



INTERTAIN ANNOUNCES ADVANTAGEOUS ADDITIONAL 2-YEAR GAMESYS NON-COMPETITION COVENANTS AND 5-YEAR EXTENSION OF ITS GAMESYS OPERATING AGREEMENTS

ANNOUNCES PARTIAL PRE-PAYMENT OF GAMESYS EARN-OUT AND AMENDMENTS TO OTHER GAMESYS AGREEMENTS

ANNOUNCES ASSESSMENT OF DEBT FINANCING OPTIONS AND COMMENCEMENT OF LENDER CONSENT PROCESS

TORONTO, September 6, 2016 – The Intertain Group Limited (“**Intertain**”) (TSX:IT; OTCQX: ITTNF), the largest online bingo-led operator in the world, today announced additional non-competition covenants, and amendments to the long-term operating and other agreements, between the Intertain group and Gamesys Limited (“**Gamesys**”) and certain of its affiliates pursuant to deeds of amendment dated September 5, 2016 (together, the “**Amendments**”), subject to the satisfaction of certain conditions. The Gamesys group is the platform and service provider to Intertain’s Jackpotjoy, Starspins and Bote mania brands. This announcement is being made concurrently with Intertain’s joint press release with Jackpotjoy plc (“**Jackpotjoy**”), the UK company intended to become the parent company for the Intertain group under the Arrangement (as defined below), which was also issued today to, among other things, formally announce Jackpotjoy’s intention to seek admission to trading on the London Stock Exchange plc.

The Amendments are conditional upon, among other things, Intertain making a pre-payment to Gamesys of £150 million (the “**Pre-Payment**”) in respect of Intertain’s earn-out obligations in connection with the Jackpotjoy and Starspins brands (the “**JPJ Earn-out**”). Intertain currently expects that the JPJ Earn-out will exceed the amount of the Pre-Payment, with the remaining balance to be paid in due course in accordance with the original terms of the JPJ Earn-out.

Key terms of the Amendments include:

- Two-year additional non-competition covenant from the Gamesys group (to April 2019; previously expiring in April 2017);
- Five-year extension of terms of the operating agreements (to April 2030; previously expiring in 2025), with a corresponding extension of the term of the content licensing agreement (to April 2040); and
- Aggregate cap of £375 million on the JPJ Earn-out (previously uncapped).

The Amendments also provide, among other things, that the Intertain group may not serve notice to terminate its operating agreements with the Gamesys group (other than for cause) until at least April 2019, that the Intertain group may not serve notice to internalize certain operational functions in connection with the Jackpotjoy business until that same date, and that the Intertain group will now be able to effect any such transition more quickly if such a transition ultimately occurs. The Intertain group has agreed to pay the Gamesys group an aggregate of £24 million in equal monthly installments in arrears over the period from April 2017 to April 2020 in connection with the Amendments.

Neil Goulden, Chairman of the Board, said, “The Amendments represent another important step in the process of unlocking the value we believe is embedded in our core assets and, together with the constructive atmosphere in which they were negotiated and the previously announced appointment of Noel Hayden as a special advisor to our board, they are expected to further solidify our strong operating relationship with the Gamesys group.”

Intertain also announced that it is actively assessing its debt financing options in connection with funding the Pre-Payment and as part of its ongoing assessment of the group’s capital structure, including following the implementation of the previously announced UK Strategic Initiatives (as defined below). In that regard, Intertain intends to raise an amount at least equal to the Pre-Payment amount through an issuance of GBP-denominated bonds with an anticipated maturity of five to seven years. The issuance is expected to be completed in late September to mid-October 2016. As part of this process, Intertain will discuss with the lenders under its existing credit facilities potential amendments to these credit facilities in connection with the proposed bond issuance and the obtaining of consent of these lenders to the Arrangement (as defined below) and other relevant matters. Intertain expects to commence these discussions in due course, with the final size of the bond issuance to be determined following these discussions. The Amendments with Gamesys specifically permit Intertain to enter into such a debt financing arrangement and, provided certain other conditions are met, Intertain will be required to make the Pre-Payment to Gamesys upon closing of any such debt financing arrangement.

Intertain has also issued a joint press release with Jackpotjoy today. Among other things, this joint press release formally announces Jackpotjoy’s intention to seek admission of its ordinary shares to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc. Jackpotjoy is intended to become the parent company for the Intertain group under the proposed statutory plan of arrangement (the “**Arrangement**”) that, subject to the satisfaction of certain conditions, will facilitate the implementation of Intertain’s previously-announced comprehensive UK-centered strategic initiatives to enhance shareholder value (the “**UK Strategic Initiatives**”). An investor and analyst day to discuss the UK Strategic Initiatives and the Arrangement in more detail will be hosted in London, England by Jackpotjoy on September 7, 2016 at 1:00 p.m. (London time) (8:00 a.m. (Toronto time)), and a live audio webcast of the presentation will be available at:

<http://event.on24.com/r.htm?e=1242864&s=1&k=EC1A2E9E9DA54EABB286AAB8C01D654A>.

If Intertain does not make the Pre-Payment on or before February 28, 2017, the Amendments will not become effective and the existing terms of the Intertain group’s arrangements with the Gamesys group will continue to govern. Copies of the deeds of amendment setting out the terms of the Amendments in additional detail will be available under Intertain’s profile on SEDAR at www.sedar.com.

About The Intertain Group Limited

Intertain is an online gaming company that provides entertainment to a global consumer base. Intertain currently offers bingo and casino games to its customers using the InterCasino (www.intercasino.com), Costa (www.costabingo.com), Vera&John (www.verajohn.com), Jackpotjoy (www.jackpotjoy.com), StarSpins (www.star spins.com) and Botemania (www.botemania.es) brands. For more information about Intertain, please visit www.intertain.com.

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Cautionary Note Regarding Forward-Looking Information

This release contains certain information and statements that may constitute “forward-looking information” within the meaning of Canadian securities laws. Often, but not always, forward-looking information can be identified by the use of words such as “expects”, “intends”, “plans”, “proposed”, and “believes” or the negative of such words or other variations or synonyms for such words, or state that certain actions, events or results “may”, “could”, “should”, “would”, or “will” be taken, occur or be achieved.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements or developments to be materially different from those anticipated by Intertain and expressed or implied by the forward-looking information. Forward-looking information contained in this release includes, but is not limited to, statements with respect to:

(i) the operations, business, financial condition, expected financial results, performance, valuation, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Intertain; (ii) the UK Strategic Initiatives, including their potential outcomes and ability to enhance shareholder value; (iii) the amount of and timing for making the Pre-Payment; (iv) the satisfaction of the conditions to the Amendments becoming effective; (v) the aggregate amount of the JPJ Earn-out and the timelines on which the balance of such earn-out will be due; (vi) the ability of Intertain to unlock the value it believes is embedded in its core assets; (vii) Intertain’s operating relationship with Gamesys; (viii) the belief that the Amendments will permit Intertain to better protect the use of the Arrangement to facilitate the UK Strategic Initiatives; (ix) that the Amendments will further solidify the Intertain group’s relationship with Gamesys; (x) Intertain’s exploration of its debt financing options and the proposed bond issuance, including the currency, term, expected date of completion and size of any such issuance that is completed; (xi) the possibility that Intertain may seek amendments to its existing credit facilities and the consent of its lenders under such facilities; (xii) the holding of the analyst and investor presentation day; and (xiii) certain matters with respect to the proposed Arrangement and the UK Strategic Initiatives. These statements reflect Intertain’s current expectations related to future events or its future results, performance, achievements, developments, actions and future trends affecting Intertain. All such statements, other than statements of historical fact, are forward-looking information.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect, including, without limitation, that the Intertain Risk Factors will not cause actual results, performance, achievements or developments to differ materially from those described in the forward-looking information. Such forward looking information could also be materially affected by risks, including, but not limited to: (i) that FCA, TSX and other regulatory approvals required in connection with the Arrangement or the UK Strategic Initiatives may not be obtained on the terms anticipated by Intertain or at all; (ii) approvals, including shareholder approvals and the approval of the court, required to complete the UK Strategic Initiatives may not be obtained on terms anticipated by Intertain, or on terms that are favourable to Intertain or at all and that the other conditions to the implementation of the Arrangement may not be satisfied on terms favourable to Intertain or at all; (iii) that a debt refinancing will be available to Intertain on terms and on a timeline acceptable to Intertain or at all, including that the currency, term and expected date of completion and size of any bond offering that is completed will take place in the manner anticipated by Intertain or at all, and that any other conditions with respect to such debt refinancing will be satisfied in the manner anticipated by Intertain or at all; (iv) that the lender consent process will proceed on terms and on timelines acceptable to Intertain or at all; (v) that the costs of management time and money may adversely affect Intertain’s business; and (vi) that market volatility or changes in the share price of Intertain do not adversely affect Intertain’s ability to implement the UK

Strategic Initiatives, including its ability to proceed with a debt financing on terms acceptable to Intertain or at all. The foregoing risk factors are not intended to represent a complete list of factors that could affect Intertain. Additional risk factors are discussed in Intertain's annual information form dated March 30, 2016 and in the Circular dated August 19, 2016, in each case, under the heading "Risk Factors". All such risk factors are referred to collectively as the "Intertain Risk Factors".

Although Intertain has attempted to identify important factors that could cause actual results, performance, achievements or developments to differ materially from those described in the forward-looking information, there may be other factors that cause actual results, performance, achievements or developments not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results, performance, achievements or developments are likely to differ, and may differ materially, from those expressed in or implied by the forward-looking information contained in this release. Accordingly, readers should not place undue reliance on forward-looking information. While subsequent events and developments may cause Intertain's expectations, estimates and views to change, Intertain does not undertake or assume any obligation to update or revise any forward-looking information, except as required by applicable securities laws. The forward-looking information contained in this release should not be relied upon as presenting Intertain's expectations, estimates and views as of any date subsequent to the date of this release. All of the forward-looking information in this release are expressly qualified by this cautionary note.

Other Information

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