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ASX Market Announcements
Australian Securities Exchange Limited
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EMERCHANTS' PRODUCT SOLUTION FOR QUEENSLAND HARDSHIP ASSISTANCE GRANTS

Further to the announcement on 29 August 2013 titled 'Communities, Child Safety and Disabilities Services (Queensland)' emerchants Limited (**emerchants**) (ASX: EML) is pleased to announce that it has developed a product solution that delivers a simple and efficient way to disburse immediate hardship assistance grants.

Developed through a consultative process with the Department of Communities, Child Safety and Disabilities Services (**DCCSDS**), the solution can minimise fraud and ensure that funds are quickly disbursed to those truly in need.

This follows the milestone announcement on Thursday, 28 November where the Company announced the execution of a signature 5 year agreement with the Queensland Government.

In commenting on the solution, Tom Cregan, Managing Director of emerchants, said:

"We are very pleased with the card that we have developed for DCCSDS. The challenge identified was to have a simple solution that was scalable to allow the speedy deployment of hardship assistance, that identified fraudulent claims in real time, and that ensured funds were used for their intended purpose, to support them through the challenging time of being affected by the extreme weather events."

emerchants has employed its "bulk unload" capability in conjunction with its unique "velocity controls" to create a card with a 21 day validity, ensuring that funds are spent for their intended purpose. Unused funds will be returned to the Queensland State in an effort to help future victims of natural disasters.

The emerchants solution employs its unique approach to prepaid payment solutions by using cards in an inactive state that are only loaded with funds and activated once provided to a recipient that has been identified as being eligible for the grant.

emerchants worked closely with Cuscal Limited (**Cuscal**) on the solution as the deposit taking institution for the program. Cuscal was instrumental in supporting emerchants capability to deliver a unique solution via emerchants proprietary processing system.

In commenting on the collaboration, Adrian Lovney, General Manager: Product and Service, Cuscal said:

"We are very pleased to be able to help emerchants and the Queensland Government progress this important prepaid card concept, to assist people in their communities quickly at particular times of need. Being one of the first times prepaid cards are used to help provide disaster relief, this is an innovative and worthy application."



ABOUT CUSCAL

Cuscal is a leading business-to-business provider of wholesale banking and transactional banking services in Australia. Servicing more than 110 specialist retail financial institutions, including the majority of Australia's mutual banks and credit unions, Cuscal processes more than 500 million electronic banking transactions each year.

ABOUT EMERCHANTS

emerchants is a payments solutions provider of prepaid financial card products and services in Australia. By using their proprietary Secure Account Management (SAM) system, the Company provides its clients with innovative financial service payment solutions for reloadable and non-reloadable pre-paid card programs. emerchants are able to adapt to meet the expense management and funds disbursement needs of any organisation. Their corporate expense, petty cash, per diem, social payments and staff rewards programs are easy to implement and reduce administration burden and costs. emerchants is focused on the twin goal of delivering high quality payment systems to its customers and superior returns to its shareholders.

For more information please visit: www.emerchants.com.au

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