

TSN Signs MOU With U.S. Based Mobile Payments Company

Highlights:

- **Proposed joint development of Mobile payment solutions targeting India's growing mobile internet users**
- **Alliance with proven U.S. based mobile payments platform**

The Directors of Transaction Solutions International Ltd ("TSN") are pleased to announce the completion of a formal Memorandum of Understanding ("MOU") between TSN and Salt Technology Inc. ("SALT"), based in the U.S.

SALT is the owner, licensor and operator of the SALT mobile commerce platform which offers an end-to-end turn-key platform for the purpose of billing, credit and/or debit card payment processing through a mobile device. Being fully PCI compliant and a fully certified third party merchant processor with the likes of Visa, MasterCard, American Express, SALT currently operates a number of existing and successful m-commerce payment programs across the U.S. and Canada.

The MOU between TSN and SALT provides for the parties to negotiate a definitive commercial agreement for the development of a suitable business model, and the deployment of the SALT m-commerce platform.

TSN's strategy in seeking to develop an m-commerce offering for India has been to:

- build strong recurring revenue business lines to complement TSN's market sector;
- address the growing affluence of Indians whom have greater disposable income for both discretionary and essential purchases (est. 186 million mobile internet users by June 2014);
- offer easier more secure services to institutions and customers to reduce the economic cost for those institutions interacting with its customers;
- enable banks, institutions and utilities to reach and interact with customers in a seamless, frictionless mobile environment thereby adding real value;
- circumvent infrastructure costs associated with hardwired offerings such as Point of Sale, bill payment centres and fixed line telephone connection services – a big challenge in India; and
- develop a business that has relatively small capital outlay requirements.

According to the Internet and Mobile Association of India, it is estimated there will be 186 million mobile internet users by June 2014. At the end of December 2013, the Digital commerce market in India stood at 62,967 crores (A\$ 11.5 billion).

TSN's Managing Director, Mr Gary Foster, advised that "TSN has been focused on sourcing the most appropriate technology to leverage of its Indian relationships and to take advantage of one of the fastest developing mobile internet growth stories globally."

TSN has held a number of discussions with mobile payment and m-commerce companies. Mr. Foster commented that "SALT's track record and product offering is very relevant to the Indian market. Addressing areas of security and frictionless payments as priorities, will suit countries such as India. Large banks and institutions always seek opportunities to improve their systems and interact closer with their customer. Utilising a platform such as SALT would provide that ability for us."

Mr Jim Brown, Salt Technology's Vice president of Business Development commented that, "SALT is keen to pursue and expand its business across Asia and, as such, sees a strong synergistic fit with TSN."

TSN looks forward to updating shareholders and providing more detail around its m-commerce strategy as soon as it is practical to do so.

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