



26 August 2005

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International All Sports Limited
ABN 32 066 967 502

RE: ASX ANNOUNCEMENT

Please find attached an ASX Announcement in relation to the acquisition of Austote by International All Sports Limited.

A handwritten signature in black ink, appearing to read 'R Edge', written in a cursive style.

**ROBERT EDGE
COMPANY SECRETARY**

Att.

ASX/MEDIA ANNOUNCEMENT

INTERNATIONAL ALL SPORTS LIMITED ACQUIRES MAJORITY INTEREST IN AUSTOTE

The Chairman of International All Sports Limited (IAS), Barry Coulter, today announced that IAS had entered into a Heads of Agreement to acquire 76% of the Norfolk Island licensed Austote Pty Ltd ("Austote"). Austote has been in operation for approximately 12 months and already has a firmly established business and clientele.

Austote is authorized by the Norfolk Island Gaming Authority to accept bets as a bookmaker or on a pari-mutuel basis in respect of race meetings and sports betting under a bookmaker's licence issued on 5 June 2003, for a period of eight years.

Under the agreement, signed with PH Holdings Ltd and Austote Pty Ltd, IAS will provide an initial sum of \$250 000 and a further amount of \$250 000 after twelve (12) months in exchange for no less than 76% of the shares of Austote Pty Ltd. Further IAS will have an option to acquire the balance of the shares in Austote within three years, at a valuation to be determined at the date of acquisition.

In announcing the agreement Mr. Coulter said "IAS will now have the opportunity to further expand its product range and to be able to compete with totalisators in a manner that has not been possible in the past. Austote will now have the support of IAS, Australia's first licensed ASX listed international sports betting company Mr. Coulter added, and the IAS board expected that this addition to the Group's range of wagering and gaming products would significantly increase the competitiveness of the Group as a whole."

This acquisition follows the successful merger of International All Sports with Canbet Limited, which was approved by the Federal Court, the issue of a sports bookmaking licence to Canbet Sports Bookmakers Pty Ltd and the granting of a Betting Agreement (Macau horse racing) by the Macau Jockey Club and the Macau Government.

Mr. Coulter concluded by saying that IAS would be delighted to retain the current CEO Mike King to manage the Austote business on the Group's behalf as it continued with its global expansion plans including the diversification of its range of products and services.

For further information contact:

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