

Indian Market Update

SYDNEY 12 March 2007

e-pay Asia announces that it has ended the strategic alliance discussions with India's E-Charge Tech Pvt Ltd ("E-Charge").

The Company's strategy remains unchanged and it is currently in discussions with selected existing Indian mobile telecommunication operators with regards to creating a new business venture.

India remains a key target market for e-pay Asia as it is one of the largest and fastest growing e-payment markets in the world with mobile subscribers growing by 97% from 75.94 million at end 2005 to 149.5 million at end 2006.*

The Board is confident of further progress in this territory.

*Telecom Regulatory Authority of India (TRAI).

For more information

If you are enquiring from Australia and New Zealand, please contact Jack Tan, Director & Company Secretary of e-pay Asia Limited, on +614 1828 6266, +612 9283 8835 or itan@epay-asia.com. If you are enquiring from Asia or the Americas, please contact Tan Yap Seng, Corporate Affairs of e-pay Asia Limited, on +6017 229 1616, +603 5632 2488 or investor@epay-asia.com.

If in the United Kingdom or other parts of Europe, please contact Shane Dolan, Director of Biddicks in London, on +44 20 7448 1000 or shane.dolan@biddicks.co.uk. For AIM related matters, please contact e-pay Asia Limited's nominated adviser, David Newton, Corporate Finance Director of Seymour Pierce Limited, on +44 20 7107 8336 or davidnewton@seymourpierce.com.

About EPY

e-pay Asia Limited (ASX/AIM: EPY), dual listed on Australia Stock Exchange and the AIM segment of the London Stock Exchange, is a leading provider of prepaid mobile airtime and electronic payment solutions in South East Asia. Headquartered in Kuala Lumpur with its corporate office in Sydney, e-pay Asia operates in Malaysia, Indonesia, Pakistan and Thailand. For more information on the Company, please visit our corporate website www.epay-asia.com.

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