Create a sound file which will be used for the period announcement. The file should say, for example: "All of our agents are busy at the moment, please stand by. In case you wish to be called back, please press 5. Thank you."  
- Upload the sound file to the system by navigating to System --> Sound Files --> Upload.

Please make sure to use the proper naming convention for the file prior to uploading it. For periodic announcements it is: periodic-announce-filename

- Navigate to the Queue in question and setup the Period Announcements. Select the sound file you just uploaded and set the initial delay and frequency.

- Last thing to do is to set the 'Use Exit Digit' option to 'Yes', define the number which should act as the exit digit (in the example above, it is 5) and set 'Activate Callback' to 'Yes'.

There is not an option to have a digit to continue holding, as that would be redundant I am afraid.  
The caller can choose to wait or use the exit digit to initiate a callback.