**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

**Intertainment Media Inc. (“Intertainment” or the “Corporation”)**
30 West Beaver Creek Road
Unit 111
Richmond Hill, ON L4B 3K1

2. **Date of Material Change**

February 3, 2011.

3. **News Release**

A press release was disseminated on February 4, 2011 via Marketwire.

4. **Summary of Material Change**

Intertainment completed the second tranche of a non-brokered private placement of units ("Units"). Intertainment issued 17,529,325 Units at a price of $0.10 per Unit for gross proceeds of $1,752,932.50 in this second closing.

5.1 **Full Description of Material Change**

Intertainment completed the second tranche of its previously announced non-brokered private placement of Units. Intertainment issued 17,529,325 Units at a price of $0.10 per Unit for gross proceeds of $1,752,932.50 in this second closing. Each Unit issued pursuant to the private placement is comprised of one common share of Intertainment (“Common Share”) and one common share purchase warrant (“Warrant”). Each Warrant issued pursuant to this second tranche of the private placement entitles the holder to acquire one Common Share until February 3, 2013. All securities issued in connection with this second tranche of the private placement are subject to a four-month hold period, which expires on June 4, 2011.

The total gross proceeds raised under this private placement is $3,000,000, of which $1,247,067.50 was received by Intertainment from the first closing of the private placement which closed on January 12, 2011. It is anticipated that the net proceeds of the private placement will be used to accelerate Ortsbo, itiBiti and Ad Taffy as well as for corporate purposes.

Finders acting in connection with this second tranche of the private placement received a finder's fee in the total aggregate amount of $72,240 and 722,400 finder’s warrants, with each finder’s warrant entitling the holder to acquire one Common Shares at a price of $0.13 per Common Share until February 3, 2013.

Completion of the private placement is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals including TSX Venture Exchange acceptance. Following the completion of this second tranche of the private placement, the Corporation has 164,884,813

Common Shares issued and outstanding.

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

6. **Reliance on Section 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The name and business number of the executive officer of Intertainment who is knowledgeable about the material change and this report is:

David Lucatch
President and Chief Executive Officer
Telephone: (905) 763-3510

9. **Date of Report**

February 7, 2011