
The Entertainment Gaming Asia Inc.
(formerly known as Elixir Gaming Technologies, Inc.)
Compensation Committee Charter

Approved by the Committee on May 5, 2008 and ratified by the Board of Directors of Entertainment Gaming Asia Inc. (the "Corporation") on May 6, 2008.

1. Purpose

The Compensation Committee is appointed by the Board to discharge the Board's responsibilities relating to compensation of the Corporation's directors and officers. The Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs of the Corporation.

The Compensation Committee is also responsible for producing any report, and specifically reviewing and approving any Compensation Discussion & Analysis and the supporting compensation disclosure materials, required under the federal securities laws to be included in any annual report on Form 10-K or Form 10-KSB or proxy statement filed with the Securities and Exchange Commission.

2. Organization

A. *Charter.* At least annually, this charter shall be reviewed and reassessed by the Committee and any proposed changes shall be submitted to the Board of Directors for approval.

B. *Members.* The members of the Committee shall be appointed and/or removed by the Board of Directors, and shall meet the independence requirements of applicable law and the listing standards of the American Stock Exchange, the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the requirements of a "non-employee director" for purposes of Section 16 of the Securities Exchange Act of 1934, as amended. The Committee shall be comprised of at least two members. The Board of Directors shall make a determination on the independence of each member and shall also designate a Committee Chair.

C. *Meetings.* In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required.

D. *Quorum; Action by Committee.* A quorum at any Committee meeting shall be a majority of those in office. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held, except as specifically provided herein (or where the Committee consists of only two members, by unanimous vote). Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be as effective as if it had been made at a meeting duly called and held.

E. *Agenda, Minutes and Reports.* The Chair of the Committee shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board of Directors. The Committee shall make regular reports to the Board of Directors.

3. Responsibilities

The following shall be the principal responsibilities of the Committee:

A. *Goals and Objectives.* The Committee shall review and approve periodically, but no less frequently than annually, the Corporation's goals and objectives relevant to compensation of the Chief Executive Officer and other management, including the balance between short-term compensation and long-term incentives, shall evaluate the performance of the Chief Executive Officer and other senior management in light of those goals and objectives and shall set the compensation level of the Chief Executive Officer and other management based on such evaluation.

B. *Compensation Levels.* The Committee shall establish the compensation level (including base and incentive compensation) and direct and indirect benefits of the Corporation's Chief Executive Officer, all other Corporation officers and all employees of managerial grade or above who report directly to the Chief Executive Officer. In determining compensation levels, the Committee shall consider, among other factors it deems appropriate from time to time, the Corporation's overall annual financial and operating performance as well as total shareholder return (or other measures), the overall role and responsibility of each senior manager, the impact of each individual's contributions as well as the compensation levels of comparable positions at other related companies. The Chair of the Committee shall be responsible

for communicating to the Chief Executive Officer the evaluation of the performance of the Chief Executive Officer conducted by the Committee and the level of compensation approved for the Chief Executive Officer.

C. *Post-Service Arrangements.* The Committee shall evaluate the post-service arrangements and benefits of the Chief Executive Officer and other senior management and their reasonableness in light of practices at comparable companies and any benefits received by the Corporation in connection with such arrangements.

D. *Incentive Compensation Plans.* The Committee shall make recommendations to the Board of Directors with respect to the establishment and terms of incentive compensation plans and equity-based plans and shall administer such plans, including determining any awards to be granted to senior management under any such plan implemented by the Corporation.

E. *Appointment of Named Fiduciaries.* With respect to any funded employee benefit plan covering employees of the Corporation subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, the Committee shall, with the input from management, have the authority to appoint and terminate the named fiduciary or named fiduciaries of such plan. Management shall report to the Committee regarding the performance of said fiduciaries.

F. *Evaluation of Compensation and Benefit Programs.* The Committee shall review on an annual basis the operation of the Corporation's compensation program to evaluate its coordination and execution. If deemed appropriate, the Committee shall recommend to the Board of Directors steps to modify compensation programs that provide benefits or payments that are not reasonably related or are disproportionate to the benefits received by the Corporation.

G. *Perquisite Policies.* The Committee shall establish and review on an annual basis policies with respect to management perquisites.

H. *Director Compensation and Perquisites.* The Committee shall review, not less frequently than bi-annually, director compensation, including cash payments, equity awards and other benefits. The Committee shall make recommendations to the Board of Directors. In considering Director compensation and other benefits, the Committee may take into consideration the relative responsibilities of Directors in serving on the Board and its various Committees and the status of the Board's compensation in relation to similarly situated companies. Directors who are Corporation employees shall not be compensated for their services as Directors.

I. *Committee Performance Evaluation.* The Committee shall evaluate its performance on an annual basis.

J. *Access to Records, Consultants and Others.* The Committee shall have the ultimate authority and responsibility to engage and terminate any outside consultant to assist in determining appropriate compensation levels for the Chief Executive Officer, other senior management or directors and to approve the terms of any such engagement and the fees of any such consultant. In discharging its responsibilities, the Committee shall have full access to any relevant records of the Corporation and may also request that any officer or other employee of the Corporation, including the Corporation's senior compensation or human resources executives, the Corporation's outside counselor or any other person, meet with any members of, or consultants to, the Committee.

K. *Annual Compensation Committee Report and Review of the Compensation Discussion and Analysis.* The Committee shall review and discuss the CD&A with management and based on such review will recommend to the Board of Directors that the CD&A be included in the Corporation's proxy statement in accordance with applicable rules and regulations.

L. *Delegation.* The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee. Refer to Section 4 for the responsibilities of the Incentive Plan Committee.

M. *Other Duties.* The Committee shall also carry out such other duties that may be delegated to it by the Board of Directors from time to time.