



ASX Announcement to accompany Appendix 4E

29 August 2008

LASSETERS CORPORATION LTD FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2008

Australian online sportsbook and casino operator Lasseters Corporation Limited has reported an EBITDAI (Earnings Before Interest, Tax, Depreciation, Amortisation and Impairment) loss of \$6.4 million for the 2008 financial year.

As a consequence of the continued losses by the Company, the Board has taken a prudent approach to reverse the historical deferred tax assets and write down the casino licence and associated product development costs to \$1. These historical deferred tax balances predominately comprise tax losses which the Board now believes will not be recouped in the foreseeable future. The write down of the intangible assets has been made in accordance with AASB 136 'Impairment of Assets'.

After the adjustments, the Company recorded a total loss of \$15.5 million for the 2008 financial year. This is clearly disappointing, given the efforts to replace the former USA trade with Asian and European focused business.

Features

The major features of the 2008 financial year were:

- A 49 percent decline in operating revenue from \$6.8 million in 2007 to \$3.5 million. Operating revenue has been impacted through our inability to satisfy casino customer demands. The restrictions of our casino gaming licence do not allow us to offer the range and features of products supplied by our competitors. Lasseters Sportsbook is gradually achieving a growing share of the domestic market, however, it is yet to capture a critical mass of players to mitigate the risk associated with wagering.
- Increased cash position from \$1.6 million in 2007 to \$2.0 million was a direct result of the subscription agreement in May 2008 and an increase in loans from the parent company. Funds held in trust on behalf of players, represent the majority of cash held at 30 June 2008.
- Continued diversification into new markets with the launch of the Asian Sportsbook in May 2008, in order to ensure that we continue to be a globally recognised and competitive online gambling operation.
- Continuing co-operation with system suppliers to launch new games within the parameters of our gaming licence conditions.
- On 15 April, 2008, the Company entered into a Subscription Agreement with Sean Lim Jen-Hin ("Sean") for the allotment of 15,801,480 fully paid ordinary shares. The allotment was made in two tranches (the second tranche being at the option of Sean) for a total of 14.9% of the total existing share capital of the Company. Tranche 1 of the shares were issued at a price of A\$0.05 per share to Sean on 8 May 2008.

The poor results reported continue to reflect the impact from the passing of the Unlawful Internet Gambling Enforcement Act despite efforts made to replace the US market as well as the Sportsbook's challenge to attain a sufficient critical mass of betting activity.

The Board is of the view that the future of Lasseters Corporation Ltd business depends heavily on the financial support of the parent entity, failing which Lasseters Corporation Ltd will not be able to sustain its operations.

For further information contact:

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