

MARKET UPDATE

- + Firm commitments received for entitlements and potential shortfall in the proposed Entitlements Offer (A\$3.67M)
- + Riva HoA negotiations are in advanced stages. Exclusivity extended to 31 May 2018

Digital technology and entertainment company, MSM Corporation International Limited ("MSM" or the "Company") is pleased to announce that it has entered into a number of agreements with strategic investors to subscribe for approximately A\$3.397M of any shortfall in the proposed Entitlement Offer (including the commitment from The Riva Group, as announced on 17 April 2018) (**Commitments**).

As previously announced, MSM intends to complete the Entitlement Offer on the same pricing terms as the Company's most recent placement (announced 21 February 2018), to raise A\$3.67M. Participants will also be entitled to a one (1) for four (4) free attaching option exercisable at A\$0.10 each, expiring 7 November 2019.

If there is insufficient shortfall to satisfy the Commitments, the Company intends to issue the balance of these securities to the strategic investors as a placement of new securities. The Company will seek shareholder approval for the issue of these securities at a general meeting intended to be convened shortly. If the necessary Shareholder approvals are not received, the Company intends to issue these securities pursuant to the Company's placement capacity under Listing Rule 7.1 as and when available.

Furthermore, MSM has received an undertaking pursuant to which Eligible Shareholders will apply for approximately A\$0.276M of their entitlements.

Because of this undertaking and the Commitments, the Company has received combined commitments to subscribe for the full amount offered under the Entitlement Offer.

The proposed Entitlements Offer prospectus and updated Strategy announcement have been provided to the ASX for discussion. A Notice of Meeting document has also been submitted to the ASX for approval and is intended to be released simultaneously with the prospectus and Strategy announcement once these discussions have been finalised.

HoA with Riva - Megastar India

Further to the ASX announcement of 17 April 2018, MSM and Riva have extended the exclusivity period for the binding heads of agreement (HoA) negotiations until **31 May 2018** as the Company and Riva are in the final stages of documenting the HoA for India. MSM will update the market upon the completion of the agreement and the anticipated timeline for the delivery of the first Indian version of Megastar.



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 RIVA

Founded in 2002, with Headquarters in Dubai and offices across the world from the USA to East Asia; The Riva Group have successfully been delivering the vision of tomorrow for over 15 years. The Riva Group of companies hold an industry advantage in their ability to take every project from concept to execution all housed under one roof. The complementary divisions cover: creative design and development of theme parks, brand and Intellectual Property licensing, 3D animation and visual effects for films, games and TV content.

The Riva Group recently played an instrumental role in the concept, design and development of major theme parks in the middle east, based on world class IP licenses. The concepts for one of the parks was inspired by The Riva Group's Chairman; Mr Paul Roy and his Mumbai based celebrity partners who specialise in directing, screenwriting and production for Bollywood and have won numerous awards and international accolades over the last 15 years.

The Riva Group have vast experience specialising in licensing agreements where they have successfully negotiated and arranged for licenses for world class entertainment Intellectual Property with; Dreamworks Animation, Marvel, Sony Pictures, Electronic Arts, Lionsgate, Square Enix, Microsoft Studios, Cartoon Network, Capcom and Konami. In October 2017, The Riva Group in partnership with Los Angeles-based Firefly Games developed and launched the cutting-edge Dreamworks Universe of Legends Mobile Game where Shrek meets Kung-Fu Panda in a Dreamworks Hero mashup.





ASX Announcement

17 May 2018

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, who competed 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.

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