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International All Sports Limited
ABN 32 066 967 502

5 October 2006

Australian Stock Exchange Limited ("ASX")
Company Announcements Office
10th Floor
20 Bond Street
SYDNEY NSW 2000

STATEMENT REGARDING UNITED STATES OF AMERICA ("USA") LEGISLATION

The Board of International All Sports Limited ("IAS") is disappointed that the USA Government is passing laws to circumvent its commitment under the General Agreement of Trade and Services to the World Trade Organisation to allow free international trade in an effort to protect USA gaming companies that operate in the USA.

The Board notes that USA horse racing has been exempted from the legislation and as such would not affect the business of IASbet.com.

The financial effect on Canbet, the international brand of IAS that operates out of the United Kingdom is not expected to have any financial effect as to the operating profit of the group.

The Board has taken legal advice and will continue to take further advice with the objective of understanding the regulations and procedures which have yet to be completed.

Enquiries can be made to Robert Edge on 61 3 9948 9948.

Yours faithfully

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

Robert Edge
Company Secretary