



**INTERNET INVESTMENT COMPANY  
FOR SALE VIA  
COURT SUPERVISED SALES PROCESS**

**Re: ENTERTAINMENT MEDIA INC.**

Intertainment Media Inc. (“**Intertainment**”) indicates that it will be offering the following “**Assets for Sale**”

1. Investments in other companies it owns:
  - a. 4.8 million shares of Yappn Corp., a publicly traded Company on the Over the Counter Bulletin Board Exchange in the United States, which does language translation services;
  - b. 20% stake in Active ImageNation Inc., a Los Angeles based developer of a technology platform called Cap That which allows the sharing of videos, images and commercial printing into the entertainment, music, sports and gaming sectors;
2. An interest in the tax losses of up to \$60,000,000.
3. Intertainment previously owned a stake in itiBiti Ventures Inc (“**itiBiti**”), a company which creates social entertainment applications – pursuant to the terms of sale, Intertainment is entitled to a 40% stake in any sale proceeds if ItiBiti is sold with certain conditions being filled.
4. \$1.25 million owing from a company called Mi5 Print & Digital Communications Inc. (“**Mi5**”) for the outstanding purchase price from the sale of a company called Magnum Fine Commercial Printing Limited by Intertainment to Mi5 on September 2, 2014.

Further public information is available at: <http://intertainmentmedia.com/>

**KEY ATTRIBUTES OF THE OPPORTUNITY**

- Interests in two innovative internet companies
- Significant tax loss opportunity for a buyer with a similar business
- Purchase would be way of a Court approved vesting order granting clear title to the assets

**THE SALES PROCESS**

Intertainment filed a Notice of Intention to Make a Proposal pursuant to section 50.4(1) of the Bankruptcy & Insolvency Act (Canada) on January 27, 2017, and A. Farber & Partners Inc. was appointed proposal trustee (the “**Proposal Trustee**”). On March 1, 2017, Intertainment obtained court approval to conduct a sales process (the “**Sales Process**”) in respect of the Property with the assistance of the Proposal Trustee.

The Sales Process is a stalking horse sales process and involves a court approved stalking horse offer which shall serve as a base-line bid against which all other qualified offers will be evaluated. The stalking horse offer is in the form of an asset purchase agreement and any other bids must include a mark-up against the stalking horse offer.

The purpose of this invitation is to solicit interest in the Assets for Sale from the marketplace pursuant to the terms of the Sales Process. Parties interested in acquiring the any or all of the Assets for Sale will be required to sign a confidentiality agreement which is available on the Proposal Trustee's website named below.

**The deadline for submission of Qualified Offers is 4:00 p.m. EST on Wednesday, March 22, 2017.**

Enquiries for potential purchaser/investor qualification should be made to the Proposal Trustee to the attention of:

Rob Stelzer: 416-496-3500, [rstelzer@farberfinancial.com](mailto:rstelzer@farberfinancial.com)

Interested parties are advised that the Proposal Trustee is posting documents relevant to the Sales Process at:

<http://www.farberfinancial.com/insolvency-engagements/intertainment-media-inc>