

8 August 2016

ASX ANNOUNCEMENT AND PRESS RELEASE

CAPITAL RAISING & CORPORATE UPDATE

Transaction Solutions International Limited ("**TSN**") is pleased to advise the following corporate update.

TSN is pursuing a capital raising to fund working capital requirements and activities required to progress a potential opportunity to acquire the balance of equity in TSI India from its majority shareholder. This opportunity is currently in negotiation and no conclusions can be drawn at this time.

TSN and its subsidiaries hold a 24.89% equity interest in TSI India. TSI India's current business model is based on the provision and management of ATMs and bill payment solutions to major Indian banks and utility companies, with approximately 14,000 ATMs under management.

In addition to this existing network, on the 28th June 2016, TSN announced a Letter of Intent with SREI Infrastructure Finance Corporation, for providing a comprehensive ATM outsourced platform solution, which if executed as planned, has the potential to add a further 9,000 ATMs on a cost plus model, post the initial pilot phase of 50 ATMs.

TSN looks forward to keeping shareholders informed of any material developments.

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About TSN and TSI India

Transaction Solutions International (TSN) was founded in 2005 by current directors, Paul Boyatzis and Gary Foster, Australian nationals with considerable experience in the financial services industry. Based on their knowledge of financial markets in more developed countries, TSI India was formed to take advantage of the opportunity to create shareholder value by creating scalable operations in the field of e-transactions and payments within India.

At the time of entering India, TSI India was first to market with its unique recurring revenue outsourcing model, focussed on partnering with Banks to increase the size of its bank branded ATM network.

Today, TSI India remains firmly entrenched in the e-transaction sector. With the implementation of recent agreements, TSI India will become one of the largest operators of ATMs in India, with over 13,750 ATMs under management along with its automated Bill Pay solutions for utility companies.