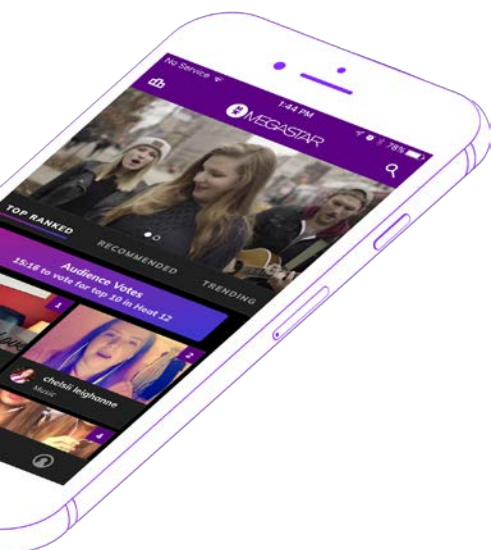


MEGASTAR SUCCESS CONTINUES

HIGHLIGHTS

- + Engagement metrics continue to exceed industry averages by up to 400%
 - o Engagement metrics are the best leading indicator of success.
- + User Acquisition remains strong with Megastar currently at #24 in Entertainment Apps in Apple App store rankings
 - o More than 350k downloads in less than eight weeks with significant peaks in response to marketing activities
- + “Meet Usher” Mini Competition launched to promote monetisation Tipping and Donations
- + Approaches from multiple potential partners to launch additional Megastar competitions in 2018



Digital technology and entertainment company, MSM Corporation International Limited (“MSM” or the “Company”) is pleased to advise that engagement metrics remain strong after 8 weeks of operations of its Megastar App, through which it is hosting its first global talent competition. Worldwide Tournament 1 commenced, with auditions, at the beginning of October in the USA, Great Britain, Australia, Canada, New Zealand and South Africa.

MSM’s Megastar competition is a global, mobile-first talent competition, featuring performers of any category, competing to win US\$1 Million, an audition for a role in a film and various other prizes.

Megastar Engagement

MSM and its advisors have worked to ensure the Megastar App creates and sustains engagement amongst Voters (people who vote for Performers) and Live Streamers (Performers who engage their audience through the Megastar App “Live Streaming” feature).

Megastar’s engagement metrics are as follows:

Key Engagement Metrics	Megastar App (As at 22/10/17)	Megastar App (As at 29/10/17)	Megastar App (As at 24/11/17)	Industry Average
Day 14 Retention	N/A	35%	38%	20%
Avg. Daily Active Users (DAU) as a %	17%	14.3%	9%	6%
Avg. Sessions per day per Voting user	2.4	2.2	2.15	0.55
Avg. Minutes per Session per Voting user	24	25	24	5.1
Avg. Sessions per day of Live Streaming user	2.6	2.4	2.6	1.1
Avg. Minutes per Session per Live Streaming user	77.1	75.6	77.2	13.5

Engagement metrics remain strong with significant user growth

Megastar's engagement metrics remain strong with the rapid increase in user acquisition during the first global competition. Performer engagement has been particularly pleasing. There have been more than 7,000 entries into the competition, with ever increasing quality of performances.

With a significant cohort of users engaged in Megastar, the platform is now generating extremely valuable information for engagement optimization. Product and marketing optimization continue to drive engagement, referral and retention ratios and therefore organic growth. Engagement continues to be the focus as Megastar's leading indicator of success.

To date, there have been more than 350,000 installs of the Megastar App. It rapidly hit number 6 in the weekly rankings and has seen peaks in hourly rankings at number 4 where the **Megastar App appeared amongst in the top 5 entertainment Apps in the US App store (Netflix, YouTube, Hulu, Amazon Prime and Fox Now)**. High volatility in user acquisition means that early data may not provide a reliable indicator at this stage.

“Meet Usher” Mini Competition Launched to Drive Monetisation

Commencing 24 November 2017 and running through 1 December 2017, Megastar is running a one week only live streaming competition – with the top 3 finishers having the opportunity to meet Usher in person. This is one of the benefits of owning and operating our own platform – that MSM can run a “pop up” or mini competition. The purpose of the “Meet Usher” competition is to provide a baseline for driving the live streaming ecosphere amongst Performers and Fans, thereby allowing MSM to understand then optimise user monetisation opportunities in the tipping and donation sectors.

Update on Business Development Beyond Worldwide Tournament 1

As the finale of Megastar's first global competition approaches, significant business development opportunities are arising for Megastar (refer ASX announcement 6 November 2017).

Brand equity is building through mass media exposure. It is anticipated that this exposure will increase dramatically in December when the first million-dollar prize winner is announced and the first Megastar is propelled to prominence by Usher, MSM and the global media.

Audience retention and growth will continue immediately following the completion of Worldwide Tournament 1 with ongoing competitions leading up to Worldwide Tournament 2 in the first half of 2018. This will most likely include genre specific, branded and sponsored competitions.

MSM has been approached by multiple potential partners seeking opportunities to launch non-English language Megastar competitions. Non-English language versions of Megastar competitions are expected to be scheduled independently of the main “English-language” Megastar.

The Company is currently finalising its first MOU with an industry leading partner to launch additional Megastar Tournaments in 2018. A further announcement will be released if and when the discussions are completed and the MOU is executed.

The Company is also attracting the attention of strategic international investors in the US, Asia and the Middle East. Sophisticated investors in these markets are accustomed to valuing products based on audience engagement and growth metrics. As the Company accumulates user data, there is increasing interest from these investors.

MSM Managing Director, Dion Sullivan commented;

“As detailed in our announcement on 6 November 2017, we are achieving extraordinary results for an App which is so early in its lifecycle. Other highly successful Apps such as Musical.ly and Twitch took months or even years to achieve similar outcomes. Another entertainment app, Bitmoji rose rapidly but also experienced a high degree of volatility in the first four months after launch. It subsequently was purchased by Snapchat for more than US\$100m in 2016.”

“Megastar is a conduit for discovering the entertainment industry’s next real-life megastar. We’re excited that the discovery of a true megastar will propel our brand to prominence.”

FOR FURTHER INFORMATION CONTACT:

Media queries: press@msmci.com

Investor queries: Jane Morgan
Jane Morgan Management
P: + 61 (0) 405 555 618
E: jm@janemorganmanagement.com.au

ABOUT MSMCI

MSM Corporation International Limited (“MSMCI”) is an online entertainment company that specialises in building and launching new digital entertainment products to audiences in the US, Great Britain, Australia, Canada, New Zealand and South Africa. MSMCI partners with local operators in non-English speaking markets to maximise the reach of its products and services globally.

MSMCI's flagship product is Megastar, a global, mobile-first talent competition, featuring performers of any category, competing to win one Million US Dollars, a role in a film and various other prizes. Winners are chosen by fans voting in the competition through the Megastar App.

The first Megastar competition launched in MSMCI's six core markets with the App available for download from the Apple and Google Stores. Additional Megastar competitions will subsequently launch in non-English speaking markets via partnering and licensing agreements.

Megastar was founded by Adam Wellisch and Dion Sullivan in February 2014 and listed on the Australian Securities Exchange becoming MSMCI (ASX:MSM) in January 2016. The Company is currently headquartered in Sydney, Australia and Oakland, California, USA.

Visit www.msmci.com to learn more or to [sign up for the investor newsletter](#).

