



Kahnawà:ke Economic Development Commission

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Joint Press Release

Mohawk Council of Kahnawà:ke and Tewatohnhi'saktha sell shares in Continent 8 PLC for \$35 million

For immediate release

(Kahnawake – 15, Kenténha/August 2016) The Mohawk Council of Kahnawà:ke (MCK) and Tewatohnhi'saktha announced today that they have sold their beneficial ownership of shares back to Continent 8 PLC (C8) for \$35 million USD. Of the total, \$25 million USD has been paid immediately. Additionally, as a guarantee for their continued long-term right to use Mohawk Internet Technology (MIT) facilities, another \$8 million will be paid over the next five (5) years, with an additional \$2 million USD to be paid over the following five (5) subsequent years, with interest.

The decision was taken unanimously by both the MCK and Tewatohnhi'saktha's Board of Directors.

The MCK and Tewatohnhi'saktha are each equal owners of Onkwawista Limited, the company that has held the shares on behalf of Kahnawà:ke. Since 2006, the C8 investment has brought over \$100 million CDN directly into the community through dividends and, now, the sale of the shares. It is important to note that no community dollars were ever used to establish MIT, which led to the creation of C8.

Ultimately the Mohawk partners have deemed it to be an optimal time to sell the shares in order to capitalize on their current value and focus on i-gaming as a jurisdiction and operator. C8 continues to grow and develop its operations internationally as a datacenter, network and managed services company both to gaming and non-gaming industries. Consequently, Michael Tobin made an offer to purchase Kahnawà:ke's beneficial interest in C8 and the offer was ultimately negotiated and agreed to.

"Considering the humble beginnings of the relationship, it's been gratifying to see that Kahnawà:ke is now recognized around the world as a pioneer in Internet gaming," said Grand Chief Joseph Tokwiros Norton. "However, as it became clear that the partners had different visions for the future of the company, it became obvious that it was time to move on."

"We knew this day would come – we had been working to establish an exit strategy for some time and now is best for all parties," said Dwayne Kirby, Chairman of the Tewatohnhi'saktha Board of Directors. "We are pleased that the community has been able to benefit in ways that we couldn't even conceive in the late 1990's."

"This transaction is a win-win for all concerned," said Michael Tobin. "MIT will continue as the Mohawks' e-gateway to the 8th continent – the Internet."

MCK and Tewatohnhi'saktha will now be working together to decide how the funds will be reinvested for the long-term benefit of the community.

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