

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, YOU SHOULD CONSULT YOUR INVESTMENT ADVISOR, STOCKBROKER, BANK MANAGER, TRUST COMPANY MANAGER, ACCOUNTANT, LAWYER OR OTHER PROFESSIONAL ADVISOR. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT LAUREL HILL ADVISORY GROUP, THE DEPOSITARY AND INFORMATION AGENT IN CONNECTION WITH THE OFFER AT THE CONTACT PROVIDED BELOW.

The Offer has not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the Laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

Information has been incorporated by reference in the Original Offer and Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference in the Original Offer and Circular may be obtained on request and without charge from Laurel Hill Advisory Group. Those documents are also available electronically on SEDAR at www.sedar.com under the profile for INNOVA Gaming Group Inc.

August 3, 2017

NOTICE OF EXTENSION

by

10188557 CANADA INC.

a wholly-owned subsidiary of

POLLARD
banknote limited

to its

OFFER TO PURCHASE FOR CASH

all of the outstanding Common Shares of

INNOVA GAMING GROUP INC.

for the price of C\$2.50 for each Common Share

10188557 Canada Inc. (the “**Offeror**”), a wholly-owned subsidiary of Pollard Banknote Limited (“**Pollard Banknote**”), hereby gives notice that it is extending its offer dated April 19, 2017 (the “**Original Offer**”), as amended and supplemented by the notice of variation dated July 20, 2017 (the “**Notice of Variation**”) and this notice of extension (this “**Notice of Extension**”, and the Original Offer as amended and supplemented by the Notice of Variation and this Notice of Extension, the “**Offer**”) to purchase all of the issued and outstanding Common Shares (the “**Common Shares**”) of INNOVA Gaming Group Inc. (“**INNOVA**”), including any Common Shares that may become issued and outstanding after April 19, 2017 but prior to the Expiry Time (as defined below) upon the exercise of Options, at a price of \$2.50 in cash per Common Share, until 5:00 p.m. (Toronto time) on August 15, 2017 as described in more detail below.

**THE OFFER HAS BEEN EXTENDED AND IS NOW OPEN FOR ACCEPTANCE UNTIL 5:00 P.M. (TORONTO TIME)
ON AUGUST 15, 2017.**

**IF YOU HAVE NOT ACCEPTED THE OFFER AND WISH TO DO SO, YOU MUST DEPOSIT YOUR COMMON
SHARES AS SET OUT IN THIS NOTICE OF EXTENSION.**

ALL OF THE CONDITIONS TO THE OFFER HAVE BEEN SATISFIED AND 17,929,021 COMMON SHARES (REPRESENTING APPROXIMATELY 89.32% OF THE OUTSTANDING COMMON SHARES) HAVE BEEN TAKEN-UP BY THE OFFEROR UNDER THE OFFER AS OF THE DATE HEREOF.

THE INNOVA BOARD OF DIRECTORS HAS UNANIMOUSLY RECOMMENDED THAT INNOVA SHAREHOLDERS ACCEPT THE OFFER AND TENDER THEIR COMMON SHARES TO THE OFFER.

Given that the conditions to the Offer have been satisfied and the Offeror has taken up the Common Shares deposited to date under the Offer, the Offeror is required (under applicable securities laws in Canada) to extend the period during which Common Shares may be tendered to the Offer for a period of not less than ten (10) days after the date of this Notice of Extension.

This Notice of Extension should be read in conjunction with the Original Offer and the accompanying take-over bid circular dated April 19, 2017 (the “**Original Circular**”, and together with the Original Offer, the “**Original Offer and Circular**”), the Notice of Variation, and the Letter of Transmittal and the Notice of Guaranteed Delivery that accompanied the Original Offer and Circular (together, the “**Offer Documents**”). Except as otherwise set forth herein, the terms and conditions set forth in the Offer Documents continue to be applicable in all respects. Unless the context requires otherwise or unless otherwise defined herein or amended hereby, defined terms used in this Notice of Extension have the meaning given to them in the Original Offer and Circular, as amended and supplemented by the Notice of Variation.

The term “**Offer**” when used in the Offer Documents or this Notice of Extension means the Original Offer, as expressly amended and supplemented by the Notice of Variation and this Notice of Extension, and all references in this Notice of Extension and the Offer Documents to the “**Circular**” or the “**Offer and Circular**” mean the Original Offer and Circular, as expressly amended and supplemented by the Notice of Variation and this Notice of Extension, in each case unless the context requires otherwise.

Shareholders who have validly deposited and not withdrawn their Common Shares need take no further action to accept the Offer.

Shareholders who wish to accept the Offer must properly complete and execute the Letter of Transmittal (printed on YELLOW paper) that accompanied the Original Offer and Circular and deposit it, at or prior to the Expiry Time, together with certificate(s) or DRS Statements representing their Common Shares and all other required documents, with the Depository and Information Agent at its office in Toronto, Ontario specified in the Letter of Transmittal, in accordance with the instructions in the Letter of Transmittal. Alternatively, Shareholders may accept the Offer by following the procedures for: (i) book-entry transfer of Common Shares set out in Section 3 of the Original Offer, “Manner of Acceptance — Acceptance by Book-Entry Transfer – CDS”, or (ii) guaranteed delivery set out in Section 3 of the Original Offer, “Manner of Acceptance — Procedure for Guaranteed Delivery”, using the Notice of Guaranteed Delivery (printed on PINK paper) that accompanied the Original Offer and Circular, or a manually executed facsimile thereof.

Shareholders whose Common Shares are registered in the name of an investment dealer, bank, trust company or other intermediary should immediately contact that intermediary for assistance if they wish to accept the Offer, in order to take the necessary steps to be able to deposit such Common Shares under the Offer. Intermediaries likely have established tendering cut-off times that are up to 48 hours prior to the Expiry Time. Shareholders must instruct their brokers or other intermediaries promptly if they wish to tender.

Questions and requests for assistance may be directed to the Depository and Information Agent, whose contact details are provided below. Additional copies of this Notice of Extension or any of the Offer Documents may be obtained without charge on request from the Depository and Information Agent and are available under INNOVA’s issuer profile on SEDAR at www.sedar.com. Website addresses are provided for informational purposes only and no information contained on, or accessible from, such websites are incorporated by reference herein unless expressly incorporated by reference.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this document, and, if given or made, such information or representation must not be relied upon as having been authorized by the Offeror, INNOVA or the Depository and Information Agent.

All cash payments under the Offer will be made in Canadian dollars.

Shareholders will not be required to pay any fee or commission if they accept the Offer by depositing their Common Shares directly with the Depository and Information Agent.

The effective date of this Notice of Extension is August 3, 2017.

The Depositary and Information Agent for the Offer is:



North American Toll Free: 1 (877) 452-7184

Collect Call Outside North America: 416-304-0211

Email: assistance@laurelhill.com

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The Offer is being made for the securities of a Canadian company that does not have securities registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”). Accordingly, the Offer is not subject to Section 14(d) of the U.S. Exchange Act, or Regulation 14D promulgated by the U.S. Securities and Exchange Commission thereunder. The Offer is made in the United States with respect to securities of a “foreign private issuer”, as such term is defined in Rule 3b-4 under the U.S. Exchange Act, in accordance with Canadian corporate and securities law requirements. Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to tender offers under the U.S. Exchange Act and the rules and regulations promulgated thereunder.

Shareholders in the United States should be aware that the disposition of Common Shares by them as described herein may have tax consequences both in the United States and in Canada. Such consequences may not be fully described herein and such holders are urged to consult their tax advisors. See Section 17 of the Original Circular, “Certain Canadian Federal Income Tax Considerations” and Section 18 of the Original Circular, “Certain United States Federal Income Tax Considerations”.

Shareholders in the United States should be aware that the Offeror or its affiliates, directly or indirectly, may bid for or make purchases of Common Shares during the period of the Offer other than through the Offer, such as in open market purchases, as permitted by applicable Law in Canada.

It may be difficult for Shareholders in the United States to enforce their rights and any claim they may have arising under United States federal securities Laws since the Offeror, Pollard Banknote and INNOVA are incorporated or formed under the Laws of Canada, all of the officers and directors of the Offeror, some of the officers and directors of INNOVA, and some of the experts named herein may reside outside the United States, and a substantial portion of the assets of the Offeror, Pollard Banknote or INNOVA and the other above-mentioned persons are located outside the United States. Shareholders in the United States may not be able to sue the Offeror, Pollard Banknote and INNOVA or their respective officers or directors in a non-U.S. court for violation of United States federal securities Laws. It may be difficult to compel such parties to subject themselves to the jurisdiction of a court in the United States or to enforce a judgment obtained from a court of the United States.

CURRENCY

All references to “\$” in the Offer and Circular mean Canadian dollars.

FORWARD LOOKING STATEMENTS

This Notice of Extension contains forward-looking statements that are subject to risks and based on a number of assumptions and other factors. See “FORWARD-LOOKING INFORMATION” in the Original Offer and Circular.

NOTICE OF EXTENSION

August 3, 2017

TO: THE HOLDERS OF COMMON SHARES OF INNOVA GAMING GROUP INC.

This Notice of Extension extends the time during which Shareholders may tender their Common Shares under the Offer until 5:00 p.m. (Toronto time) on August 15, 2017.

Except as otherwise set forth in this Notice of Extension, the terms and conditions set forth in the Original Offer and Circular, the Notice of Variation, and the Letter of Transmittal and the Notice of Guaranteed Delivery that accompanied the Original Offer and Circular continue to be applicable in all respects. This Notice of Extension should be read in conjunction with the Offer Documents. Unless the context requires otherwise or unless otherwise defined herein or amended hereby, defined terms used in this Notice of Extension have the meaning given to them in the Original Offer and Circular, as amended and supplemented by the Notice of Variation. The term “Offer” means the Original Offer, as expressly amended and supplemented by the Notice of Variation and this Notice of Extension, and all references to the “Circular” or to the “Offer and Circular” mean the Original Offer and Circular, as expressly amended and supplemented by the Notice of Variation and this Notice of Extension, in each case unless the context requires otherwise.

1. Satisfaction of Conditions and Take-Up of Common Shares

All of the conditions to the Offer set out in Section 4 of the Original Offer and Circular, “Conditions of the Offer”, as amended and supplemented by the Notice of Variation, were satisfied as of the expiry of the initial deposit period under the Offer (being 5:00 p.m. (Toronto time) on August 3, 2017). As a result, the Offeror became obliged to take up the Common Shares that had been validly deposited (and not withdrawn) under the Offer as of that time, and pay for the Common Shares taken-up as soon as possible, but in any event not later than August 9, 2017.

Immediately following the expiry of the initial deposit period under the Offer, the Offeror directed the Depositary and Information Agent to take-up the 17,929,021 Common Shares deposited (and not withdrawn) under the Offer at that time and advised the Depositary and Information Agent of the extension of the period for deposit of Common Shares under the Offer until 5:00 p.m. (Toronto time) on August 15, 2017. Upon take up of the Common Shares validly tendered to the Offer, the Offeror will own 17,929,021 Common Shares, representing approximately 89.32% of the outstanding Common Shares.

In accordance with Section 6 of the Original Offer, “Take-Up and Payment for Deposited Common Shares”, the Offeror will pay for the Common Shares taken up to date under the Offer, as soon as possible but in any event not later than August 9, 2017, by delivering to the Depositary and Information Agent sufficient funds to pay the cash consideration for such Common Shares, for transmittal by the Depositary and Information Agent to depositing Shareholders. Settlement with each Shareholder whose Common Shares have been taken up to date under the Offer will be made upon the Depositary and Information Agent forwarding to such Shareholder a cheque, payable in Canadian funds, in the amount to which such Shareholder is entitled under the Offer, in accordance with the Letter of Transmittal provided to the Depositary and Information Agent by such Shareholder. See Section 6 of the Original Offer and Circular, “Take-Up and Payment for Deposited Common Shares”.

2. Time of Acceptance – Extension of the Offer

By notice to the Depositary and Information Agent given on August 3, 2017 and the issuance of a press release promptly thereafter, the Offeror has extended the period during which Shareholders may tender their Common Shares under the Offer to 5:00 p.m. (Toronto time) on August 15, 2017, or until such later time and date as

may be fixed by the Offeror from time to time in accordance with Section 5 of the Offer, “Extension, Variation or Change in the Offer”.

Accordingly, the definition of “Expiry Time” in the “Glossary” section of the Original Offer and Circular is hereby deleted and replaced by the following:

“**Expiry Time**” means 5:00 p.m. (Toronto time) on August 15, 2017, or such earlier or later time or times and date or dates as may be fixed by the Offeror from time to time pursuant to Section 5 of the Offer, “Extension, Variation or Change in the Offer”.

In addition, all references to “5:00 p.m. (Toronto time) on August 3, 2017” in the Offer Documents are amended to refer to “5:00 p.m. (Toronto time) on August 15, 2017”.

3. Time for Deposit

The Offer is now open for acceptance until 5:00 p.m. (Toronto time) on August 15, 2017. The Offeror does not intend to further extend the period during which Shareholders may tender their Common Shares under the Offer.

4. Manner of Acceptance

Common Shares which have not already been deposited pursuant to the Offer may be deposited under the Offer in accordance with the provisions of Section 3 of the Original Offer, “Manner of Acceptance”.

5. Take-Up and Payment for Deposited Common Shares

Immediately following the expiry of the initial deposit period under the Offer (at 5:00 p.m. (Toronto time) on August 3, 2017), the Offeror directed the Depositary and Information Agent to take up the 17,929,021 Common Shares deposited (and not withdrawn) under the Offer at that time and advised the Depositary and Information Agent of the extension of the period for deposit of Common Shares under the Offer until 5:00 p.m. (Toronto time) on August 15, 2017. Upon take up of the Common Shares validly tendered to the Offer, the Offeror will own 17,929,021 Common Shares, representing approximately 89.32% of the outstanding Common Shares.

In accordance with Section 6 of the Original Offer, “Take-Up and Payment for Deposited Common Shares”, the Offeror will pay for the Common Shares taken-up to date under the Offer, as soon as possible but in any event not later than August 9, 2017, by delivering to the Depositary and Information Agent sufficient funds to pay the cash consideration for such Common Shares, for transmittal by the Depositary and Information Agent to depositing Shareholders. Settlement with each Shareholder whose Common Shares have been taken-up to date under the Offer will be made upon the Depositary and Information Agent forwarding to such Shareholder a cheque, payable in Canadian funds, in the amount to which such Shareholder is entitled under the Offer, in accordance with the Letter of Transmittal provided to the Depositary and Information Agent by such Shareholder.

The Offeror will take-up and pay for further Common Shares validly deposited under the Offer in the manner set out in Section 6 of the Original Offer, “Take-Up and Payment for Deposited Common Shares” and as required by applicable securities laws in Canada.

6. Withdrawal of Deposited Common Shares

Common Shares tendered to the Offer may be withdrawn by or on behalf of the depositing Shareholder at any time before the Common Shares have been taken up by the Offeror under the Offer and in the other circumstances described in Section 7 of the Original Offer, “Withdrawal of Deposited Common Shares”. Except as otherwise stated in the Offer and Circular or as otherwise required by applicable Laws, all deposits of Common Shares under the Offer are irrevocable.

7. Consequential Amendments to the Original Offer and Circular and Other Documents

The Offer Documents shall be read together with this Notice of Extension, and are amended to the extent necessary to reflect the amendments contemplated by, and the information contained in, this Notice of Extension. Except as otherwise set forth in or amended by this Notice of Extension, the terms and conditions of the Offer Documents continue to be applicable in all respects.

8. Statutory Rights

Securities legislation of the provinces and territories of Canada provides Shareholders with, in addition to any other rights they may have at Law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the Shareholders. However, such rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

9. Directors' Approval

The contents of this Notice of Extension have been approved, and the sending of this Notice of Extension to the Shareholders has been authorized, by the boards of directors of the Offeror and Pollard Banknote.

CERTIFICATE OF 10188557 CANADA INC.

DATED: August 3, 2017

The foregoing, together with the Original Offer and Circular, as amended, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

“John Pollard” (Signed)

John Pollard, Director

“Gordon Pollard” (Signed)

Gordon Pollard, Director

“Douglas Pollard” (Signed)

Douglas Pollard, Director

CERTIFICATE OF POLLARD BANKNOTE LIMITED

DATED: August 3, 2017

The foregoing, together with the Original Offer and Circular, as amended, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

"John Pollard" (Signed)

John Pollard, Co-Chief Executive
Officer

"Robert Rose" (Signed)

Robert Rose, Executive Vice-
President, Finance & Chief
Financial Officer

On behalf of the board of directors

"Gordon Pollard" (Signed)

Gordon Pollard, Chair of the Board
and Director

"Jerry L. Gray" (Signed)

Jerry L. Gray, Lead Director

The Depositary and Information Agent for the Offer is:



Laurel Hill Advisory Group
70 University Avenue, Suite 1440
Toronto, ON M5J 2M4

North American Toll Free Phone:
1-877-452-7184

Collect Outside of North America:
1-416-304-0211

Facsimile: 416-646-2415

E-mail: assistance@laurelhill.com

Questions and requests for assistance may be directed to the Depositary and Information Agent at the telephone numbers and location set out above.