



9 November 2011

Queenco Leisure International Ltd.

Memorandum of Understanding ('MOU')

Queenco Leisure International Ltd. (the "**Company**" or "**QLI**"), a developer, owner and operator of casinos and resorts, today announced that it has entered into a letter of intent with an unaffiliated third party for the investment in Queen Investments Inc. SRL, a Romanian company that operates a casino and restaurant in Bucharest, Romania, in which the Company holds indirectly 83.33% of the share capital ("**Queen Investments**"). The material terms of the letter of intent are as follows:

1. The investor will invest in Queen Investments an aggregate amount of Euro 700,000, with Euro 300,000 of such amount to be invested within seven (7) days after execution of the letter of intent and the remaining Euro 400,000 to be invested by February 28, 2012.
2. As consideration for the foregoing investment, the investor will be issued shares that will represent, immediately after the issuance thereof, 51% of the issued and outstanding share capital of Queen Investments. Such shares will be held in escrow until the investor pays the second part of the investment.
3. The investor will have the right to appoint all of the directors of Queen Investments and to designate the Chairperson of the Board of Directors of Queen Investments. In addition, the investor will have the right to appoint the Chief Executive Officer of Queen Investments.
4. The letter of intent addresses the distribution by Queen Investments of cash to QLI and the investor (whether as repayment of loans or as payment of dividends); certain information rights of QLI and the investor; and conditions to the consummation of the transaction.
5. Queen Investments and the investors will cooperate in drafting and executing, within 30 days, definitive agreements that will address, among other matters, tag along, bring along and right of first refusal. Consummation of the transaction is subject to, among other things, (i) receipt of approval of the Romanian governmental authorities that Queen Investments' casino operating license will remain in effect after consummation of the foregoing transactions and (ii) approval by the board of directors and general assembly of each of the parties. Upon consummation of the foregoing transactions, the consulting agreement between QLI and Queen Investments will be terminated.

6. If the necessary approvals are not obtained within 60 days or the definitive agreements are not executed within 30 days, each party may terminate the letter of intent.

For further information please visit www.queenco.com or contact:

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