

6 May 2005

Company Announcements Office Australian Stock Exchange Limited 20 Bridge Street SYDNEY NSW 2000

By Electronic Lodgement

Pages: 1

Media Release

FOR IMMEDIATE PUBLICATION

B DIGITAL SECURES DISTRIBUTION CHANNEL IN JOINT VENTURE WITH B SHOP

Sydney, May 6 2005 - B Digital Ltd [BBB] today announced a joint venture with its premium dealer, Array Pty Ltd, which trades as B Shop. Under the agreement, B Digital will acquire a 50% interest in B Shop for \$4.2 million, with a view to expanding its retail network from 20 to 75 outlets in the next three years.

B Digital Managing Director, Mr Peter George, said the agreement will enable B Digital to both increase its brand presence and improve the quality of its distribution within the channel.

"In the last 4 years, B Shop has proven itself as a highly professional operator with an excellent sales model. Our 50% interest will secure the loyalty of this quality distribution channel and give us greater ownership of our retail presence as we jointly expand the network."

B Shop currently operates 20 retail outlets across Victoria and Queensland. Under the joint venture, the first of the additional outlets are expected to open in June 2005.

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