



**EBET LIMITED REPORTS RECORD CASHFLOW RESULT
& MAIDEN HALF-YEAR CONSOLIDATED PROFIT (PRELIMINARY UNAUDITED)**

Leading gaming technology company eBet Limited (ASX: EBT) ("eBet") today released its Appendix 4C Quarterly Cashflow Report for the period to 30 June 2005 (copy attached) achieving a record Net Operating Cashflow result of \$908,274.

The Company continued to invest in equipment and technology during the Quarter with cash payments for physical non-current assets and IP totaling \$369,437 bringing the Net Increase in Cash for the Quarter to \$538,837 and Cash at the End of the Quarter to \$2.35 million.

The Company said that strong domestic receipts were boosted by receipts from its recently launched US linked-jackpot operations.

The Company also reported that its Preliminary (unaudited) Consolidated Results for the Half Year to 30 June 2005 showed it would achieved its maiden Consolidated Profit for a Half with EBITDA of approx. \$1.4 million and a NPBT of about \$140,000 on revenue of more than \$9 million. It said the results highlighted a positive growth trend with the June Quarter contributing NPBT of around \$440K.

Each of eBet's business units is expected to return a NPBT for the Full Year to 30 June 2005, with the exception of its US linked-jackpot operations. Managing director and CEO, Mr. Tony Toohey, said, "Excluding the US link business we expect the audit to confirm FY2005 EBITDA around \$3.3 million and NPBT in the vicinity of \$1 million on revenue of approx. \$16 million".

eBet incurred and expensed significant establishment and operational costs associated with its US links business across the year whereas revenue from the business did not begin until late February. Accordingly, the US links business is expected to contribute FY2005 EBITDA of around \$(1.25) million with NPBT circa \$(1.5) million on revenue of \$1 million.

The Company said that this would bring the Consolidated Group result for FY2005 to EBITDA of around \$2 million and NPBT of approx. \$(500K) on consolidated revenue of around \$17 million. It noted however that it believed that under the Australian Equivalent of the International Accounting Standards (AEIAS) which have been adopted for FY2006 and beyond that the result would have been a modest consolidated profit*(see footnote).

Mr. Toohey said, "We are very pleased to have achieved profitability across the Group for the Half Year with the strength of our forth quarter profitability reflecting the fact that the US link business is now fully operational and contributing strongly to revenue. We are now in discussions to expand its operations to more machines and more casinos", added Mr. Toohey.

He concluded, "FY2006 is already off to a very good start. New accounting standards will better reflect our performance; recurring revenue is building from licensing revenue and our linked-jackpot operations; and buoyant domestic sales have seen us open the year with a revenue pipeline from new installations of more than \$2.2 million in NSW alone".

* IN RECENT YEARS EBET HAS BEEN PREPARING ITS ACCOUNTS AND BALANCE SHEET FOR THE ADOPTION OF AEIAS. ACCORDINGLY, UNDER AEIAS, IT EXPECTS ITS NPBT TO BENEFIT BY AROUND \$800K PA (UNAUDITED) THROUGH A REDUCTION IN AMORTIZATION OF GOODWILL ASSOCIATED WITH PRIOR ACQUISITIONS.

About eBet

eBet Limited is listed on the ASX (Symbol: EBT) with operations and contractual arrangements in Australia, New Zealand, Greece, Singapore, the Philippines, Russia and the USA.

eBet develops and markets a range of networked solutions for gaming machines. It is one of the world's largest gaming systems companies with more than 450 customers who collectively operate more than 40,000 gaming machines. Its card-based cashless gaming systems, player tracking and loyalty systems, data management and linked-jackpot solutions are installed in leading gaming venues in Australia, New Zealand, the Philippines, Greece, Singapore, Russia and the USA.

eBet also develops and supports Internet-based wagering systems for licensed gaming operators in international markets. Its key customers are the New Zealand TAB and Penn National Gaming Inc. (NASDAQ: PENN).

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