on M1's IP Set-Top Box solution (called 1Box).

In addition, Mi Media re-signed a Supplier Agreement with the Volkswagen Group. The agreement allows Mi Media to provide both pre-production and production technology solutions to the Volkswagen Group, which includes the VW, Audi, Skoda, Seat and Porsche automotive brands. The Volkswagen Group is the largest European manufacturer of automotive and light commercial vehicles with an estimated 7 million vehicles produced every year.

Mi Media also recently launched a ring-back subscription Internet radio service through Du in the Middle East, in conjunction with one of its local Middle East strategic partners. The agreement includes a revenue share model between the three stakeholders, with revenues expected to begin flowing shortly. The Company plans to package and deploy the solution to other mobile carriers.

Essential Digital Group Update

Essential Digital is preparing to launch a revolutionary new mobile application subscription service, which will allow any business to launch their very own mobile application for as little as \$29 per month. Seen as a game-changer in the mobile application industry, the service is designed to make it affordable for any business to build and maintain a mobile application. Through an easy to use administration web portal, customers will be able to update application information in real time, send push notifications to their users, and build a loyalty program through special offers and promotions.

The Company is establishing a Partner Program which will cater for both wholesale and reseller partners. In addition, the Company is implementing a

web-based provisioning and reporting portal, allowing Partners to order, track, and produce reports on their activities.

The service is designed to be highly scalable and easy to use. Initially planned for launch in Australia, the Company believes the solution can be replicated successfully in overseas markets including USA, Europe and Asia. Several customers have been trialing the service over the past six months including a number of KFC franchise stores, football clubs, and restaurants and cafes. Initial feedback has been encouraging with new customers requesting applications through referrals from existing customers.

About Rhapsody

The Rhapsody® digital music service (www.rhapsody.com) gives subscribers unlimited on-demand access to more than 14 million songs, whether they're listening on a PC, laptop, Internet connected home stereo or TV, MP3 player or mobile phone. Rhapsody allows subscribers to access their music through more touch-points than any other digital music service, including mobile phones from Verizon Wireless and MetroPCS, through Rhapsody applications on the Apple iPhone, iPod Touch and iPad, RIM BlackBerry and Android mobile platforms as well as through devices from Vizio, SanDisk, HP, Sonos and Philips. Rhapsody is headquartered in Seattle, with offices in Frankfurt, London, Luxemburg, York and San Francisco.

About AOL

AOL Inc. (NYSE: AOL) is a leading global Web services company with an extensive suite of brands and offerings and a substantial worldwide audience. AOL's business spans online content, products and services that the company offers to consumers, publishers and advertisers. AOL is focused on attracting and engaging consumers and providing valuable online advertising services on both AOL's owned and operated properties and third-party websites. In addition, AOL operates one of the largest Internet subscription

access services in the United States, which serves as a valuable distribution channel for AOL's consumer offerings.

About SHOUTcast

SHOUTcast Radio is owned by AOL, and is the ultimate directory of online radio stations. With over 48,000 music, talk, sports and community radio stations from the US and around the world, SHOUTcast is unparalleled in the breadth of content available.

About ioWorldMedia

ioWorldMedia Incorporated operates an Internet media platform that delivers streamed audio products to various audiences. The company broadcasts 131 channels, and offers Internet radio services and various genres of music, from high-brow classical to acid rock. It also operates a background music and messaging system for businesses, such as specialty retail and department stores, offices, restaurants, hotels, casinos, showrooms, and salons. In addition, ioWorldMedia, Incorporated offers access to live and archived live content; and io2go, a mobile Internet radio application. The company was formerly known as PowerCerv Corporation and changed its name to ioWorldMedia, Incorporated in January 2006. ioWorldMedia Incorporated was incorporated in 1995 and is based in Tampa, Florida.