

BRAINYTOYS LIMITED

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24 March 2005

Company Announcements
Australian Stock Exchange Limited
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BY FAX 1900 999 279

COMPANY INFORMATION

Brainytoys Limited (**ASX Code: BRT**), which lists on the ASX today, is the only listed toy development company quoted on the ASX.

Company Executives recently attended the Nuremberg and New York Toy Fairs. Brainytoys was invited to present new product concepts to a number of major toy companies.

From these presentations Brainytoys received expressions of interest in some of the concepts with a request to submit further specifications.

Alex Agüero, Managing Director of Brainytoys, said "the reaction to several of our key product concepts was extremely encouraging at this early stage. There is no doubt that our technology in the electronic and robotic toy categories achieved great interest from some of the big players."

Brainytoys aims to maintain a focused, yet sufficiently diverse pipeline of new concepts/products through its development and production systems.

BRAINYTOYS LIMITED - Background

Brainytoys is Australia's only Toy and Game Development Company listed on the Australian Stock Exchange.

Brainytoys has identified a large number of profitable opportunities in the toy and game markets. The company is focusing development in the following product segments:

- Hand-held electronic games;
- Electronic toys;
- Remote control/robotic toys;
- Educational products and toys;
- Computer-generated animation,
- Board games, and
- Construction kits.

Brainytoys has human resource and product innovation skills in the areas of:

- software development;
- product design;
- product virtualisation;
- prototype development,
- mass manufacture and marketing systems in the toys and games industry.

The Company has developed substantial expertise in advanced computer-assisted product development processes.

Combining this technology with the availability of low-cost manufacturing opportunities, Brainytoys seeks to partner major industry player in the development and distribution of its products.

For further information contact Jay Stephenson on 08 9228 0703

JAY STEPHENSON
COMPANY SECRETARY