

21 June 2011

EMERCHANTS SECURES SEVERAL NEW CONTRACTS

HIGHLIGHTS

- **Emerchants secures new contracts with Monadelphous Group Limited (Monadelphous) for petty cash, taxi card and MasterCard products, GoodStart Childcare Limited (GoodStart Childcare), Cardno (Qld) Pty Ltd (Cardno) and City Finance (IP) Pty Ltd (City Finance)**
- **Contract wins highlight the varied applications of the Emerchants technology**
- **40,000 new cards to be issued in the next 12 months**
- **Contracts are a combination of new business and a significant extension of relationship with an existing customer**
- **AAO's acquisition of Emerchants and capital raising remain on track for completion in early July**
- **Emerchants maintains its positive contract momentum**

Australasia Consolidated Ltd (ASX: AAO, **Australasia**) is pleased to announce that Emerchants Ltd (**Emerchants**) has secured several contracts with customers including Monadelphous, GoodStart Childcare, Cardno and City Finance.

Emerchants' contract with GoodStart Childcare represents a significant extension of an existing relationship, while the remaining contracts are with new customers for Emerchants. Under the terms of the contracts, it is expected that Emerchants will issue 40,000 new cards over the next 12 months.

The new contracts follow Australasia's recent announcement of an agreement to acquire 100% of Emerchants, a leading player in the pre-paid financial cards market in Australia. Australasia also announced a capital raising of \$10 million, on which it has received firm commitments for the full amount. The acquisition and capital raising are on track for completion in early July.

Australasia is holding an Extraordinary General Meeting for shareholders on 29 June 2011 in Perth to decide on resolutions relating to Australasia's proposed acquisition of Emerchants and change of business activities. Australasia's Managing Director Bob Browning said he was very pleased to announce the new contract wins for Emerchants.

"The new contracts highlight Emerchants unique combination of features and technology, as they have been secured across a range of applications including traditional areas of rewards and loyalty cards and also the growing area of corporate expense management," Mr Browning said.

"Together with the contract recently secured with Telechoice (iNcard Pty Ltd), Australia's number one Optus dealer, these new contracts clearly display Emerchants' strong business momentum and certainly validates our decision to acquire the company.

"We see these new contracts as a good analogy for Emerchants' growth plans. We expect to drive significant revenue increases from new customers in new business segments as well as deepen existing relationships.

"The opportunity to acquire Emerchants is a very exciting one for Australasia's shareholders and the Board of Directors unanimously recommend shareholders vote in favour of the acquisition at the upcoming EGM."

The new contracts relate to corporate expense management, gift cards and a rewards program. The rewards program provides customers with instant access to funds, point of sale rebate and the ability to offer discounts through alliance partners.

Corporate expense management allows an employer to grant almost instant access to corporate expenses facilities, provides unprecedented oversight and control over expenditure, and simplifies reconciliations and accounting work. The recent launch of Emerchants' corporate expense management application has cemented its position as the leader in the growing area of corporate expenses.

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About Australasia Consolidated

Australasia Consolidated is led by Managing Director Bob Browning and once shareholder approval is received, and various conditions precedents met, Australasia will be a financial services company that specialises in the pre-paid financial card market. Australasia has an agreement to acquire Emerchants, a leading provider of pre-paid financial cards in Australia. Australasia is focused on the twin goal of delivering high quality payment systems to its customers and superior returns to its shareholders.

About Emerchants

Emerchants is a leading provider of pre-paid financial cards with a number of high profile clients including NRMA, Cabcharge, Edge Loyalty, Tru Energy, Save the Children, Bayer, Cardno, Monadelphous Group, Palace Cinemas and Harley Davidson.

Emerchants has established a proven payments platform that provides customers with a unique combination of flexible payments, high levels of security and unprecedented levels of reporting and oversight. Emerchants has 'market ready' technology that has been established over the last 9 years that is fully scalable to support significant volume growth and is fully integrated into the EFTPOS system.