

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MSM Corporation International Limited

ABN

51 002 529 160

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | (i) Fully Paid Ordinary Shares
(ii) Quoted Options
(iii) Fully Paid Ordinary Shares
(iv) Quoted Options
(v) Quoted Options
(vi) Quoted Options
(vii) Quoted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (i) Up to 85,426,596 Fully Paid Ordinary Shares
(ii) Up to 21,356,649 Listed \$0.10 Options expiring 7 November 2019
(iii) Up to 79,000,000 Fully Paid Ordinary Shares
(iv) 19,750,000 Listed \$0.10 Options, expiring 7 November 2019
(v) 20,000,000 Listed \$0.10 Options, expiring 7 November 2019
(vi) 6,000,000 Listed \$0.10 Options, expiring 7 November 2019
(vii) 6,000,000 Listed \$0.10 Options, expiring 7 November 2019 |

+ See chapter 19 for defined terms.

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>(i) Fully Paid Ordinary Shares (ii) Listed \$0.10 Options, expiring 7 November 2019 (iii) Fully Paid Ordinary Shares (iv) Listed \$0.10 Options, expiring 7 November 2019 (v) Listed \$0.10 Options, expiring 7 November 2019 (vi) Listed \$0.10 Options, expiring 7 November 2019 (vii) Listed \$0.10 Options, expiring 7 November 2019</p>
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(i) Yes, the Shares rank equally with the fully paid ordinary shares currently on issue (ii) No, shares issued upon exercise of options will rank equally with all other issued fully paid ordinary shares of the Company (iii) Yes, the Shares rank equally with the fully paid ordinary shares currently on issue (iv) No, shares issued upon exercise of options will rank equally with all other issued fully paid ordinary shares of the Company (v) No, shares issued upon exercise of options will rank equally with all other issued fully paid ordinary shares of the Company (vi) No, shares issued upon exercise of options will rank equally with all other issued fully paid ordinary shares of the Company (vii) No, shares issued upon exercise of options will rank equally with all other issued fully paid ordinary shares of the Company</p>
<p>5 Issue price or consideration</p>	<p>(i) \$0.043 per share (ii) Nil (iii) \$0.043 per share (iv) Nil (v) Nil (vi) Nil (vii) Nil</p>

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<ul style="list-style-type: none"> (i) To be issued pursuant to the non-renounceable Entitlement Offer announced 21 May 2018 (ii) To be issued pursuant to the non-renounceable Entitlement Offer announced 21 May 2018 (iii) To be issued pursuant to the agreements with Placement Subscribers as defined in the Company's Prospectus dated 21 May 2018 (Placement Subscribers) (iv) To be issued pursuant to the agreements with Placement Subscribers (v) To be issued pursuant to the placement announced on 8 February 2018, subject to shareholder approval at the general meeting to be held on 22 June 2018 (vi) To be issued to the Lead Manager as partial consideration for the lead manager services provided in connection with the placement dated 8 February 2018 (vii) To be issued to the Lead Manager as partial consideration for the lead manager services provided in connection with the non-renounceable Entitlement Offer announced 21 May 2018
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	20 November 2017

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	<ul style="list-style-type: none"> (i) Nil (ii) Nil (iii) Up to 79,000,000 Fully paid shares (iv) Up to 19,750,000 Listed \$0.10 Options, expiring 7 November 2019 (v) Up to 20,000,000 Listed \$0.10 Options, expiring 7 November 2019 (vi) Up to 6,000,000 Listed \$0.10 Options, expiring 7 November 2019 (vii) Up to 6,000,000 Listed \$0.10 Options, expiring 7 November 2019 <p>The Company is seeking Shareholder approval for the issue of the securities referenced in paragraphs (iii) to (vii) (inclusive) at the General Meeting presently scheduled to be held on 22 June 2018. If the necessary shareholder approvals are not obtained, the Company will issue the securities referenced when it has sufficient placement capacity under Listing Rule 7.1, as disclosed in the Company's Prospectus dated 21 May 2018.</p>
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<p>The Company is seeking Shareholder approval for the issue of the securities referenced in paragraphs 6c(iii) to (vii) (inclusive) at the General Meeting presently scheduled to be held on 22 June 2018. If the necessary shareholder approvals are not obtained, the Company will issue the securities referenced when it has sufficient placement capacity under Listing Rule 7.1, as disclosed in the Company's Prospectus dated 21 May 2018.</p>
6f	Number of +securities issued under an exception in rule 7.2	<ul style="list-style-type: none"> (i) Up to 85,426,596 Fully paid shares (ii) Up to 21,356,649 Listed \$0.10 Options, expiring 7 November 2019 (iii) Nil (iv) Nil (v) Nil (vi) Nil (vii) Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Nil

+ See chapter 19 for defined terms.

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.</p>	<p>Indicative issue dates:</p> <p>(i) 18 June 2018</p> <p>(ii) 18 June 2018</p> <p>(iii) 25 June 2018</p> <p>(iv) 25 June 2018</p> <p>(v) 25 June 2018</p> <p>(vi) 25 June 2018</p> <p>(vii) 25 June 2018</p>

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Fully Paid Ordinary Shares
	<p>After the Entitlement Offer there will be up to 591,559,577 fully paid ordinary shares on issue based upon the 427,132,981 fully paid ordinary shares on issue as at the date of this Appendix 3B and up to 164,426,596 fully paid ordinary shares issued under the Entitlement Offer and to the Placement Subscribers</p> <p>After the Entitlement Offer there will be up to 138,987,197 listed \$0.10 options, expiring 7 November 2019 on issue based upon the 65,880,548 listed \$0.10 options, expiring 7 November 2019 on issue as at the date of this Appendix 3B and up to 41,106,649 listed \$0.10 options, expiring 7 November 2019 under the Entitlement Offer and the Placement Subscribers and up to 32,000,000 listed \$0.10 options, expiring 7 November 2019 subject to shareholder approval at the general meeting to be held on 22 June 2018.</p>	Quoted Options exercisable at \$0.10 on or before 7 November 2019

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	1,500,000	Options exercisable at \$0.043 on or before 2 May 2028, vesting 13 January 2019
		900,000	Options exercisable at \$0.15 on or before 18 March 2020, vesting 12 May 2018
		8,000,000	Options exercisable at \$0.35 on or before 19 September 2018
		3,500,000	Options exercisable at \$0.40 on or before 19 September 2019
		3,500,000	Options exercisable at \$0.45 on or before 19 September 2019
		1,500,000	Options exercisable at \$0.55 on or before 19 September 2019
		1,000,002	Options exercisable at \$0.125 on or before 18 March 2020
		50,000,000	Class A Performance Shares
		50,000,000	Class B Performance Shares
		7,800,000	Class C Performance rights vesting in various tranches, expiring 29 December 2021
		2,500,000	Class D Performance rights vesting in various tranches, expiring 29 December 2021
		5,000,000	Class E Performance rights vesting in various tranches, expiring 29 December 2018

⁺ See chapter 19 for defined terms.

	5,000,000	Class F Performance rights vesting in various tranches, expiring 29 December 2020
	4,000,000	Class G Performance rights vesting in various tranches, expiring 20 November 2022
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There is currently no dividend policy in place for the Company.

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 5
14	+Class of +securities to which the offer relates	Fully Paid Ordinary Shares
15	+Record date to determine entitlements	25 May 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Fractions of New Shares will be rounded up to the nearest whole dollar
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Countries other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	8 June 2018
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	CPS Capital Pty Ltd

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	Refer Section 5.4 of the non-renounceable Entitlements Offer Prospectus dated 21 May 2018
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	30 May 2018
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	21 May 2018
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	18 June 2018

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A
39	+Class of +securities for which quotation is sought	N/A
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A
		+Class

+ See chapter 19 for defined terms.

42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	N/A	
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Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Mark Clements
 Company Secretary
 21 May 2018

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⁺ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	311,135,662
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period 	
(i) 21 July 2017 Issue of shares	82,066
(ii) 17 August 2017 Issue of shares	279,276
(iii) 17 August 2017 Issue of shares	51,360,000
(iv) 12 September 2017 Issue of shares	100,000
(v) 20 September 2017 Issue of shares	7,169
(vi) 1 October 2017 Issue of shares	7,608
(vii) 10 October 2017 Issue of shares	50,000
(viii) 31 October 2017 Issue of shares	21,500
(ix) 28 November 2017 Issue of shares (subject to approval at General Meeting to be held on 22 June 2018)	22,666,667
(x) 22 December 2017 Issue of shares	176,999
(xi) 5 January 2018 Issue of shares	687,102
(xii) 20 and 21 February 2018 Issue of shares (subject to approval at General Meeting to be held on 22 June 2018)	40,000,000
(xiii) 23 February 2018 Issue of shares	273,405
(xiv) 28 March 2018 Issue of shares	228,827
(xv) 18 June 2018 Issue of shares	85,426,596
(xvi) 25 June 2018 Issue of shares (subject to approval at General Meeting to be held on 22 June 2018)	79,000,000
Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	

+ See chapter 19 for defined terms.

Subtract the number of fully paid +ordinary securities cancelled during that 12month period	Nil
“A”	591,502,877
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	88,725,432
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <ul style="list-style-type: none"> (i) 17 August 2017 Issue of performance rights (ii) 17 April 2018 Issue of shares <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	12,500,000 56,700
“C”	12,556,700
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	88,725,432
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	12,556,700
Total [“A” x 0.15] – “C”	76,168,732 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	591,502,877
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	59,150,288
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	0
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	59,150,288
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	59,150,288 (Subject to shareholder approval of the following securities at the General Meeting to be held on 22 June 2018; (i) 22,666,667 Fully paid shares issued 28 November 2017 (ii) 40,000,000 Fully paid shares issued 20 and 21 February 2018 (iii) 79,000,000 Fully Paid Ordinary Shares pursuant to the non-renounceable Entitlement Offer dated 21 May 2018 (iv) 19,750,000 Listed \$0.10 Options expiring 7 November

+ See chapter 19 for defined terms.

	<p>2019 pursuant to the non-renounceable Entitlement Offer dated 21 May 2018</p> <p>(v) 20,000,000 Listed \$0.10 Options expiring 7 November 2019 pursuant to the placement dated 8 February 2018</p> <p>(vi) 6,000,000 Listed \$0.10 Options expiring 7 November 2019 pursuant to the placement dated 8 February 2018</p> <p>(vii) 6,000,000 Listed \$0.10 Options expiring 7 November 2019 pursuant to the non-renounceable Entitlement Offer dated 21 May 2018)</p> <p>Note: this is the remaining placement capacity under rule 7.1A</p>
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