



eBet Limited
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SECURITIES TRADING POLICY

Dated : 20 December 2010

In accordance with ASX Corporate Governance Principles and Recommendations (Second Edition), eBet Limited (referred to as the Company) sets out acceptable securities trading policy for all Company Directors, officers, and employees and extends to associates and related entities of Company Directors, officers, employees and contractors.

Trading

Trading in the Company's shares, options or other securities or derivatives is prohibited when Company Directors, officers, employees and consultants are in possession of unpublished price-sensitive information concerning the Company. Price-sensitive information is information which a reasonable person would expect to have a material effect on the price or value of the securities in the Company. It is assumed for the purpose of this policy that some of the Company's Directors, officers, employees and consultants are likely to be in possession of price-sensitive information by virtue of their position.

Company Directors, officers, employees and consultants should not (directly or indirectly) communicate or cause the price-sensitive information to be communicated, to any other person who they know, or ought reasonably know, would be likely to deal in the Company securities or induce another person to deal.

General Non-Trading Periods

Unless there are unusual circumstances as determined by the Board, trading in the Company's shares, options or other securities or derivatives by directors, officers, employees and consultants is restricted in the following periods:

- From 31 December each year to close of business on the date of release of the Company's half-year results to the ASX.
- From 30 June each year to close of business on the date of release of the Company's annual report to the ASX.
- Any period where a prospectus has been issued and is current (such as a rights or share issue) and where the person concerned is in possession of any price-sensitive information which has not been made publicly available to the market.
- Any other period determined by the Board from time to time.

Prohibited Trading

Directors, officers, employees and contractors are prohibited from trading in the Company's securities in the following circumstances:

- If in possession of price-sensitive information; or
- Preceding a pending ASX announcement; or
- Trading for a short-term gain.

Directors, officers, and employees are prohibited from dealing in the securities of outside companies about which they may gain price-sensitive information by virtue of their position with the Company.

Related Parties

The restrictions and prohibitions provided for in this policy also extend to persons related to or closely connected with a Director, officer, employee or contractor. To the extent that it is within their power, Directors, officers, employees and contractors should ensure that securities trading restricted or prohibited by this policy is not undertaken. This policy extends to the following :-

- A spouse or partner;
- immediate family members such as parent, child sibling, in-laws or other relative;
- a company or trust over which a Director, officer, employee or contractor has influence or control;
- a trust of which the employee is a beneficiary;
- any other person over whom a Director, officer, employee or contractor has investment control or influence.

Trading Approval and Disclosure

In addition, the Company advises that:

- Directors should inform the Chairman of a proposed trade in the Company's securities or derivatives prior to any trade, and confirm they are not in possession of any unpublished price-sensitive information.
- Officers, employees and consultants should notify the Chief Executive Officer or Company Secretary of a proposed trade in the Company's shares, options or other securities or derivatives prior to any trade, and confirm they are not in possession of any unpublished price-sensitive information.

Trading in the Company's securities by Company Directors, officers, and employees are required to be communicated to the Company Secretary within 2 business days of the trade together with confirmation of trade and confirmation of total securities held for disclosure purposes.

The requirements imposed by this policy are separate from, and additional to, the legal prohibitions in the Corporations Act on insider trading.

Special Dispensation

There may be instances where there is a determination that these policies may be circumvented. Consideration can be given to circumstances where an individual has a special need to dispose of his or her shares, options or other securities or derivatives (for reasons such as financial hardship) where an exception can be made to this policy, but only after determining that there is no breach of appropriate laws.

Directors and Senior Management who wish to trade during a restricted or prohibited period are required to seek written approval from one of the Directors for a proposed trade in the Company's shares, options or other securities or derivatives prior to any trade, and confirm they are not in possession of any unpublished price-sensitive information. Written approval is also to be communicated to the Company Secretary and tabled at the next Board meeting. All requests to trade in a restricted or prohibited period must provide at least five working days notice to consider whether to grant permission to trade. Any request undertaking or permission to trade can be given by letter, facsimile, email or other electronic means.