

ASX RELEASE – Friday 14th July 2006



Employee Share Option Plan Rules Summary

As previously announced by the Directors of Jumbo Corporation Limited (ASX:JUM), invitations were issued by the Board to certain eligible employees to participate in the new Employee Option Plan. A total of 16,250,000 Plan Options were granted in acceptance of those invitations.

A summary of the Rules of the Employee Share Option Plan is attached.

The Plan Options have been issued within the Company's capacity to issue securities under Listing Rule 7.1. Shareholder approval of the Employee Option Plan for the purpose of Listing Rule 7.2 Exception 9 will be sought at the next general meeting of the Company.

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SUMMARY OF THE JUMBO CORPORATION LIMITED EMPLOYEE OPTION PLAN

A summary of the terms and conditions of the Jumbo Corporation Limited Employee Option Plan (*Plan*) is set out below. A copy of the full terms of the Plan may be obtained from Jumbo Corporation Limited (*Company*).

1. Under the Plan, the Board may in its discretion invite any full or part time employee or Director of the Company or its associated companies (*Eligible Employee*) to participate in the Plan. In making that determination, the Board may have regard to the Eligible Employee's seniority, position, length of service, record of employment, potential contribution to growth and profitability of the Company or any associated company, the extent of the person's existing participation (if any) in the Plan and any other matters which the Board considers relevant.
2. An Eligible Employee who is invited to participate in the Plan may accept the invitation and apply for options under the Plan (*Options*) up to the number specified in the invitation. The Eligible Employee may renounce the invitation in favour of a permitted nominee, being either the spouse of the invitee, a body corporate in which the invitee holds and beneficially owns not less than 50% of the issued voting share capital or such other person approved by the Board in its discretion.
3. There is no consideration payable by an Eligible Employee for the grant of Options under the Plan.
4. Options granted under the Plan will not be quoted on Australian Stock Exchange (*ASX*).
5. The exercise price of Options will be determined by the Board but must not be less than the weighted average of the prices at which the Company's shares (*Shares*) were traded on ASX in the week up to and including the date of issue of the invitation or, if there were no transactions in Shares on ASX during that week, the last bid price on ASX.
6. The exercise period of an Option will be determined by the Board but must not exceed a period of 5 years from the date of grant of the Option (*Exercise Period*). The Board may also specify vesting conditions which must be satisfied before an Option can be exercised.
7. The Board may determine that an Option may be exercised, whether or not all vesting conditions have been satisfied, if a takeover bid in respect of the Shares is made or a scheme of arrangement undertaken in respect of the Company and the Board either recommends acceptance, in the case of a takeover bid, or otherwise determines in its discretion that exercise is appropriate, or if there is a change in control of the Company or if the Board otherwise determines in its absolute discretion.
8. All Shares issued on exercise of Options granted under the Plan will rank equally in all respects with all existing Shares on issue. The Company must apply for quotation on ASX of all new Shares issued on exercise of Options, subject to the Shares being quoted at the time.
9. Options issued under the Plan will lapse:
 - (a) on expiry of the Exercise Period;
 - (b) in the event of the Eligible Employee's retirement from or retrenchment by the Company, at the expiration of 1 month of the relevant event, for Options which have vested, and immediately for all other Options;
 - (c) in the event of the death of the Eligible Employee, at the expiration of 3 months of the relevant event, for Options which have vested, and immediately for all other Options;
 - (d) in the event of the resignation of the Eligible Employee, immediately; and

- (e) if the participant ceases to be an Eligible Employee for any other reason, on the date of cessation unless the Board otherwise determines.
10. Options granted under the Plan may not be transferred or otherwise dealt with.
 11. A holder of Options may only participate (in respect of Options issued under the Plan) in new issues of Shares to existing shareholders of the Company if the Options have been exercised and Shares allotted in respect of those Options prior to the record date for determining entitlements to the new issue.
 12. If, prior to the expiry of an Option granted under the Plan, there is an alteration to or reorganisation of the issued share capital of the Company (including a consolidation, subdivision or reduction of or return of capital to shareholders, rights issue or bonus issue), the number of Shares over which the Option may be exercised and/or the exercise price will be adjusted in the manner permitted or required by the Listing Rules of ASX and otherwise on the basis that the Board considers appropriate.
 13. The Board will administer the Plan and may at any time suspend or terminate the Plan. Subject to the Listing Rules and the restrictions in this paragraph, the Board may amend the Rules of the Plan in its absolute discretion. No amendment may be made which reduces the rights of holders of Options granted prior to the amendment unless the amendment is introduced primarily to comply with applicable legislation or the Listing Rules, to correct any manifest error, or to take into account adverse tax implications in respect of the Plan.
 14. The Plan is governed by and construed in accordance with the laws of Queensland.