

Ainsworth Game Technology Ltd

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18 May 2012

ASX Release**ASX Code: AGI****Ainsworth Game Technology****Redemption of Convertible Notes**

The convertible notes issued by Ainsworth Game Technology Limited (**AGT**), currently trading under ASX Code AGIG (**Notes**), are as previously advised, to be redeemed by the Company at 30 June 2012.

The rights of Noteholders at the redemption date are set out in full in the trust deed entered into by AGT on 16 November 2004 (and amended 18 November and 22 December 2008) (**Trust Deed**). Capitalised terms in this announcement have the same meaning as in the Trust Deed.

Today AGT sent a letter regarding redemption of all Notes to Noteholders that, at today's date, were recorded on the AGT register of Noteholders. A copy of the letter is set out in Attachment 'A' to this announcement.

AGIG will be suspended from the official ASX list on 22 June 2012 at 5pm (AEDT).

The final interest payment on the Convertible Notes (AGIG) will be made on 2 July 2012. This payment will be for 182 days, being the period from 31 December 2011 to 29 June 2012 (inclusive). The key information on the above payment is as follows:

Ex-date	Monday 18 June 2012
Record date	Friday 22 June 2012
Interest payment date	Monday 2 July 2012
Fee value per Note	\$1.30
Interest rate	10% per annum
Interest payment per Note	\$0.064822

Ends

For further information please contact:

Mr Danny Gladstone – CEO/Executive Director;

or

Mr Mark Ludski – CFO/Company Secretary

Ainsworth Game Technology Limited

(02) 9739 8000



18 May 2012

MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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Dear Noteholder

REDEMPTION OF CONVERTIBLE NOTES

Effective 30 June 2012 (the **Redemption Date**), Ainsworth Game Technology Limited (**AGI**) intends to redeem all convertible notes which have been trading under ASX Code **AGIG (Notes)**, in accordance with the terms of the trust deed entered into by AGI on 16 November 2004 (and amended on 18 November 2004 and 22 December 2008) (**Trust Deed**). Capitalised terms in this letter have the same meaning as in the Trust Deed.

This letter sets out your rights with respect to the redemption of Notes as set out in the Trust Deed.

1. Rights at Redemption Date

Your Notes will be redeemed, effective on the Redemption Date, unless you convert your Notes to ordinary shares in AGI in accordance with part 2 of this letter.

If your notes are redeemed on the Redemption Date, you will receive a payment of \$1.30 for each redeemed Note (**Face Value**) on the first business day following the Redemption Date, being 2 July 2012.

2. Conversion of Notes to ordinary shares in AGI

If you are considering whether to convert your Notes to fully paid new ordinary shares in AGI, set out below is information about your current Noteholding and the value of AGI shares which may be relevant to your decision:

- (a) As at 16 May 2012, you hold [xxxx] Notes;
- (b) Each of your Notes is convertible into 1 fully paid ordinary share in the capital of AGI;
- (c) The face value of each of your Notes is \$1.30;

- (d) At 16 May 2012, the closing price of ordinary shares in AGI on ASX is \$1.850;
- (e) As at 16 May 2012, the highest and lowest market price of the underlying ordinary shares during the 3 months prior to 16 May 2012 was as follows:

	Price	Date
Highest Price	\$1.940	3 May 2012
Lowest Price	\$0.825	17 February 2012

- (f) AGI expects the Notes to be suspended from the official list of the ASX at 5:00pm (Sydney time) on 22 June 2012, subject to ASX approval.

If you wish to convert your Notes to ordinary shares in AGI as at the Redemption Date, you must complete and sign a Notice of Conversion attached to this letter and return it either by post to AGI's registered office, c/- Company Secretary, AGI, 10 Holker Street, Newington, NSW 2127, by email to company.secretary@ainsworth.com.au or by fax to +61 2 9648 4327 **so that it arrives on or before 5:00pm (Sydney time) on 1 June 2012.**

Please note that you cannot convert less than 1,000 Notes unless your entire holding consists of less than 1,000 Notes. If your total holding is less than 1,000 Notes and you wish to convert your Notes, you must convert your entire holding.

If you elect to convert your Notes to ordinary shares, your underlying shares will be quoted on a deferred settlement basis from 25 June 2012.

3. Final Interest Payment on Notes

The final interest payment on Notes will be made on 2 July 2012 (being the first business day after 30 June 2012). The payment will be for 182 days, being the period from 31 December 2011 to 29 June 2012.

The key information with respect to the final interest payment is as follows:

Ex date:	18 June 2012
Record date:	22 June 2012
Interest payment date:	2 July 2012
Face Value of each Note:	\$1.30
Interest rate:	10% per annum
Interest payment per Note:	\$0.064822

For more information about AGI and its performance, please review the ASX announcements page of AGI at <http://www.asx.com.au/asx/statistics/announcements>.

Nothing in this letter is intended to provide you with financial advice. If you are unsure about any aspect of your rights in relation to your Noteholding, or your options set out in this letter, you should seek your own independent financial advice.

If you have any queries in relation to the above, please do not hesitate to contact company.secretary@ainsworth.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Ludski', with a long horizontal flourish extending to the right.

Mark Ludski
Company Secretary

AINSWORTH GAME TECHNOLOGY LIMITED
ACN 068 516 665

NOTICE OF CONVERSION OF CONVERTIBLE NOTES

To: Ainsworth Game Technology Limited
(ACN 068 516 665)

In accordance with the provisions of Condition 7.2 of Schedule 2 ("Conditions") of the Trust Deed

I

of

.....
.....

hereby request the conversion of..... of my Notes into fully paid ordinary shares in the capital of the Company, in accordance with the terms of the Trust Deed.

Dated:

)
)
)

Signature of authorised person

Signature of authorised person

Office held

Office held

Name of authorised person
(BLOCK LETTERS)

Name of authorised person
(BLOCK LETTERS)

SUBMITTING YOUR NOTICE OF CONVERSION

Once you have completed and signed this form, please return it to the Company either by post c/- Company Secretary, AGI, 10 Holker Street, Newington, NSW 2127, by email to company.secretary@ainsworth.com.au or by fax to +61 2 9648 4327 **so that it is received on or before 5:00pm (Sydney time) on 1 June 2012**. Notices will not be accepted after this date and time.