

6 February 2008

NEW MEDIA LOTTERY SERVICES PLC
("NMLS" or "the Company")
(Ticker: NMLS)

Director Loans to the Company

The Board of New Media Lottery Services PLC, the gaming content and systems provider, announces the provision of loans and a new additional facility to the Milton and Joseph Dresner (the "Dresners"), each Non Executive Directors and, together, effective controlling shareholders of the Company. As stated in the (audited report and accounts (period to 30 April 2007) the Company is dependent on the continuing support of its US listed parent, New Media Lottery Services Company's ultimate shareholders for its cash requirements for the foreseeable future.

The Dresners have directly loaned the Company a total of \$1.7 million, of which \$1.2 million has been loaned since 30 April 2007 (the "Existing Loans"). The current balance of the Existing Loans stands at \$1.4 million. The difference between the total amount loaned and the current balance is due to \$0.3 million having been repaid to following the Company securing a \$2.5 million debt facility guaranteed by the Dresners (details of which can be found in the audited report and accounts for the 30 April 2007) for which the Dresners have received no compensation.

Interest of 2.0% per annum above the prime rate of interest charged by Citibank, N.A. ("Prime Rate") (which is currently 6.0% per annum) is levied against \$0.8 outstanding Existing Loans and 3.0% per annum above Prime Rate against the remaining \$0.6 million outstanding. The interest charged to the Company in res Existing Loans (including amounts repaid) in the six months ended 31 October 2007 was approximately \$14,000 and approximately \$24,000 in the three month 31 January 2008. Interest is calculated and accrued on a daily basis and is payable upon repayment of the principal. The Existing Loans are unsecured, of ind repayable on demand subject to 30 days notice from the lender. The Company can repay the Existing Loans in full or in part without penalty at any time.

The Dresners have agreed to make available to the Company a loan facility of \$1.0 million (the "Facility"). Interest of 3.0% per annum over the US Federal Res (currently 6.0% per annum) will be charged against drawn down amounts. Interest is calculated and accrued on a daily basis and is payable upon repayment o Facility is unsecured, has no set term but is repayable on demand (with no notice required). The Dresners reserve the right to discontinue this facility at any tir the draw down of the entire \$1.0 million. The Company can repay the Facility in full or in part without penalty at any time.

The proceeds from the Existing Loans and the Facility (together the "Debt") will be used by the Company to fund working capital requirements. The Dresners h a willingness to the Board to convert all or part of the Debt into equity at an appropriate time in the future. The independent Board will consider this at that time announcements will be made as required.

The Board is confident that the major shareholders will continue to support the Company's immediate cash requirements and believe the Debt demonstrates th

The Debt constitutes a Related Party Transaction under the AIM Rules for Companies. With the exception of the Dresners, the directors consider, having cons Securities Limited, the Company's Nominated Adviser, that the terms of the Debt are fair and reasonable insofar as the Company's shareholders are concerne

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