

15 July 2019

MSM SECURES US\$2M MOBILE GAMING AND ESPORTS AGREEMENT

- Mobile gaming and Esports license agreement signed with Riva Technology and Entertainment Limited (RTE)
- The agreement will secure MSM up to US\$2M over 4 years with a 5% royalty on net revenue thereafter
- Megastar India Heads of Agreement extended to allow for added functionality post WWTI findings around gamification and user interaction

MSM Corporation International Limited (ASX: MSM) (MSMCI or the Company) is pleased to advise that it has executed a license agreement for utilization of the Company's extensively built Megastar online competition platform for mobile gaming and Esports with the Riva Group's subsidiary, Riva Technology and Entertainment Limited (RTE)(Licensee).

The license is a further milestone in monetizing the MSM platform and increasing the global reach of MSM in conjunction with the Riva Group's already established portfolio of industry contacts, IP and infrastructure.

MSM will assist RTE in the development and upkeep of the platform where required in relation to use across the mobile games and Esports license.

The license permits RTE exclusive worldwide rights for use of the IP and platform specifically for mobile gaming and Esports.

The Licensee will cover all costs related to any modifications of the platform as required for the use in mobile gaming and Esports and will launch, operate and promote Megastar talent competitions according to an operating plan that is mutually agreed with MSM.

The Licensee will pay MSM US\$2M over a 4 year period in equal annual instalments of US\$500,000 for the rights and use of the platform. The first instalment is to be made on a quarterly basis, commencing 31 December 2019.

Megastar India

The Company has extended the terms of the Heads of Agreement (HOA) with Riva Digital FZ LLC (Riva) as announced on 4 June 2018.

The extension has been agreed to facilitate both MSM and Riva to continue to optimise the Megastar platform following the comprehensive analysis of WWTI outcomes and the gamification opportunities arising from the Company's 2017 research and development of a global digital entertainment product.

Both parties are committed to clear strategic priorities to refine, improve and expand Megastar's features, services and product offerings (such as Live Streaming) to maximise user engagement and monetisation opportunities to optimise the user experience.

The ongoing expenditure required to add this functionality for the Indian marketplace and the promotion/launch of Megastar:Cricket is significantly lower than the during the development phase which ended with the finale of WWTI.



15 July 2019

Under the terms of the varied HOA MSM will receive five milestone payments of US\$100,000 each over the next year around the continued development, gamification and localization of the platform for Indian consumers (refer Appendix A). The agreed royalty of 5% of Gross revenue derived from competitions with a minimum guarantee of US\$500,000 paid annually will continue after the milestone payments are completed.

Chairman of The Riva Group, Paul Roy commented;

"We have spent some time working with the MSM team to begin adapting the platform for use in the sports industry with an initial focus on cricket in the Indian market. Our goal is to unearth the next hidden cricket talent through the MSM platform. Cricket is a religion in India and this is the ideal market to launch the new look Megastar:Cricket.

Separately we are excited to further enhance our relationship with MSM by creating a new Esports platform. The Esports industry has been growing at over 25% year on year and already boasts more viewers than the NFL. This platform will perfectly complement Riva's existing initiatives in mobile gaming, virtual reality and Esports."

Appendix A

MSM will receive five milestone payments upon achievement of the following milestones;

- (i) US\$100,000 by 31 August 2019 to commence the build of the new Megastar cricket platform for the Territory (hereinafter the "Cricket Platform");
- (ii) US\$100,000 upon MSMCI completing the first build of the Cricket Platform;
- (iii) US\$100,000 upon MSMCI completing the alpha version of the Cricket platform;
- (iv) US\$100,000 upon MSMCI completing the beta version of the Cricket Platform; and
- (v) US\$100,000 upon MSMCI completing the delivery of the completed Cricket platform.

FOR FURTHER INFORMATION CONTACT:

Investor/Media queries:

Chris Jones
P: + 61 (0) 417 985 527
E: cjones@emeraldcapital.com.au



ASX Announcement

15 July 2019



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.

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. The Riva Group in partnership with Los Angeles-based Firefly Games have developed the cutting-edge Dreamworks: Universe of Legends Mobile Game where Shrek meets Kung-Fu Panda in a Dreamworks Hero mashup. (Google Play pre-registration page - <https://play.google.com/store/apps/details?id=com.firefly.dreamworks.dwuol&hl=en>)