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Companies Announcement Division,

Monday, 29 January 2007

**OnCard International signs first hotel loyalty program in China
after key investment in Coverdrive Ltd**

Radisson Hotel Pudong Century Park, Shanghai, to utilise Coverdrive's services

Melbourne, 25 January 2007: OnCard International Limited (ASX code: ONC), an Australian-headquartered card marketing, issuing and management company, today announced it has signed its first material contract for a hotel loyalty program in China. This is the first deal OnCard has made since taking a 27% stake earlier this month in a company called Coverdrive Limited, one of the leading providers of card loyalty and reward programs within the hospitality sector in Asia.

The contract, which was signed with the Radisson Hotel Pudong Century Park – located in the rapidly developing financial district of Shanghai - will see Coverdrive develop and manage a comprehensive loyalty and reward program for the hotel aimed at driving ongoing and repeat business through the property's restaurant and dining operations.

OnCard International Chairman and CEO Peter Abotomey said the new deal represented the first fruit to be borne since OnCard purchased its stake in Coverdrive.

"We are very pleased to have signed up this important new hotel, which is part of a wider program Coverdrive is developing for Carlson Hotels Asia Pacific and its Radisson brand of properties across China. The initial focus will be on Shanghai, then expanding to other key cities such as Beijing and Hangzhou."

Mr Abotomey said Coverdrive, which operates card loyalty and reward programs for a range of hotel groups such as InterContinental, Le Meridien and Holiday Inn, would be the centrepiece of OnCard International's growth strategy in Asia as it looked to expand its business into the lucrative hotel and travel sectors for loyalty, reward and payment card programs."

About OnCard International Ltd:

OnCard International is a card marketing, issuance and management company that issues and manages loyalty, reward and payment card programs. These programs primarily operate through a regional OnCard International Ltd operating structure and its China joint venture company Shanghai Smart Service Co Ltd. MarketSMART International Ltd, the OnCard bank-end data processing platform, supports these programs.

OnCard operates in six countries across Asia Pacific, and employs more than 200 people. Through its operating network, OnCard has over 4 million cards under issue or management across Asia Pacific, supported by more than 3,000 participating merchants. OnCard is listed on the Australian Stock Exchange (ONC) and its current shareholders include FCPA China Investments (II) Pty Ltd, a vehicle jointly funded by Hong Kong-based investment bank First Capital Partners and the Brencorp group of companies.