

FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

Item 1 Name and Address of Company

The Intertain Group Limited
24 Duncan Street, Floor 2
Toronto, Ontario
M5V 2B8

Item 2 Date of Material Change

February 26, 2015

Item 3 News Release

A news release was disseminated on February 26, 2015 through the facilities of Canada Newswire and subsequently filed on SEDAR.

Item 4 Summary of Material Change

On February 26, 2015, The Intertain Group Limited ("**Intertain**" or the "**Company**") announced that it closed its previously announced offering (the "**Offering**") of subscription receipts of the Company (the "**Subscription Receipts**"). A total of 32,200,000 Subscription Receipts were issued at a price of \$15.00 per Subscription Receipt, for aggregate gross proceeds of \$483,000,000, which includes the full exercise by the underwriters of the over-allotment option.

The net proceeds of the Offering will be used to fund, in part, the acquisition by the Company of a wholly-owned subsidiary of Gamesys Limited which has been established to hold, directly or indirectly, the Jackpotjoy, Star spins and Botemania brands (the "**Jackpotjoy Acquisition**"); certain costs related to the Jackpotjoy Acquisition; the repayment of certain indebtedness, including but not limited to the early redemption of the Company's senior secured debentures; and for general corporate purposes.

Item 5 Full Description of Material Change

On February 26, 2015, Intertain announced that it closed its previously announced Offering of Subscription Receipts. A total of 32,200,000 Subscription Receipts were issued at a price of \$15.00 per Subscription Receipt, for aggregate gross proceeds of \$483,000,000, which includes the full exercise by the underwriters of the over-allotment option.

The Subscription Receipts were sold pursuant to an underwriting agreement with a syndicate of underwriters led by Canaccord Genuity Corp. ("**Canaccord Genuity**") and included Cormark Securities Inc., Dundee Securities Ltd., Mackie Research Capital Corporation, National Bank Financial Inc., Clarus Securities Inc. and Cantor Fitzgerald Canada Corporation.

The Subscription Receipts began trading on the Toronto Stock Exchange on February 26, 2015 under the symbol "IT.R".

Each Subscription Receipt will entitle the holder to receive, upon the satisfaction of all conditions precedent to the Jackpotjoy Acquisition but for the payment of the purchase price

and any other amounts to be satisfied by the release of the escrowed funds (the “**Escrow Release Conditions**”), without payment of additional consideration or further action, one common share of the Company in exchange for each Subscription Receipt.

The net proceeds of the Offering will be used to fund, in part, the Jackpotjoy Acquisition, certain costs related to the Jackpotjoy Acquisition, the repayment of certain indebtedness (including but not limited to the early redemption of the Company’s senior secured debentures), and for general corporate purposes.

The Subscription Receipts were issued pursuant to a subscription receipt agreement whereby the gross proceeds of the Offering, less 50% of the underwriters’ commission payable in connection therewith, are being held in escrow pending satisfaction of the Escrow Release Conditions. If: (i) the Escrow Release Conditions are not satisfied by May 6, 2015; or (ii) Intertain advises the Subscription Receipt agent and Canaccord Genuity that the Escrow Release Conditions will not be satisfied (in either case, a termination event, and the date upon which such event occurs the “**Termination Date**”), the Subscription Receipt agent and Intertain will return to holders of Subscription Receipts an amount per Subscription Receipt equal to the Offering price plus a pro rata share of the interest earned on the escrowed funds, net of any applicable withholding taxes. In addition, all of the 50% of the underwriters’ commission paid on closing of the Offering (less the Underwriters’ expenses) will be refunded to the Company within five business days following the Termination Date, and no further payment on account of the underwriters’ commission will be payable by the Company to the underwriters.

If the Escrow Release Conditions are not satisfied by May 6, 2015, Canaccord Genuity may, in its sole discretion, acting reasonably, extend the Termination Date by up to 30 days.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Keith Laslop, Chief Financial Officer, 416-207-3307

Item 9 Date of Report

March 6, 2015

Cautionary Note Regarding Forward Looking Statements

This material change report contains forward looking information within the meaning of Canadian securities laws, including with respect to the Escrow Release Conditions, and use of proceeds of the Offering. This forward looking information is based on certain assumptions, which the Company considers to be reasonable, based on information currently available; however, they may prove to be incorrect. Forward-looking information is subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from what the Company currently expects. These risks, uncertainties and other factors include, but are not limited to: credit, market, currency, operational, liquidity and funding risks, including changes in economic conditions, interest rates or tax rates, limited operating history, the fact that on-line gaming is a heavily regulated industry and that such regulation is subject to change, competition from other providers of online gaming services, the possibility that the Company be unable to successfully integrate any proposed assets to be acquired, the risks associated with international and foreign operations and the risks discussed under the heading “Risk Factors” in Intertain’s annual information form for the year

ended October 31, 2013, Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

The foregoing factors are not intended to represent a complete list of the factors that could affect the Company and the Offering. The Company does not intend or undertake to publically update any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.