

## PRESS RELEASE

**Tangarine Payment Solutions Corp.**  
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### **Tangarine Releases 2nd Quarter Consolidated Results – January 31, 2007**

March 21, 2007 – St. Catharines, Ontario – Tangarine Payment Solutions Corp. (“Tangarine”) released its first quarter consolidated results, which are in line with management’s expectations given the write-off of one time restructuring charges.

<b>Consolidated Statement of Operations (\$000)</b>	<b>Jan-07</b>	<b>Jan-06</b>
Net sales	<b>\$3,693</b>	\$3,447
Operating Income (loss) before other items	<b>(211)</b>	(71)
Net Income (Loss)	<b>(1,055)</b>	(813)
Earnings per share	<b>\$(0.05)</b>	\$(0.10)
Weighted average number of shares outstanding during the year	<b>20,497</b>	27,935

Net loss for the 6 month period ended January 31, 2007 was \$1.05 million compared to a net loss of \$.81 million for the period ended January 31, 2006. The loss was due to the recognition of certain one time other expenses including one-time restructuring costs of \$683,608. The loss for the period ended January 31, 2006 resulted from the write off of \$960,356 in development costs.

In addition, there was a net deferral of \$411,775 from the sale of POS terminals. This deferral will be recognized over the life of the merchant contracts as required by GAAP.

Gross revenue for the first half of this financial year increased by 7% over the same period last year, from \$3.4 million to \$3.6 million respectively. Costs remained constant at 33% of sales and fees.

<b>Financial Position (\$000)</b>	<b>Jan-07</b>
Working capital (deficit)	<b>\$(609)</b>
Merchant contracts	<b>15,768</b>
Total assets	<b>21,966</b>
Long term debt (including current portion)	<b>169</b>
Book value per common share	<b>\$.39</b>

Tangarine had a working capital deficiency of \$.609 million as at January 31, 2007 compared to a working capital deficiency of \$1.012 million as at January 31, 2006, an improvement of \$.403 million due to the repayment BDC long term financing and a significant decrease of inventory on hand. Tangarine’s cash and cash equivalents position at the end of the period was \$0.064 million reflecting the impact of re-paying long term debt.

“The second quarter financial results recognize the completion of the financial restructuring of the company.” said Keith Turner, President and Chief Executive Officer of Tangarine. “We expect to complete the development and implementation of our communication gateway by the end of next quarter which will provide substantial cost savings for processing transactions.”

### **About Tangarine Payment Solutions Corp.**

Tangarine Payment Solutions Corp., through its wholly-owned operating subsidiary Tangarine Concepts Corp., markets consumer-initiated electronic financial payment solutions to small and medium sized retail businesses, such as convenience stores, small specialty stores, bars,

restaurants and gas stations. It uses state-of-the-art equipment and software applications to process transactions at retail points of sale. Tangarine operates over 8,200 point of sale terminals across Canada divided between wired (70%) and wireless (30%) terminals. The wireless terminals are marketed under the brand name "fleetX" and are located primarily in taxis operating in Ontario and Quebec.

Tangarine also sells a prepaid MasterCard® under the brand name MyCard© ([www.mycard.ca](http://www.mycard.ca)). The prepaid card has a preset spending limit that is determined by the amount of cash that has been loaded onto the card. The prepaid card eliminates the need for consumers to carry cash and it provides an alternative payment method to traditional credit cards, cash, cheques, money transfer services, retail cards and gift certificates. Tangarine has sold over 10,600 cards into the Canadian market.

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