

MEDIA RELEASE

ASX ANNOUNCEMENT

**CENTREBET LAUNCHES TAKEOVER OFFER FOR
INTERNATIONAL ALL SPORTS LIMITED**

Sydney, 2 February 2009: Centrebet International Limited (**'Centrebet'**) (ASX:CIL), the international online wagering and gaming company, announced today that it will make an off-market takeover offer for all of the issued ordinary shares (each an **'IAS Share'**) in International All Sports Limited (**'IAS'**) (ASX:IAS) (**'Offer'**).

KEY FEATURES OF CENTREBET'S OFFER

- **A minimum CASH offer of \$0.28 per IAS Share**
- **An increased CASH offer of \$0.33 per IAS Share if Centrebet acquires 90% (by number) and moves to compulsory acquisition**
- **The minimum offer and increased offer represent premiums of:**
 - **75.0% and 106.3% to the \$0.16 closing price of IAS Shares quoted by ASX on the last trading day preceding the date of this announcement; and**
 - **54.4% and 82.0% to the 1 month VWAP of IAS Shares**
- **The Offer is conditional on greater than 50% acceptance and the setting aside of certain confidentiality and standstill arrangements**
- **Centrebet encourages IAS shareholders to accept its Offer quickly as the Offer is also subject to there being no material adverse change in IAS's financial performance, position or prospects and the S&P/ASX 300 Index not falling more than 15% below the level on the Announcement Date for more than two consecutive days**
- **Centrebet expects to be sending out further details of its Offer to IAS shareholders shortly**

Graham Kelly, Centrebet's Chairman, said "Centrebet's cash offer is an extremely attractive opportunity for IAS shareholders."

"All IAS shareholders have the opportunity to obtain a **generous cash price**, at a time of ongoing market volatility and following quite a long period of poor financial returns from their company.

"By accepting the Centrebet Offer, IAS shareholders have the opportunity to put an end to their **exposure to the inherent risks and uncertainty of holding IAS shares.**

Centrebet International Limited ABN 55 066 441 067

Administration

Address: 110-116 Bourke Road, Alexandria NSW 2015 Australia • **Postal Address:** Locked Bag 5001, Alexandria NSW 2015 Australia

Telephone: +61 2 9206 8888 • **Facsimile:** +61 2 9310 5718

Betting and Call Centre

Postal Address: PO Box 1462, Alice Springs NT 0871 Australia • **Telephone:** +61 8 8955 5800 • **Facsimile:** +61 8 8955 5750

“IAS is an excellent strategic fit with our business. Centrebet would become one of the largest corporate bookmakers in Australia, deriving substantially higher revenues than we do today by maintaining both strong brands with their own product offerings.

“We will maintain a conservative capital structure and expect the acquisition to have a positive impact on Centrebet’s earnings per share in the first full year of ownership. Further earnings benefits are expected in the following years, as potential operating synergies of the acquisition are realised.

“Centrebet’s Offer for IAS strikes a good balance between a generous price for IAS shareholders while leaving opportunities for our shareholders to benefit also,” Mr Kelly said.

Centrebet’s Managing Director, Con Kafataris, said: “Centrebet and IAS customers will benefit from our active operation of both brands and enhancement of the unique value proposition each represents as a result of leveraging the capabilities of both groups to develop better products and services.

“Centrebet is confident of obtaining the minimum acceptance threshold of more than 50%. We are, however, aiming to exceed the 90% compulsory acquisition threshold so that Centrebet can pay the increased cash price of \$0.33 to IAS shareholders”, Mr Kafataris added.

The formal offer documentation, including how IAS shareholders can accept Centrebet’s Offer, will be sent to IAS shareholders pending resolution of an issue relating to certain confidentiality and stand still arrangements.

Centrebet’s Offer

Centrebet’s Offer price is **\$0.28** cash per IAS Share with an increased Offer price of **\$0.33** cash per IAS Share if Centrebet receives greater than 90% (by number) of IAS Shares and the Offer is declared unconditional.

The **\$0.28** cash Offer and the increased cash Offer of **\$0.33** represent substantial premiums to recent trading levels of IAS Shares, being:

- a 75.0% and 106.3% premium to the \$0.16 cents closing price of IAS Shares on ASX on 30 January 2009, being the last trading day before the Announcement Date; and
- a premium to the volume weighted average price of IAS Shares quoted on ASX for:
 - the month to 30 January 2009 of 54.4% and 82.0%;
 - three months to 30 January 2009 of 56.9% and 84.9%; and
 - six months to 30 January 2009 of 49.2% and 75.8%.

The total value of IAS’s issued shares at \$0.28 per IAS Share is approximately \$18.6 million and at \$0.33 per IAS Share is approximately \$21.9 million. Centrebet will fund the acquisition from its cash reserves and a committed bank facility.

IAS shareholders have the opportunity to exit a poorly performing company

Since January 2004, IAS has delivered total shareholder returns (dividends and capital growth) of negative 79.4% versus ASX Small Ordinaries Accumulation Index of positive 6.1%.

Since IAS’s listing in 1999, IAS shareholders have suffered significantly with:

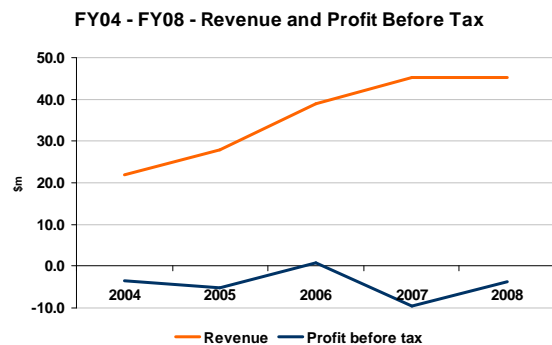
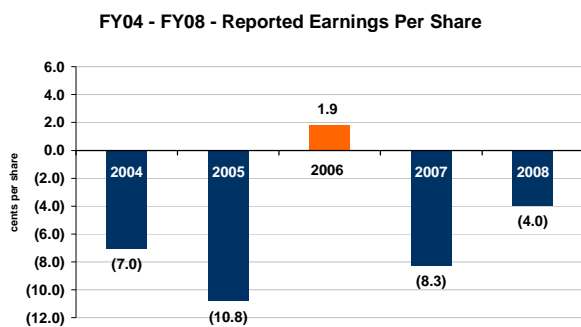
- the IAS Share price falling by 92% from its \$2.00 listing price in August 1999 ;

- profit before tax deteriorating from \$7.4 million in FY03 to a loss of (\$9.5 million) in FY07 and (\$3.8 million) in FY08 despite revenue increasing by 107% over that time;
- a cumulative pre-tax loss of \$21.2 million in the last five years which is around twice the market capitalisation of IAS before the announcement of this offer; and
- only one dividend in the last five years of 1.5 cents per IAS Share in January 2006 and none since.

In addition, Centrebet believes that IAS's ability to compete effectively, profitably and pay dividends going forward is uncertain, given:

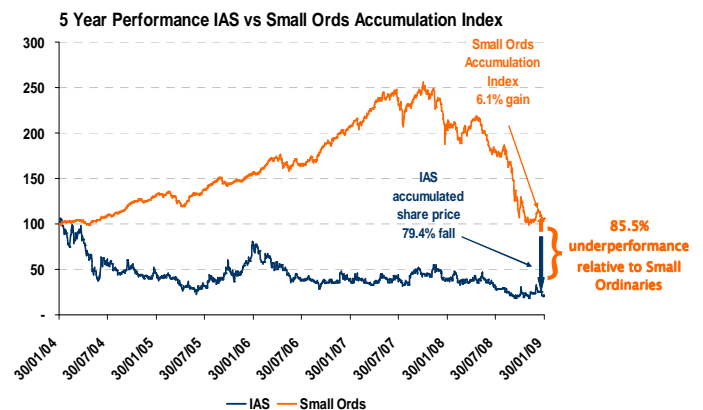
- the aggressive competition from larger domestic and international online wagering and gaming companies;
- the adverse financial impact of the introduction of product fees in Australia; and
- current economic conditions and challenging outlook.

IAS's poor financial performance is demonstrated in the following graphs showing the earnings per IAS Share as well as revenue and profit before tax of IAS for the five years to 30 June 2008:



Source: IAS Annual Reports

The poor absolute and relative share price performance of IAS Shares over the last five years is demonstrated in the following graphs:



Source: IRESS Technology

Strategic rationale for the acquisition

Whilst Centrebet operates in the increasingly competitive Australian wagering market, its profitability is significantly greater than IAS. The combining of Centrebet and IAS is expected to provide additional critical mass and efficiencies for Centrebet. This will allow Centrebet to continue to grow and succeed in this competitive environment.

Centrebet believes that under its control and management, it can rationalise the IAS business to be profitable in the first full year of operation. As illustrated in the Investor Presentation, also released to the ASX today, Centrebet will conduct a review of all the operations of IAS immediately following a successful acquisition, with a view to maximising shareholder returns.

Conditions of the Offer

The Offer is subject to a number of conditions including Centrebet acquiring a relevant interest in more than 50% of IAS Shares and Centrebet being released from certain confidentiality and standstill arrangements currently in place between Centrebet and IAS. These confidentiality and standstill arrangements will be the subject of an application to the Takeovers Panel. Centrebet will make a further announcement regarding the outcome of that application, and any consequential proceedings, as and when it is able to do so.

The conditions of the Offer are set out in full in the Annexure to this announcement.

Further information will be available in the Bidders Statement.

Centrebet is being advised by Wilson HTM Corporate Finance and Addisons.

INDICATIVE TIMETABLE

IMPORTANT DATES	2009
Expected date for lodgment/filing of Bidder's Statement with Australian Securities & Investments Commission	Late February, 2009
Expected date for sending Bidder's Statement to IAS shareholders	Early March, 2009
Expected closing date of Offer (unless extended)*	Early April, 2009

**The above dates may change as permitted by the Corporations Act.*

About Centrebet

Centrebet commenced operations in 1992 and in 1996 was the first licensed bookmaker in the Southern Hemisphere to offer online sports betting.

Centrebet is now a leading International online wagering and gaming operator offering fixed odds betting on a wide variety of Australian and International sporting, racing, entertainment and political events, as well as online poker and casino products. Online poker and casino products are not offered to Australian residents due to regulatory considerations.

Annexure - Conditions

The Offer, and the obligation of Centrebet to complete any takeover contract resulting from an acceptance of the Offer, will be subject to fulfillment of each of the following conditions.

Capitalised terms used in these conditions have the meanings set out in Section 14 of this Annexure.

1. Minimum acceptance

During the Aggregate Offer Period, Centrebet acquiring a relevant interest in more than 50% of all the IAS Shares.

2. No material adverse change

During the Aggregate Offer Period, no change occurs, is discovered or becomes public which has or could reasonably be expected to have a materially adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of IAS Group taken as a whole or of any member of the IAS Group.

3. Release and waiver of Confidentiality Deed by IAS Group or Takeovers Panel

Centrebet receives from and by:

- (a) each member of the IAS Group an unconditional written declaration, release or waiver, as the case may be, to the effect that:
 - (i) the confidentiality and standstill provisions of the Confidentiality Deed are void, unenforceable and of no effect;
 - (ii) each member of the Centrebet Group and their respective officers, employees and advisers (each a **Relevant Party**) did not breach their respective obligations under the Confidentiality Deed or otherwise by reason of any Relevant Party making a public announcement of or in relation to the Proposed Bid (**Public Announcement**) or by taking any preparatory or other action in connection with the making of the Public Announcement or the Proposed Bid; and
 - (iii) the provisions of the Confidentiality Deed will not be breached by reason of any Relevant Party making, or proposing to make, or taking any preparatory or other action in connection with any future acquisition of any IAS Shares, including under the Proposed Bid;

or

- (b) the Takeovers Panel makes orders and declarations that have the same or substantially the same effect as each and every one of the unconditional written declarations, releases or waivers, as the case may be, referred to in paragraph 3(a) such that Centrebet is no longer restrained under the Confidentiality Deed from announcing and making the Offer and enforcing its rights and entitlements, and performing its obligations, under the terms and conditions of the Offer.

4. No new material commitments

No member of the IAS Group during the Aggregate Offer Period and without the prior written consent of Centrebet:

- (a) offers to acquire or agrees to acquire or dispose of one or more companies or assets (or an interest in one or more companies or assets) outside the ordinary course of business of that

member or makes, or is obliged or required to make, an announcement about such an acquisition or disposal;

- (b) enters into or announces that it proposes to enter into or terminate any joint venture or partnership involving a current or future commitment to pay or provide more than \$250,000 or makes or is or becomes obliged to make an announcement about such a commitment or termination; or
- (c) incurs or commits to, or grants to another person a right the exercise of which would involve a member of the IAS Group incurring or committing to any capital expenditure or liability for one or more related items that is equal to or greater than \$250,000 or makes, or is obliged or required to make, an announcement about such a commitment.

5. Non-existence or exercise of certain rights

During the Aggregate Offer Period:

- (a) no person is entitled, or will become entitled, to exercise any right (whether contingent, subject to conditions or not), to:
 - (i) require any member of the IAS Group to acquire an asset for an amount equal to or in excess of \$250,000 or assets having an aggregate value equal to or in excess of \$500,000;
 - (ii) acquire any asset, or right to acquire any asset, of the IAS Group for an amount equal to or in excess of \$250,000 or assets having an aggregate value equal to or in excess of \$500,000;
 - (iii) require or procure the disposal of, or the making an offer to dispose of, any material asset of any member of the IAS Group;
 - (iv) require the issue of any shares or other securities by any member of the IAS Group to any person other than a member of the Centrebet Group;
 - (v) terminate or vary any material agreement with any member of the IAS Group; or
- (b) a holder of any options issued by any member of the IAS Group on or after the Announcement Date, or any nominee or transferee of such holder, exercises any of the IAS Group Options other than by written agreement with Centrebet.

6. Conduct IAS's business

During the Aggregate Offer Period, no member of the IAS Group, without the written consent of Centrebet:

- (a) declares or distributes any dividend, bonus or other share of its profits or assets;
- (b) alters its capital structure or the rights attached to any of its shares or other securities, or issues or agrees to issue any convertible notes in a manner or with an effect that does not constitute a Prescribed Event;
- (c) makes any changes to the constitution of any member of the IAS Group;
- (d) gives or agrees to give any Encumbrance over any of its assets otherwise than in the ordinary course of business or securing indebtedness that is in excess of \$250,000;
- (e) borrows or agrees to borrow any money (except for temporary borrowing from its bankers in the ordinary course of business or that is less than \$250,000);

- (f) enters into an agreement (including an option agreement) in relation to acquiring or disposing of assets the price or aggregate unEncumbered value of which is \$250,000 or more;
- (g) releases, discharges or modifies any obligation to it of any person, firm or corporation or agrees to do so otherwise than in the ordinary course of business where such obligation is in excess of \$250,000;
- (h) enters into, modifies or extends any agreement with any person for the provision of management services to any member of the IAS Group;
- (i) enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or manager, or pays or agrees to pay any retirement benefit, bonus or allowance to any director, manager or other employee or consultant, or makes or agrees to make any substantial change in the basis or amount of remuneration of any director, manager or other employee or consultant (except as required by law or provided under any superannuation, provident or retirement scheme in effect on the Announcement Date); or
- (j) conducts its business otherwise than in the ordinary course of its business.

7. Incorrect or Misleading Statements

Centrebet does not become aware, during the Aggregate Offer Period, that any document filed by or on behalf of IAS with ASX, ASIC or any other Public Authority contains a statement which is incorrect or misleading in any material particular or from which there is a material omission.

8. No market fall

During the Aggregate Offer Period, the S&P/ASX 300 Index published by ASX is, for more than 2 consecutive trading days, more than 15% below the level of that index on the Announcement Date.

9. No materially adverse ruling by a Public Authority

During the Aggregate Offer Period:

- (a) a Public Authority does not make or threaten to make any decision, order or decree;
- (b) no action or investigation is instituted or threatened by any Public Authority; and
- (c) no application is made to any Public Authority (other than an application by a member of the Centrebet Group, under section 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act, each in relation to the Offer),

which restrains, prohibits, terminates, revokes, suspends or alters, or threatens to restrain prohibit, terminate, revoke, suspend or alter, or may otherwise materially and adversely affect:

- (d) the making of the Offer or requires or threatens to require the divestiture by a member of the IAS Group or the Centrebet Group of any shares in any member of the IAS Group, or the divestiture of any assets of any member of either the IAS Group or the Centrebet Group; or
- (e) any licence, permit, authority or consent, or the terms and conditions attaching to any such licence, permit, authority or consent, that is or will be required by:
 - (i) any member of the Centrebet Group to make or conduct the Offer; or
 - (ii) any member of the IAS Group to operate their respective businesses or any material part thereof.

10. No break/inducement fees

- (a) Subject to paragraph 10(b), during the Aggregate Offer Period no member of the IAS Group provides or becomes bound (whether conditionally or contingently) to provide any benefit to any person, or foregoes or otherwise reduces any payment or benefit or agrees to forgo or reduce any payment or benefit to which it would otherwise be entitled, in connection with any person making or agreeing to participate in, or enter into negotiations concerning:
- (i) an offer to acquire Control of any member of the IAS Group; or
 - (ii) any other proposal to acquire an interest (whether equitable, legal, beneficial or economic) in shares in, or assets of, any member of the IAS Group, or to operate any member of the IAS Group as a single economic entity with another body corporate.
- (b) Paragraph 10(a) does not apply to a payment, benefit or agreement:
- (i) for providing professional advisory services to any member of the IAS Group;
 - (ii) which is made in the ordinary course of business of any member of the IAS Group;
 - (iii) which is approved by a resolution passed at a general meeting of IAS; or
 - (iv) which is made to, provided to, owed by or made with Centrebet.

11. No litigation

During the Aggregate Offer Period, no litigation, arbitration or other proceedings are commenced, instituted or threatened against any member of the IAS Group which is or are material in the context of the IAS Group's operations as a whole.

12. Availability of finance

During, and at the end of, the Aggregate Offer Period, neither of the following circumstances exists or occurs:

- (a) a precondition to the availability of finance required for the Bid is not satisfied as at the time Centrebet is required to pay for IAS Shares under the Offer and the lender of that finance has not waived the relevant precondition; and
- (b) an event of default, or potential event of default, occurs under the Bid Facility and neither that event of default has been rectified to the satisfaction of the lender under the Bid Facility or the lender under the Bid Facility has not agreed to forgive that event of default or potential event of default as at the time drawdown is required to pay for IAS Shares under the Offer.

13. No Prescribed Events

No Prescribed Event occurs during the Aggregate Offer Period.

14. Definitions

The following definitions apply in the conditions set out above:

Aggregate Offer Period means the period beginning on and including the Announcement Date and ending on and including the last day of the Offer Period.

Announcement Date means 2 February, 2009, being the date of announcement by Centrebet of the proposal to make the Offer.

ASIC means the Australian Securities & Investments Commission.

ASX means the Australian Securities Exchange as operated by ASX Limited ABN 98 008 624 691.

associate has the meaning given to that term in section 12(2) of the Corporations Act, 2001.

Bidder's Statement means the Centrebet's statement for the Offer.

Bid Facility means the cash advance facility under which funding will be made available by the Commonwealth Bank of Australia to facilitate the acquisition by Centrebet of IAS Shares under the Offer.

Confidentiality Deed means a confidentiality deed poll dated 8 April, 2008 by Centrebet in favour of IAS and other members of the IAS Group.

Control has the meaning given to that term in section 50AA of the Corporations Act.

Centrebet means Centrebet International Limited ABN 55 066 441 067.

Centrebet Group means Centrebet and each of its related bodies corporate or controlled entities, and any associate of any of the foregoing.

Encumbrance means:

- (a) a mortgage, charge, pledge, lien, hypothecation or a title retention arrangement;
- (b) a notice under section 255 of the *Income Tax Assessment Act 1936* (Cth), subdivision 260-A in schedule 1 to the *Taxation Administration Act 1953* (Cth) or any similar legislation;
- (c) any other interest in or right over property (including a right to set off or withhold payment of a deposit or other money);
- (d) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or
- (e) an agreement to create anything referred to above or to allow any of them to exist.

IAS means International All Sports Limited ABN 32 066 967 502.

IAS Group means IAS and each of its related bodies corporate or controlled entities.

IAS Group Options means an option to acquire an IAS Share or any other security in the issued capital of a member of the IAS Group.

IAS Share means a fully paid ordinary share in IAS.

interest means an interest (whether equitable, legal, beneficial or economic) in any security or asset and includes a relevant interest in any such security or asset.

Offer means each offer to be made by Centrebet for any or all of the IAS Shares and includes a reference to any offer as varied in accordance with the provisions of the Corporations Act.

Offer Period has the meaning given to "offer period" in respect of an off-market bid in section 9 of the Corporations Act.

Prescribed Event means any one of the following:

- (a) IAS converts all or any of its shares into a larger or smaller number of shares;
- (b) IAS or a subsidiary of IAS resolves to reduce its share capital in any way;
- (c) IAS or a subsidiary of IAS:
 - (i) enters into a buy-back agreement; or

- (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) IAS or a subsidiary of IAS issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) IAS or a subsidiary of IAS issues, or agrees to issue, convertible notes;
- (f) IAS or a subsidiary of IAS disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) IAS or a subsidiary of IAS charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) IAS or a subsidiary of IAS resolves to be wound up;
- (i) a liquidator or provisional liquidator of IAS or of a subsidiary of IAS is appointed;
- (j) a court makes an order for the winding up of IAS or of a subsidiary of IAS;
- (k) an administrator of IAS, or of a subsidiary of IAS, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) IAS or a subsidiary of IAS executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of IAS or of a subsidiary of IAS.

Proposed Bid means a proposed Offer first announced by Centrebet on or about the date of this announcement and in connection with the acquisition of all the IAS Shares.

Public Authority means:

- (a) any government or any governmental, semi-governmental, administrative, statutory or judicial entity, authority or agency, whether in Australia or elsewhere, including the Australian Consumer and Competition Commission; and
- (b) any self-regulatory organisation established under statute or any stock exchange,

but excluding the Takeovers Panel, ASIC and any court that hears or determines proceedings under section 657G of the Corporations Act or proceedings commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer.

related body corporate has the meaning given to that term in section 50 of the Corporations Act, 2001

relevant interest has the meaning given to that term in section 608 and section 609 of the Corporations Act, 2001.

subsidiary has the meaning given to that term in section 46 of the Corporations Act, 2001.

Takeovers Panel means the Panel as that term is defined in section 9 of the Corporations Act and as used in Division 2 of Part 6.10 of the Corporations Act.

trading day has the meaning given to that term in Listing Rule 19 of the ASX Listing Rules.