

14 May 2010

E-PAY ASIA LIMITED (EPY) COMMENCES NEGOTIATIONS FOR A BINDING AGREEMENT FOR THE SALE OF ITS BUSINESS

On 12 April 2010, E-Pay Asia Limited (ASX: EPY) (**Company**) announced its entry into Heads of Agreement with Centurion Portfolio Sdn Bhd (**Purchaser**) for the proposed sale of the Company's operating subsidiaries for cash consideration of \$7,000,000 (after repayment of net inter-company loans of \$700,000) combined with a return of capital to shareholders of 15 cents per share.

On 7 May 2010, the Company announced that its independent directors had completed their assessment of the proposed sale and proposed to enter into negotiations with the Purchaser with a view to executing a binding sale agreement, subject to certain conditions precedent. These conditions precedent include compliance with Chapter 2E of the Corporations Act and Chapter 11 of the ASX Listing Rules and the Company's shareholders approving a return of capital to shareholders following successful completion of the transaction.

The Company's independent directors and the Purchaser have been engaged in negotiations concerning the detailed provisions of the proposed binding sale agreement. Those negotiations are progressing.

In order to allow the parties more time to finalise the terms of the sale agreement, the parties have agreed to extend the exclusivity period under the Heads of Agreement until 21 May 2010.

The Company will update the market regarding progress of the negotiations and provide an updated timetable for the sale, in due course.

By order of the Board.



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ABOUT e-pay Asia Limited

e-pay Asia Limited is one of the leading provider of electronic top up services for prepaid mobile users in South East Asia. The e-pay Asia's electronic top up services operates in 3 countries namely Malaysia, Thailand and Pakistan with approximately 15,000 point of sales. e-pay Asia processes more than 100 million prepaid mobile top up transactions per year.

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