



EBET FORECASTS 20% INCREASE IN FY07 OPERATING PROFIT. OCTAVIAN UPDATE.

eBet Limited (eBet) (ASX:EBT) announces an operating profit forecast in excess of a 20% increase for FY07.

Key contributors to the improved financial performance are:-

- Strong system sales in both domestic and international markets;
- New products in high demand due to regulatory changes that will ban smoking in clubs and pubs from 2 July 2007;
 - Contracted sales to 40 clubs and pubs with over 5,000 slots collectively
 - Installations have commenced and the strong sales demand is predicted to continue well past July.

Managing Director Tony Toohey said "The forecast FY07 full year operating profit will deliver a record year for eBet and we expect the demand for our products to be just as strong into the later part of this year. A major factor is Government and industry support for cashless gaming which has been widely reported in the media over the past few days. eBet has received an in-principal regulatory approval for a Ticket In, Ticket Out (TITO) solution and this is all extremely positive for eBet. "

Mr Toohey added "We now have a range of products that are in high demand and are provided under license to increase our recurring revenue. It adds up to a period of the strongest demand for eBet systems in the history of the company."

Octavian Update:

eBet advises that the final Sales and Purchase Agreement between eBet Limited and Octavian International is near completion and anticipates final contracts to be executed in the week commencing 21 May, 2007.

A Notice to Shareholders and Information Memorandum will be forwarded after the execution of contracts. An Extraordinary General Meeting will be held before 30 June where the company will seek shareholder approval for the transaction. Subject to shareholder approval, there are no barriers to swift completion of this transaction.

Chairman Mr Michael Hale said "We consider the acquisition of Octavian International as a company-transforming transaction for eBet that will create a new value proposition for our shareholders. Our expanded global reach, product diversification and ability to offer new technologies will present many new opportunities for our customers and our company."

Fund raising is likely to be in the form of a fully underwritten convertible note issue.

Further announcements will be made in relation to the Octavian acquisition as key milestones are achieved.

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About eBet

eBet Limited (ASX: EBT) is a leading Australian gaming company with operations and contractual arrangements in Australia, New Zealand, the Philippines, South Korea, Vietnam, Singapore and the USA.

eBet develops and markets a range of networked solutions for slots. It is one of the world's largest gaming systems companies with more than 600 customers who collectively operate more than 48,000 slots. Its card-based cashless gaming systems, player tracking and loyalty systems and data management solutions are installed in leading gaming venues in Australasia.

eBet also develops and supports online wagering systems for licensed operators in international markets. Its key customers are the New Zealand TAB, Penn National Gaming Inc. (NASDAQ: PENN) and Mohegan Sun at Pocono Downs.

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