

Intertain Group Limited Announces 2014 Third Quarter Financial Results Adjusted EBITDA Up 50% Over Q2

TORONTO, ONTARIO (Marketwired - Nov. 12, 2014) - The Intertain Group Limited ("Intertain" or the "Company") (TSX:IT) is pleased to announce its financial results for the three and nine months ended September 30, 2014 and highlights for Q3. All amounts are stated in Canadian dollars unless otherwise noted.

Financial Highlights:

Q3 and Subsequent Highlights:

- **Completed a Bought Deal Public Offering of Equity and Equity-Linked Debt Subscription Receipts for \$103.5 Million, Inclusive of the Full Exercise of the Over Allotment Option for \$13.5 million**
 - 7.4 million equity subscription receipts ("Equity Subscription Receipts") were issued at \$7.00 per Equity Subscription Receipt for total gross proceeds of \$51.2 million. Each Equity Subscription Receipt consisted of one common share ("Common Share") of Intertain and one quarter of one warrant ("Warrant").
 - 51,175 equity-linked debenture subscription receipts ("Equity-Linked Debenture Subscription Receipts") were issued at \$1,000 per Equity-Linked Debenture Subscription Receipt and consisted of one senior secured debenture ("Senior Secured Debenture") with a face value of \$1,000 and 40 Warrants. The Senior Secured Debentures carry a coupon of 8.5% and mature on June 30, 2019.
- **Completed the Acquisition of Mandalay Media Limited ("Mandalay Media") for Total Consideration of up to £60.0 Million**
 - Mandalay Media is a leading online B2C bingo provider, which at the time of the acquisition had approximately 9,000 daily unique players across five skins.
 - For the fiscal year ending August 31, 2013, Mandalay Media generated net income of approximately £7.9 million.
- **Announced the Non-Binding Acquisition of Dumarca Holdings Limited ("Vera&John") for Total Consideration of up to EUR89.1 million**
 - Vera&John, is a leading, fully-integrated global online casino, operating in 11 countries globally and offers approximately 800 games and has approximately 490,000 registered customers.
 - As part of the transaction, Intertain will be obligated to pay to the vendors of

Vera&John can earn out of up to EUR8.1, subject to certain adjustments, should Vera&John generate EBITDA in excess of EUR10.1 million for the 2015 and 2016 period. Based on current run-rate results, the Company expects to make the full Earn Out payment (see the Company's press release dated October 9, 2014 for more details).

- **Obtained Continuation of License from UK Gambling**
 - InterCasino and Mandalay Media were granted a continuation of license from the UK Gambling Commission, thereby guaranteeing uninterrupted service for UK-based customers.

- **Announced Accelerated Expiration of Warrants, Providing Gross Proceeds of Up to \$30.3 Million**
 - Announced that the Company is accelerating the expiry date of 3,706,664 outstanding Warrants. The Warrants were issued on July 10, 2014 and contain an accelerated expiry provision should the Common Shares, as quoted on the Toronto Stock Exchange, trade at a 50% premium (\$11.63) on a volume weighted average trading price basis to the \$7.75 exercise price for 20 consecutive trading days.

 - The Warrants will now expire on December 7, 2014.

"Our Q3 performance is in line with our committed strategy of organic and acquisitive growth. Our Mandalay Media business continues to see performance that exceeds expectations across key performance indicators and InterCasino gross gaming revenues are improving as a result of strategic and focused marketing." said John FitzGerald, President and CEO of Intertain. "We are also making substantial progress with respect to our Vera&John acquisition and anticipate closing by the end of 2014. We continued to see numerous, strategic and accretive acquisition opportunities that we hope to capitalize on in the coming months." To support the acquisition strategy going forward, both management and the board of Intertain will exercise all their \$5.00 warrants, which have an expiry of December 31, 2015, as well as their \$7.75 warrants.

EBITDA Reconciliation:

Adjusted Net Income Reconciliation:

2014 Third Quarter Financial Statements and Management's Discussion and Analysis

The financial statements, notes to the financial statements and Management's Discussion and Analysis for the three and nine months ended September 30, 2014, will be available on the SEDAR website at www.sedar.com.

2014 Third Quarter Conference Call

Intertain will host a conference call with members of the investment community to discuss its 2014 third quarter results on Thursday, November 13, 2014 at 8:00 a.m. ET.

To participate, please dial (647) 788-4991 or (877) 269-7305 10 minutes prior to the scheduled start of the call. A replay of the conference call will be available until November 27, 2014 by dialing (800) 585-8367 or (416) 621-4642 and using reference number 27301977.

About The Intertain Group Limited

Intertain is an online gaming company that provides entertainment to a global consumer base. Intertain currently offers casino, bingo and poker games to its customers using the InterCasino, InterPoker, Costa and other brands. The InterCasino and InterPoker gaming platform is supplied by Amaya Gaming Group Inc. and its bingo offering operates off of the Dragonfish platform, a leading bingo software service provided by 888 Holdings plc.

Disclaimer in Regards to Forward-Looking Statements

Certain statements included herein, including those that express management's expectations or estimates of our future performance constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to put undue reliance on forward-looking statements. Except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events. Additional information identifying risks and uncertainties is contained in Intertain's filings with the Canadian securities regulators, available at www.sedar.com.