FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Corporation**

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

2. **Date of Material Change**

July 6, 2011

3. **News Release**

A press release was disseminated on July 7, 2011 via Marketwire.

4. **Summary of Material Change**

On July 6, 2011, Intertainment completed the acquisition all of the issued and outstanding shares of Commobility Inc. ("**Commobility**") pursuant to a share purchase agreement between Intertainment and the shareholders of Commobility (the "**Commobility Vendors**") dated effective June 29, 2011. In consideration for all issued and outstanding shares of Commobility, Intertainment will issue 6,000,000 common shares ("**Intertainment Shares**") at a deemed price of $0.70 per Intertainment Share to the Commobility Vendors over a period of one calendar year from the closing date pursuant to a voluntary escrow agreement, with 48% of the Intertainment Shares having been released upon the closing of the transaction.

5.1 **Full Description of Material Change**

On July 6, 2011, Intertainment completed the acquisition all of the issued and outstanding shares of Commobility pursuant to a share purchase agreement between Intertainment and Commobility Vendors dated effective June 29, 2010. In consideration for all issued and outstanding shares of Commobility, Intertainment will issue 6,000,000 Intertainment Shares at a deemed price of $0.70 per Intertainment Share to the Commobility Vendors over a period of one calendar year from the closing date pursuant to a voluntary escrow agreement, with 48% of the Intertainment Shares having been released upon the closing of the transaction. The escrow agreement provides that the remaining 3,120,000 Intertainment Shares will be released to the Commobility Vendors in segments of 13% at the end of each of the calendar quarters following the closing date. The acquisition of Commobility provides Intertainment and its subsidiaries, Ortsbo Inc. and Ad Taffy Inc, a platform to operate on mobile devices and access to software and patents in development and developed by Commobility, which will significantly enhance the reach of the translation capabilities of the Ortsbo platform as well as other Intertainment divisional offerings.

Commobility assets include patent applications and software platforms for creating generic communication channels based on device proximity as well as enabling translation between devices in close proximity to each other. With this acquisition, in the near term, Ortsbo Inc.'s translation capabilities will span situations where translation occurs on single device, multiple devices that are in proximity to each other and between users that are anywhere in the world on any device through cross-language, cross-device social network and Ortsbo Inc.'s cross-social network translation applications.

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**

July 12, 2011