



May 15, 2012

**Queenco Leisure International Ltd.**  
("QLI" or the "Company")

**Clarification regarding Investment Negotiations in QLI instead of (Y.Z)  
QUEENCO LTD.**

Further to two immediate reports numbers 4471C and 5169C dated May 1, 2012 and an immediate report number 1088D dated May 10, 2012, filed by Queenco Leisure International Ltd. (LSE: QLI), the emerging markets entertainment center and casino developer and operator, regarding a possible investment in (Y.Z) QUEENCO LTD. (QLI's controlling shareholder; or "(Y.Z) QUEENCO"), (Y.Z) QUEENCO filed today an immediate report with the Tel-Aviv Stock Exchange and Israeli Securities Authority informing that at this stage of the negotiations with the potential investor, (Y.Z) QUEENCO anticipates that if an investment shall take place, it shall be in QLI and not in (Y.Z) QUEENCO as previously reported. In its report today (Y.Z) QUEENCO clarified as follows:

1. as of the date of its report (today), no agreement was signed between the potential investors and (Y.Z) QUEENCO and/or QLI;
2. (Y.Z) QUEENCO anticipates that in the event that the negotiations shall result in an investment in QLI, the potential investors shall seek to become part of the controlling group in QLI; and
3. (Y.Z) QUEENCO cannot estimate at this stage, when and if the negotiations may result in a binding agreement.

As was previously noted in its prior filings regarding the potential investment, there is no certainty that the aforementioned negotiations will lead to a binding agreement.

**For further information please visit [www.queenco.com](http://www.queenco.com) or contact:**

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