

13 May 2009

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

## **ASX - ANNOUNCEMENT SALE OF INTERNATIONAL CANBET BUSINESSES**

The Board of International All Sports (IAS) is pleased to announce that it has entered into a binding agreement to sell its international Canbet businesses to Yin Khing Investments Limited (YKI). YKI is a British Virgin Islands registered company, the principals of which are Patrick Tay and Elson Yin. YKI and its associated companies specialise in innovative software solutions in the internet based entertainment market.

YKI will purchase the IAS Group companies that operate the international Canbet business, for \$1 million. Canbet provides online sports and horse racing betting services, as well as other gaming products to customers outside Australia. During a transition period (expected to conclude in Q3 2009), IAS will provide services to assist the migration of Canbet operations to YKI, on a fee for service basis.

IAS will retain its Australian business and the Norfolk Island based Austote business, and will continue to offer the same comprehensive range of services.

The chairman, Mr Barry Coulter commented, "The Canbet business has had a number of operational challenges, particularly following the changes to gaming laws in the United States and unsuccessful strategies to grow our European sports operation. The sale of Canbet presents an opportunity for IAS to refocus on our core Australian business. This transaction transforms IAS from a global operation into a more focused and profitable niche player in the Australian racing industry."

As previously disclosed in the 2008 Annual Report, Canbet made a loss of \$8.6m for the financial year and a loss of \$3.7m for the 6 months to 31 December 2008, as disclosed in the 2008/09 Appendix 4D. After deconsolidating the international Canbet companies the sale transaction is expected to result in a one-off abnormal balance sheet write-down of approximately \$12m. The sale is also expected to result in an ongoing reduction in expenses of more than \$400,000 per month.

As previously announced, several parties have been subject to standstill agreements in relation to trading in IAS shares. As a result of the Canbet sale and ongoing changes in industry dynamics, particularly the impact of advertising and product fees, the IAS Board of Directors has agreed to release all companies currently bound by standstill obligations.

Shareholder enquiries should be directed to John Nugent, Company Secretary, International All Sports Limited, on +613 9948 9948.

A handwritten signature in black ink, appearing to read 'Barry Coulter', with a stylized flourish at the end.

**Barry Coulter**  
**CHAIRMAN**