IN SIMILARIAN SINTERNATIONAL LIMITED

(ACN 002 529 160)



Prospectus

For an offer of 116,666,667 Shares at a price of \$0.06 each to raise \$7,000,000 before costs (**Public Offer**). The minimum subscription under the Public Offer is \$7,000,000.

This Prospectus also contains the following **Secondary Offers:**

- **1.** For an offer of up to 75,000,000 Shares and 100,000,000 Performance Shares to MSM Shareholders for the acquisition of all the shares in Megastar Millionaire Pty Ltd by the Company.
- **2.** For an offer of up to 25,000,000 Shares and 25,000,000 Options to MSM Noteholders in consideration for the assignment of all of the convertible notes in Megastar Millionaire Pty Ltd to the Company.
- **3.** For an offer of up to 18,000,000 Options to MSM Optionholders in consideration for the cancellation of all of the options in Megastar Millionaire Pty Ltd.

(Together, the Offers).

Re-compliance with Chapters 1 and 2

In addition to the purpose of raising funds under the Public Offer, this Prospectus is issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules following a change to the nature and scale of the Company's activities.

Conditional Offers

The Offers are conditional upon certain events occurring. Please refer to Section 2.4 for further information

The Offers are not underwritten.

IMPORTANT NOTICE

This is an important document and investors should read the document in its entirety and are advised to consult with their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

Any investment in the Company under this Prospectus should be considered speculative in nature and prospective investors should be aware that they may lose some or all of their investment.

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IMPORTANT INFORMATION

Prospectus

This Prospectus is dated 2 November 2015 and was lodged with ASIC on that date. ASIC, ASX and their respective officers do not take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to the Prospectus to be admitted for quotation on ASX.

Securities will not be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Securities pursuant to the Offers must do so using the applicable Application Form attached to or accompanying this Prospectus. Before applying for Securities potential investors should carefully read the Prospectus so that they can make an informed assessment of:

- the rights and liabilities attaching to the Securities;
- . the assets and liabilities of the Company; and
- the Company's financial position and performance, profits and losses, and prospects.

Investors should carefully consider these factors in light of their own personal financial and taxation circumstances.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offers.

Risks

Any investment in the Company should be considered speculative. Before deciding to invest in the Company, potential investors should read the entire Prospectus and, in particular, in considering the prospects of the Company potential investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of their personal circumstances (including financial and taxation issues). The Securities offered by this Prospectus should be considered speculative. Please refer to Section 5 for details relating to risk factors. Persons considering applying

for Securities pursuant to the Prospectus should obtain professional advice from an accountant, stockbroker, lawyer or other adviser before deciding whether to invest.

Offers outside Australia

The offer of Securities made pursuant to this Prospectus is not made to persons to whom, or places in which, it would not be lawful to make such an offer of Securities. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

Forward-looking statements

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to applying for Securities. This examination may result in the identification of deficiencies in this Prospectus and, in those circumstances; any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under the Secondary Offers set out in this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be

conferred on applications lodged prior to the expiry of the Exposure Period.

Re-compliance with Chapters 1 and 2 of the Listing Rules

The ASX has advised the Company that the MSM Acquisition will constitute a change to the nature and scale of the Company's activities. Pursuant to Listing Rule 11.1.3, the ASX therefore requires the Company to re-comply with the admission requirements of Chapters 1 and 2 of the Listing Rules, as if applying for admission to the official list of ASX. Accordingly, this Prospectus is issued for the purpose of satisfying Chapters 1 and 2 of the Listing Rules, as well as for the purpose of raising funds under the Public Offer.

Changes in activities and suspension from trading

The Company is currently listed on ASX. In accordance with the Listing Rules, its Shares were suspended from trading on ASX immediately prior to the General Meeting held on 7 October 2015. At the General Meeting, the Shareholders approved the change in the nature and scale of the Company's activities as a consequence of the MSM Acquisition. The Company's Shares may not be reinstated to ASX. For further information see Section 5.1(a).

Conditional Offer

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their application monies without interest. Please refer to Section 2.4 for further details on the conditions attaching to the Offers.

Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company at +61 8 9486 4036 and the Company will send you, at no cost, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at http://www.mineralscorp.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus may not be drawn to scale.

Miscellaneous

All references to "\$", "A\$", "AUD", "dollar" and "cents" are references to Australian currency unless otherwise stated. All references to "US\$" and "USD" are references to the currency of the United States of America unless otherwise stated.

All references to time relate to the time in Perth, Western Australia unless otherwise stated.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 13.

Corporate Directory

Existing Board

Mr (Nicholas) Chen Chik Ong Dr Andrew Tunks Mr Matthew Foy

Proposed Board

Mr Dion Sullivan Mr Adam Wellisch Mr Matthew Foy

Company Secretary

Mr Matthew Foy

Registered Office

Office J Level 2 1139 Hay Street WEST PERTH WA 6005

Share Registry*

Advanced Share Registry Limited 110 Stirling Highway NEDLANDS WA 6009 Telephone: +61 8 9389 8033 Facsimile: +61 8 9262 3723

ASX Code

Current: MSC Proposed: MSM

Website

Company: http://www.mineralscorp.com.au
MSM: http://www.megastarmillionaire.com**

Auditor

BDO Audit (WA) Pty Ltd 38 Station Street SUBIACO WA 6008

Legal Adviser

Bellanhouse Legal Ground Floor 11 Ventnor Avenue WEST PERTH WA 6005

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd 38 Station Street SUBIACO WA 6008

United States Intellectual Property Expert

Fitzpatrick PC 9350 Wilshire Blvd Suite 203 BEVERLY HILLS CA 90212

Lead Manager

CPS Capital Group Pty Ltd (AFSL No. 294848) Level 45, 108 St Georges Terrace PERTH WA 6000

Telephone: +61 8 9223 2252

^{*} This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

^{**} To be launched following completion of the MSM Acquisition.



Letter From The Board

Dear Investor

On behalf of the board of directors of MSM Corporation International Limited (formerly Minerals Corporation Limited) (**Company**), I am pleased to present you with this opportunity to become a security holder of the Company.

The Company is looking forward to working toward the development and commercialisation of the online talent search contest platform to be known as "Megastar Millionaire" proposed to be offered over iOS, Android, Mac, PC and Tablet systems.

The key objective of the Megastar Millionaire offering is to develop the platform and brand for an industry leading online music contest and content delivery platform. To achieve this, Megastar Millionaire Pty Ltd (MSM) has entered into several strategic agreements with key management personnel including Mr Doug Barry and Mr Dion Sullivan who have significant experience in delivering technology start-ups in the media and entertainment industries.

In addition, MSM has made strategic investments in ToneDen, Inc. a music creation software platform designed specifically for artists to connect with fans and Digital Riot Media, LLC., a dedicated direct-to-consumer digital movie studio for social media influencers, supported by cast and crew from traditional media.

On 7 October 2015 the Company held its General Meeting where Shareholder approval was obtained for a number of resolutions to give effect to the acquisition of MSM. Shareholders approved, amongst other things, the acquisition of MSM from the MSM Shareholders, MSM Noteholders and MSM Optionholders, the issue of the consideration Securities to them, a change to the nature and scale of the Company, the issue of the Executive Shares to Mr Doug Barry, the chairman of the United States operating subsidiary of MSM, and the raising of \$7,000,000 by the issue of 116,666,667 Shares at \$0.06 each via the Public Offer under this Prospectus.

The Offers pursuant to this Prospectus are subject to the conditions set out in Section 2.4.

An investment in the Company is subject to certain risks, non-exhaustive lists of which are highlighted in Section 5, including, but not limited to limited history risks, competition and new technologies risks, development and marketing risks, operation and commercialisation risks, intellectual property protection risks and reliance on key personnel. It is recommended that you consider the terms of the Offers contained in this Prospectus carefully and in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser.

On behalf of the existing and proposed Board, I am pleased to present this Prospectus to you and invite you to take part in this exciting investment opportunity.

Yours faithfully

Matthew Foy

MSM Corporation International Limited

Director



Key Offer Details

Key offer details

OFFER PRICE PER SHARE UNDER THE PUBLIC OFFER	\$0.06 per Share
SHARES TO BE OFFERED UNDER THE PUBLIC OFFER	116,666,667 Shares
CASH RAISED UNDER THE PUBLIC OFFER (before expenses)	\$7,000,000
SECURITIES OFFERED PURSUANT TO THE MSM SHAREHOLDER OFFER	75,000,000 Shares 100,000,000 Performance Shares
OPTIONS OFFERED PURSUANT TO THE MSM OPTIONHOLDER OFFER	18,000,000 Options
SECURITIES OFFERED PURSUANT TO THE MSM NOTEHOLDER OFFER	25,000,000 Shares 25,000,000 Options
EXECUTIVE SHARES OFFERED TO THE CHAIRMAN OF MSM'S US OPERATIONS	12,500,000 Shares
TOTAL NUMBER OF SHARES ON ISSUE BEFORE THE OFFERS	43,938,402 Shares
TOTAL NUMBER OF SHARES ON ISSUE FOLLOWING THE OFFERS	273,105,069 Shares

Note: The figures shown above assume none of the existing Options are exercised and that the Performance Shares have not converted into Shares. Please refer to Section 2.5 for further details relating to the proposed capital structure of the Company.

Indicative timetable

GENERAL MEETING ...
OF THE COMPANY

7 October 2015

LODGEMENT OF THIS PROSPECTUS WITH ASIC

2 November 2015

OPENING DATE FOR THE PUBLIC OFFER

2 November 2015

OPENING DATE FOR THE SECONDARY OFFERS

9 November 2015

CLOSING DATE FOR THE OFFERS

27 November 2015

DISPATCH OF HOLDING STATEMENTS

4 December 2015

FOR SHARES TO BE REINSTATED TO TRADING ON ASX

11 December 2015

Note: The dates shown above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Dates and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the relevant Opening Date if they wish to invest in the Company.





Investment Overview

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Introduction

WHO IS THE COMPANY AND WHAT DOES IT DO?

MSM Corporation International Limited (ACN 002 529 160) (**Company**) (formerly Minerals Corporation Limited) is an Australian incorporated company listed on ASX.

The Company is currently in the business of mining exploration.

For more information see Section 3.1

WHAT IS THE MSM ACQUISITION AND WHAT IS MSM?

The Company intends to acquire 100% of the issued capital of MSM.

MSM is a privately-held early-stage media and technology company incorporated in August 2014, which is engaged in the business of designing and developing the Megastar Millionaire Platform, a software platform through which online talent contests will operate.

The initial focus of the Merged Group will be completing the design, development and marketing of a Contest in which United States residents may participate.

Over time, the Merged Group intends on exploiting the Megastar Millionaire Platform for other revenue generating purposes.

For more information see Section 3.4

WHO ARE THE PEOPLE BEHIND MSM?

The key management personnel of MSM are United States based media, entertainment and technology entrepreneurs and executives Mr Dion Sullivan (MSM's Managing Director) and Mr Doug Barry (Chairman of MSM's United States operations).

Mr Adam Wellisch is also a Proposed Director. Mr Wellisch is Australian based and experienced in technology strategy, business administration, systems consulting and software development.

For more information see Sections 9.3 and 9.4

HOW WILL THE PROPOSED MEGASTAR MILLIONAIRE PLATFORM OPERATE?

It is proposed that the Megastar Millionaire Platform will be compliant with and available on iOS and Android mobile, Mac, PC and tablet.

The Megastar Millionaire Platform, which is proposed to be comprised of existing and net new technologies, is intended to provide for the load, catalogue, search/sort and viewing of individual videos of artistry.

In addition, it is proposed that the Megastar Millionaire Platform will allow site users to vote as to whether a viewed video of a Contestant is considered favourable, which is intended to be one criterion for a Contestant's progression through the Contest.

The integration of existing technologies, such as payment processors and consumer service, is intended to be integrated through an application programming interface (commonly referred to as "API"), which is a set of routines, protocols, and tools for building software applications.

The Megastar Millionaire Platform is proposed to be hosted via "server farms" (such as, for example Amazon S3 (Simple Storage Service)). All actions conducted through the Megastar Millionaire Platform are proposed to be indexed through the server farm and relevant queries satisfied via cloud server systems.

For more information see Section 3.5

HOW DOES THE PROPOSED CONTEST WORK?

Once the Megastar Millionaire Platform has been developed, the first United States-based Contest is proposed to follow the following process:

- **A.** a "pre-launch" phase will be conducted, to attract potential Contestants and Fans:
- **B.** potential Contestants must have a following on social media of at least 2,000 (whether through Facebook, Instagram, Twitter or similar);
- C. 8-week audition process will apply;
- D. up to 1,000 Contestants will be selected for a 6-week judging round; and
- **E.** 12 semi-finalists will be determined by an independent panel who will enter the 2-week finals round and have the chance to be one of 4 runner-up winners, or the overall "Megastar Millionaire".

WHO ARE MSM'S KEY STRATEGIC PARTNERS?

MSM has entered into agreements with the following key strategic partners which it considers will assist in the development, marketing and conduct of the Megastar Millionaire Platform and the Contest:

- A. ToneDen, Inc.;
- B. Digital Riot Media, LLC.; and
- C. ROAR, LLC...

For more information see Sections 3.4(f) and 10.2

Business model

HOW DOES THE MERGED GROUP PLAN TO GENERATE INCOME?

The Merged Group intends to use the funds raised under the Public Offer to complete the development of the Megastar Millionaire Platform and launch the first Contest.

The Merged Group is not expected to generate any income until the launch of the first Contest.

The first Contest is anticipated to be launched between the fourth quarter of 2016 and the first quarter of 2017.

Revenue may be derived from the following possible sources following the launch of the first Contest:

- **A.** Contestants pay-to-play: Contestants would pay a fixed nominal fee to participate in the Contest.
- **B.** Fans pay-to-play and subscription fees: The Megastar Millionaire Platform may be accessed on a "freemium" and a "premium" basis. Fans may pay a fee to subscribe for premium access, which would provide the fans with access not otherwise available, such as the ability to interact with the Contestants and voting rights.
- C. Advertising revenue: Subject to the Megastar Millionaire Platform attracting sufficient internet traffic during the course of the first Contest, advertising opportunities may become available following the launch of the first Contest.

D. Merchandise sales: Actual digital and physical merchandise (such as digital content, hats, t-shirts etc.) that Fans of a particular Contestant may be able to purchase using the Megastar Millionaire Platform, for a fee. The potential revenue source for the Merged Group would be a co-revenue share with Contestants, whereby the Merged Group increases the Contestant's exposure (their "brand") and revenue earning opportunities. Fulfilment of the merchandise sale system (e.g. payment and postage systems) would be accomplished through a third party provider.

The Merged Group intends that revenue may be derived from the following sources following the successful completion of the first Contest:

- **A. Sponsorship:** The Megastar Millionaire Platform may be offered as a "white-label" model through which third parties can adopt the Megastar Millionaire Platform for their own contests. The third party would provide the content, and the Company would "power" the third-party content through the use of the Megastar Millionaire Platform on an unbranded basis.
- **B.** Data aggregation and resale: Subject to the Megastar Millionaire Platform attracting sufficient internet traffic, MSM may be able aggregate its data on consumer behaviour to sell to third parties.

For more information see Section 3.9

WHAT IS THE PROPOSED PROCESS FOR THE LAUNCH OF THE FIRST CONTEST?

The first consumer offering of the Merged Group is intended to be the Contest.

It is intended to complete one full Contest, from pre-launch to conclusion, during the first 24 months following completion of the MSM Acquisition.

Participation in the first Contest, either as a Contestant or a paying Fan, will be open to United States residents only.

Non-United States residents will not be able to access premium content/ services beyond a "paywall".

For more information see Sections 3.5 to 3.7

WHAT ARE THE KEY BUSINESS STRATEGIES OF THE MERGED GROUP?

The Merged Group's key business strategies will be to:

- A. complete the development of the Megastar Millionaire Platform;
- **B.** complete a marketing campaign for the first Contest;
- **C.** successfully complete the first Contest;
- **D.** launch additional Contests in other jurisdictions as appropriate;
- **E.** use the Megastar Millionaire Platform, once developed, as a "white label" platform; and
- **F.** use content uploaded by Contestants for other social media gaming purposes.

For more information see Section 3

WHAT ARE THE KEY DEPENDENCIES OF THE MERGED GROUP'S BUSINESS MODEL?

The key factors that the Merged Group will depend on to meet its objectives are:

- A. the successful completion of the Offers;
- **B.** the successful completion of the MSM Acquisition;
- C. the successful development of the Megastar Millionaire Platform;
- **D.** retaining the key personnel of MSM;
- **E.** the ability to protect its intellectual property in the Megastar Millionaire Platform; and
- **F.** the ability of the Company to acquire, retain and engage consumers to the Megastar Millionaire Platform.

For more information see Section 3.12

Summary of key risks

NO TRADING HISTORY

MSM has no trading history and there is therefore uncertainty in relation to the business of the Merged Group and investors should consider the Merged Group's prospects in light of MSM's limited history.

For more information see Section 5.2(a)

TECHNOLOGY AND DEVELOPMENT RISKS

MSM is an early-stage company and has yet to develop the Megastar Millionaire Platform.

The development phase of the Megastar Millionaire Platform is subject to technological and development risks which may result in unforeseen and unforeseeable delays. Delays in completing the development of the Megastar Millionaire Platform will translate into delays in the Merged Group receiving revenue.

For more information see Section 5.2(b)

RELIANCE ON KEY PERSONNEL

Success of the business will depend on the Directors and the officers of the Merged Group to develop the business and manage operations, and on the ability to attract and retain key quality staff and consultants. The loss of any key person or the inability to find new key persons could have a material adverse effect on the business.

For more information see Section 5.2(c)

MAINTENANCE OF KEY BUSINESS PARTNER RELATIONSHIPS

The Merged Group will rely on relationships with key business partners (including but not limited to ToneDen, Digital Riot and ROAR) to enable it to develop the Megastar Millionaire Platform and run the Contests.

In the event that any of these relationships are terminated, the Merged Group would seek to replace them with alternate business partners, however such alternates may not be readily available, or available on reasonable terms, and this could impact the Merged Group's financial position.

For more information see Section 5.2(d)

FAILURE TO ATTRACT, RETAIN AND ENGAGE CONSUMERS

The revenue streams for the Merged Group depend on its ability to attract, retain and engage consumers to the Megastar Millionaire Platform. If the Merged Group is unable to attract, retain and engage consumers, the potential revenue streams may not materialise or be insufficient.

For more information see Section 5.2(e)

INTELLECTUAL PROPERTY

The MSM Group has applied for patent protection and registration of its trademarks in the United States. There is a risk that the patent and/or trademark applications may not be successful and the Merged Group may not be able to obtain patent and/or trademark protection in the future.

If and when the Merged Group expands the Contests to include Contestants and paying Fans outside of the United States, it will be necessary to apply for additional intellectual property protection. The likelihood of success of such applications is not guaranteed.

While the Merged Group's continued trading under the "Megastar Millionaire" branding is not contingent upon the success of its trademark applications, if the trademarks are not registered, it may limit the Merged Group's ability to prevent a competing product being made available by another party using the same or similar branding, and may also give rise to a greater risk of a claim of trademark infringement being made against the Merged Group.

For more information see Sections 5.2(f) and 5.2(g)

RISKS ASSOCIATED WITH THE REGULATORY ENVIRONMENT APPLICABLE TO RUNNING A "GAME OF SKILL"

The structure of the Contest is such that it is classified as a "game of skill", rather than a "game of chance".

The Merged Group will incur ongoing costs and obligations associated with compliance with necessary laws and regulations applicable to games of skill, as well as other laws and regulations applicable to the operation of the Megastar Millionaire Platform, once developed (such as privacy laws).

The Merged Group may be impeded from operating from time to time due to regulatory impediments, which could be due to a lack of clarity on the required approvals or licences, or alternatively, changes in the approvals or licences required by law or regulation.

Any failure to comply with regulations may result in additional costs or restrictions in the Merged Group's business.

For more information see Section 5.2(h)

THIRD PARTY COMPETITION

The actions of competitors in the same industry as the Merged Group will be outside of the control of the Merged Group. A rival product offering or technology developments by third-party competitors may have a materially adverse effect on the value and prospects of the Merged Group.

For more information see Section 5.2(i)

Directors and Key Management Personnel

DIRECTORS

After successful completion of the MSM Acquisition, the Directors of the Company will be:

- A. Mr Dion Sullivan (Executive Director);
- B. Mr Adam Wellisch (Non-Executive Director); and
- C. Mr Matthew Foy (Non-Executive Director).

The profiles of each of these individuals are detailed in Section 9.3. Details of the personal interests of each of the above individuals are in Section 9.6.

For more information see Sections 9.3 and 9.6

ADDITIONAL KEY MANAGEMENT PERSONNEL

Mr Doug Barry has been appointed as the Chairman of the Merged Group's operations in the United States.

The profile of Mr Barry is detailed in Section 9.4(a). A summary of the material terms and conditions of Mr Barry's executive adviser agreement is in Section 10.3(c).

For more information see Sections 9.4 and 10.3(c)

Financial information

HOW HAVE THE COMPANY AND MSM PERFORMED OVER THE PAST 12 MONTHS?

The audited statements of financial position of the Company as at 30 June 2015, and MSM as at 30 April 2015 are set out in the Investigating Accountant's Report in Section 8.

Following the change in the nature of its activities, the Merged Group will be focused on developing the MSM business. Therefore, the Company's past operational and financial performance will not be of significant relevance to future activities.

For more information see Section 8

WHAT IS THE FINANCIAL OUTLOOK FOR THE MERGED GROUP?

The operations of the Merged Group are inherently uncertain. As such, the Directors believe that they do not have a reasonable basis to forecast future earnings.

For more information see Section 7.3

DOES THE MERGED GROUP HAVE SUFFICIENT FUNDS FOR ITS ACTIVITIES?

The funding for the Merged Group's short- to medium-term activities will be generated from money raised under the Public Offer.

For more information see Section 3.16

WHAT IS THE PROPOSED USE OF FUNDS RAISED UNDER THE PUBLIC OFFER?

The Company intends to apply the funds raised from the Public Offer as set out in Section 3.16.

For more information see Section 3.16

What are the Offers?

WHAT IS THE PUBLIC OFFER?

The Public Offer is a conditional offer inviting the general public to apply for 116,666,667 Shares at an Offer Price of \$0.06 each to raise \$7,000,000 (before expenses).

The Public Offer is subject to a minimum subscription requirement to raise \$7,000,000.

For more information see Section 2.1

WHAT ARE THE SECONDARY OFFERS?

The Company is undertaking the following conditional Secondary Offers in connection with the MSM Acquisition:

- **A.** MSM Shareholder Offer: an offer of up to 75,000,000 Shares and 100,000,000 Performance Shares to the MSM Shareholders as consideration for the acquisition of all the MSM shares by the Company.
- **B. MSM Optionholder Offer:** an offer of up to 18,000,000 Options to the MSM Optionholders as consideration for the cancellation of all of the MSM options.
- **C. MSM Noteholder Offer:** an offer of up to 25,000,000 Shares and 25,000,000 Options to the MSM Noteholders in consideration for the assignment of all of the MSM convertible notes to the Company.

For more information see Section 2.3

WHAT ARE THE CONDITIONS OF THE OFFERS?

The Offers remain conditional upon the following events occurring:

- **A.** the Company raising the minimum subscription (\$7,000,000) under the Public Offer;
- B. completion of the MSM Acquisition; and
- **C.** ASX approving the Company's re-compliance with the admission requirements under Chapters 1 and 2 of the Listing Rules.

If any of the conditions are not satisfied then the Offers will not proceed, any Securities issued under this Prospectus will be deemed void and the Company will repay all Application Monies.

For more information see Section 2.4

WHY ARE THE OFFERS BEING CONDUCTED?

The purposes of the Offers are to:

- **A.** meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules;
- **B.** provide funding for the purposes outlined in Section 3.16;
- **C.** provide the Company with access to equity capital markets for future funding needs; and
- **D.** enhance the public and financial profile of the Company.

For more information see Section 2.2

WHY IS THE COMPANY REQUIRED TO RE-COMPLY WITH CHAPTERS 1 AND 2 OF THE LISTING RULES?

The Company received in-principle advice from the ASX that the MSM Acquisition will constitute a change in the nature and scale of the Company's activities under Listing Rule 11.1.3.

As a result, the Company is required to re-comply with Chapters 1 and 2 of the Listing Rules, being the admission requirements of the ASX, in addition to seeking the approval of Shareholders to the MSM Acquisition.

The Offers are therefore conditional on the Company receiving approval from the ASX that it has re-complied with the admission requirements under Chapters 1 and 2 of the Listing Rules. If the ASX does not approve the Company's recompliance with the ASX's admission requirements, the Offers will not proceed, no Securities will be issued pursuant to this Prospectus and the Company will repay all Application Monies received.

For more information see Section 1.2

Additional information

WILL THE COMPANY BE ADEQUATELY FUNDED AFTER COMPLETION OF THE PUBLIC OFFER?

The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives.

For more information see Section 3.16

WHAT ARE THE KEY DATES OF THE OFFERS?

Lodgement of this Prospectus with ASIC: 2 November 2015

Opening Date for Public Offer: 2 November 2015

Opening Date for Secondary Offers: 9 November 2015

Closing Date for Offers: 27 November 2015

Dispatch of holding statements: 4 December 2015

Expected date for Shares to be reinstated to trading on ASX: 11 December 2015

The above dates are indicative only and may change without notice.

For more information see "Key Offer Details"

WHAT RIGHTS AND LIABILITIES ATTACH TO THE SECURITIES BEING OFFERED UNDER THIS PROSPECTUS?

All Shares (other than the Performance Shares) issued under the Offers will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 11.1.

The rights and liabilities attaching to the Performance Shares issued under the MSM Shareholder Offer are described in Section 11.2. Upon the relevant Milestones being achieved, the Performance Shares will convert into Shares which will rank equally in all respects with existing Shares on issue.

The rights and liabilities attaching to the Options issued under the MSM Noteholder Offer and the MSM Optionholder Offer are described in Section 11.3. The Shares issued on exercise of the Options will rank equally in all respects with existing Shares on issue.

For more information see Sections 11.1, 11.2 and 11.3

IS THE PUBLIC OFFER UNDERWRITTEN?

No, the Public Offer is not underwritten.

For more information see Section 2.6

WILL THE SHARES ISSUED UNDER THE OFFERS BE QUOTED?

The Company will apply to ASX no later than 7 days from the date of this Prospectus for official quotation of the Shares on the ASX under the new code, "MSM".

For more information see Important Information

WHAT ARE THE TAX IMPLICATIONS OF INVESTING IN SECURITIES UNDER THE OFFERS?

The tax consequences of any investment in Securities under the Offers will depend upon your particular circumstances.

Prospective investors should obtain their own tax advice before deciding to invest.

For more information see Section 2.15

HOW DO I APPLY FOR SECURITIES UNDER THE OFFERS?

Applications for Securities under the Offers must be made by completing the relevant Application Form and, for the Public Offer, must be accompanied by a cheque in Australian dollars for the full amount of the application being the number of Shares applied for multiplied by \$0.06 per Share. Cheques must be made payable to "MSM Corporation International Limited" and should be crossed "Not Negotiable".

For more information see Section 2.7

WHEN WILL I RECEIVE CONFIRMATION THAT MY APPLICATION HAS BEEN SUCCESSFUL?

It is expected that holding statements will be sent to successful applicants by post on or about 4 December 2015.

For more information see "Key Offer Details"

WILL ANY SHARES BE SUBJECT TO ESCROW?

No Shares issued under the Public Offer will be subject to escrow.

Subject to the Company's Shares being reinstated to trading on the ASX, certain Securities issued under the Secondary Offers will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement.

For more information see Section 2.10

WHAT IS THE COMPANY'S DIVIDEND POLICY?

The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the MSM business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, and general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

For more information see Section 7.4

HOW CAN I FIND OUT MORE ABOUT THE PROSPECTUS OR THE OFFERS?

Questions relating to the Offers and applications for Shares can be directed to the Company on **+61 8 9486 4036**.

For more information see Section 2.16





Transaction Overview

1.1

The MSM Acquisition

On 30 April 2015, the Company announced it had agreed to acquire the entire issued capital of Megastar Millionaire Pty Ltd (MSM), an Australian based proprietary company, which holds confidential information and intellectual property interests pertaining to the development of a software platform (Megastar Millionaire Platform) across which online contests (Contests) are proposed to be conducted.

The MSM Acquisition is proposed to be effected by means of an all-scrip offer by the Company to acquire all of the shares, options and convertible notes held in MSM on the following basis:

SECONDARY OFFERS	CONSIDERATION RATIO	TOTAL CONSIDERATION
MSM Shareholder Offer	1.079 Shares and 1.439 Options for every 1 MSM share held	75,000,000 Shares and 100,000,000 Performance Shares
MSM Noteholder Offer	3,125 Shares and 3,125 Options for every 1 MSM convertible note held	25,000,000 Shares and 25,000,000 Options
MSM Optionholder Offer	1 Option for every 1 MSM option held	18,000,000 Options

Refer to Section 10.4(a) for a summary of the Share Sale Agreement between the Company and the Major MSM Shareholders in respect of the MSM Acquisition (Share Sale Agreement).

Separate offers have already been made by the Company to each Minority MSM Shareholder, MSM Noteholder and MSM Optionholder and have been accepted by 100% of the Minority MSM Shareholders and MSM Optionholders. The Company and MSM are in the advanced stages of procuring the executed agreements of all MSM Noteholders. The receipt of these executed agreements from all of the MSM Noteholders is a condition precedent to completion of the MSM Acquisition. Refer to Section 10.4(c) for further information.

The valuation and number of Securities to be issued in consideration for the acquisition of MSM was determined through arm's length negotiations between the existing Directors of the Company at the date of this Prospectus and the MSM Board.

In determining the purchase price for MSM, the existing Directors of the Company at the date of this Prospectus took into account the following considerations:

- (a)
- the Directors reviewed the business development plan for MSM and the compelling track record of the MSM team and have formed the view that the proposed Megastar Millionaire Platform, under the direction of the MSM team, may have a competitive advantage in the media and digital entertainment sector;
- (b) the last prices at which MSM raised equity funding from third-party investors;

- MSM's future prospects based on the status of its key management team, interest from third parties and the prospects for the industry; and
- representations from the MSM Board as to the price at which an offer for MSM would be likely to succeed.

As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always a good valuation methodology available when determining the purchase price and the existing Directors were required to take into account qualitative factors, such as those set out above, in coming to a decision on price.

No formal valuation process in respect of MSM was undertaken through the engagement of independent advisers.

Completion of the MSM Acquisition is subject to a number of conditions, including the following, which may only be waived by the party in favour of whom the condition is given or by both parties by mutual agreement:

- the Company raising the minimum subscription under the Public Offer, being \$7,000,000; and
- ASX approving the Company's re-compliance with the admission requirements under Chapters 1 and 2 of the Listing Rules.

1.2

Suspension and reinstatement on ASX

As the Company is currently a mining explorer, the acquisition of MSM, if successfully completed, will represent a significant change in the nature and scale of MSM's operations to a media and technology company.

ASX has indicated that this change in the nature and scale of the Company's activities requires:

- (a) the approval of Shareholders; and
- the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

Shareholders approved the change in the nature and scale of the Company's activities at the General Meeting held on 7 October 2015. The Company's Shares were suspended at the commencement of trading on the date of the General Meeting, and will remain suspended until the Company has re-complied with Chapters 1 and 2 of the Listing Rules and is reinstated to Official Quotation by ASX.

It is expected that the conduct of the Public Offer pursuant to this Prospectus and completion of the MSM Acquisition will enable the Company to satisfy the requirements of Chapters 1 and 2 of the Listing Rules.

Applicants should be aware that ASX will not re-admit or admit any Shares issued under the Offers to Official Quotation until the Company re-complies with Chapters 1 and 2 of the Listing Rules to the satisfaction of ASX.

In the event that the Company does not receive conditional approval for re-instatement of its Shares to Official Quotation, the Offers will be withdrawn and the Company will not proceed with the Offers and will repay all Application Monies received by it in connection with this Prospectus (without interest).

The Company will apply to ASX no later than seven days from the date of this Prospectus for ASX to grant official quotation of the Shares issued pursuant to this Prospectus. If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies received under the Public Offer will be refunded in full without interest in accordance with the Corporations Act.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant official quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

1.3

General Meeting

At the General Meeting held on 7 October 2015, the Company obtained Shareholder approval of the following resolutions in relation to the MSM Acquisition and the Offers under this Prospectus:

- Change in nature and scale: The Company changing the nature and scale of its activities as a result of the MSM Acquisition. Upon completion of the MSM Acquisition, the Company will effectively change from a mining exploration company to a media and technology company.
- **Approval of Performance Shares:** The Company approving the Performance Shares. Please refer to Section 11.2 for the terms of the Performance Shares.
- Issue of Securities to MSM Shareholders: The Company issuing 75,000,000 Shares and the 100,000,000 Performance Shares to the MSM Shareholders in consideration of acquiring 100% of the securities in MSM.
- Issue of Securities to MSM Noteholders: The Company issuing 25,000,000 Shares and 25,000,000 Options to the MSM Noteholders in consideration for the assignment of all the convertible notes in MSM to the Company.
- lssue of Options to MSM Optionholders: The Company issuing 18,000,000 Options to the MSM Optionholders in consideration for the cancellation of all of the options in MSM.
- Issue of Executive Shares: The Company issuing 12,500,000 Shares to Mr Doug Barry (or his nominee) in satisfaction of contractual obligations under Mr Barry's services agreement with MSM US.
- **Public Offer:** The Company issuing 116,666,667 Shares to the public under this Prospectus to raise up to \$7,000,000 before costs.

- Change of name: The Company changing its name from "Minerals Corporation Limited" to "MSM Corporation International Limited". The change of name took effect from the date ASIC recorded the details of the change, which was 20 October 2015.
- **Appointment of new Directors:** The appointment of Mr Dion Sullivan and Mr Adam Wellisch as Directors of the Company.





Details of the Offers

Public Offer

By this Prospectus, pursuant to the Public Offer the Company offers 116,666,667 Shares at an Offer Price of \$0.06 per Share to raise funds of \$7,000,000 (before costs). The Public Offer is open to the general public.

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 11.1 of the Prospectus.

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 2.7 for further details and instructions.

The minimum level of subscription for the Public Offer is 116,666,667 Shares to raise \$7,000,000 (before costs). No Shares will be issued until the minimum subscription has been received. If the minimum subscription has not been achieved within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any Securities under this Prospectus and will repay all Application Monies in accordance with the Corporations Act.

2.2

Purposes of the Public Offer

The purposes of the Public Offer are to:

- meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules;
- (b) provide funding for the purposes outlined in Section 3.16;
- provide the Company with access to equity capital markets for future funding needs; and
- (d) enhance the public and financial profile of the Company.

Secondary Offers

The Company is also undertaking the Secondary Offers (described below) in connection with the MSM Acquisition. The Secondary Offers are being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Securities (or any Shares issued on conversion of any Securities into Shares) that are issued under the Secondary Offers.



MSM SHAREHOLDER OFFER

The Prospectus also includes the MSM Shareholder Offer, under which the Company offers 75,000,000 Shares and 100,000,000 Performance Shares to the MSM Shareholders for the acquisition of all the shares in Megastar Millionaire Pty Ltd.

The Shares to be issued pursuant to the MSM Shareholder Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. A summary of the rights and liabilities attaching to the Shares is set out in Section 11.1 of the Prospectus.

The rights and liabilities attaching to the Performance Shares issued under the MSM Shareholder Offer are described in Section 11.2. If the Performance Shares convert into Shares upon the relevant Milestones being achieved, then the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Securities under the MSM Shareholder Offer may only be made by the MSM Shareholders on the MSM Shareholder Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

Persons wishing to apply for Securities under the MSM Shareholder Offer should refer to Section 2.7 for further details and instructions. No Application Monies are payable under the MSM Shareholder Offer.



MSM NOTEHOLDER OFFER

The Prospectus also includes the MSM Noteholder Offer, under which the Company offers 25,000,000 Shares and 25,000,000 Options to the MSM Noteholders in consideration for the assignment of all of the convertible notes in Megastar Millionaire Pty Ltd to the Company.

The Shares to be issued pursuant to the MSM Noteholder Offer are of the same class and will rank equally in all respects with the existing Shares in the Company. A summary of the rights and liabilities attaching to the Shares is set out in Section 11.1 of the Prospectus.

The rights and liabilities attaching to the Options issued under the MSM Noteholder Offer are described in Section 11.3. If the Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Shares and Options under the MSM Noteholder Offer may only be

made by the MSM Noteholders on the MSM Noteholder Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

Persons wishing to apply for Shares and Options under the MSM Noteholder Offer should refer to Section 2.7 for further details and instructions. No Application Monies are payable under the MSM Noteholder Offer.



MSM OPTIONHOLDER OFFER

The Prospectus also includes the MSM Optionholder Offer, under which the Company offers 18,000,000 Options to the MSM Optionholders in consideration for the cancellation of all of the options in Megastar Millionaire Pty Ltd.

The rights and liabilities attaching to the Options issued under the MSM Optionholder Offer are described in Section 11.3. If the Options are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company.

Applications for Options under the MSM Optionholder Offer may only be made by the MSM Optionholders on the MSM Optionholder Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

Persons wishing to apply for Options under the MSM Optionholder Offer should refer to Section 2.7 for further details and instructions. No Application Monies are payable under the MSM Optionholder Offer.

2.4

Conditional

The Offers under this Prospectus are conditional upon the following events occurring:

- the Company raising the minimum subscription being \$7,000,000 under the Public Offer (refer to Section 2.1);
- completion of the MSM Acquisition in accordance with the Share Sale Agreement; and
- ASX providing the Company with a list of conditions which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX upon the satisfaction of Chapters 1 and 2 of the Listing Rules.

If these conditions are not satisfied, then the Offers will not proceed and the Company will repay all Application Monies received under the Public Offer in accordance with the Corporations Act.

Capital structure

The proposed pro forma capital structure of the Company following completion of the Offers and the MSM Acquisition is as follows:

SHARES	
Shares on issue prior to the Offers	43,938,402
Shares to be issued to MSM Shareholders	75,000,000
Shares to be issued to MSM Noteholders	25,000,000
Executive Shares	12,500,000
Maximum number of Shares to be issued under the Public Offer	116,666,667
Total Shares on issue following completion and re-compliance	273,105,069
OPTIONS	
Options on issue prior to the Offers	32,001,913
Options to be issued to MSM Noteholders	25,000,000
Options to be issued to MSM Optionholders	18,000,000
Total Options on issue following completion and re-compliance	75,001,913
PERFORMANCE SHARES	
Performance Shares on issue prior to the Offers	Nil
Performance Shares to be issued to MSM Shareholders	100,000,000
Total Performance Shares on issue following completion and re-compliance	100,000,000

Notes:

- **1.** The above tables assume that no Options are exercised and the Milestones are not achieved so that the Performance Shares do not convert into Shares.
- **2.** Following completion of the Offers and the MSM Acquisition, the Company will also be required to issue, subject to the receipt of any necessary Shareholder approvals:
 - **A.** 14,000,000 unquoted Options to the Lead Manager, exercisable at \$0.10 each on or before 7 November 2019 (refer to Section 10.4(e)); and
 - **B.** a total of 1,735,836 Shares to Mr John Baldecchi and Michael Pole in consideration for the future provision of services on the MSM US Advisery Board (refer to Section 10.3(d)).

2.6

No underwriting

The Public Offer is not underwritten.

2.7

Applications

Applications for Shares under the Offers can only be made using the relevant Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the back of the form.

Applications under the Public Offer must be for a minimum of 33,334 Shares (\$2,000) and then in increments of 8,334 Shares (\$500). No brokerage, stamp duty or other costs are payable by applicants. Cheques must be made payable to "MSM Corporation International Limited" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account.

Completed Application Forms and accompanying cheques must be received by the Share Registry before 5.00pm WST on the Closing Date by either being delivered to, or posted to, the following address:





Applicants are urged to lodge their Application Forms as soon as possible as the Public Offer may close early without notice.

An original, completed and lodged Application Form together with a cheque for the Application Monies (for applications under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe amend or complete the Application Form is final; however, an applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

2.8

Allocation and allotment of Securities

The Directors reserve the right to reject any application or to allot a lesser number of Securities than that applied for.

If the number of Securities allocated is less than that applied for, or no allotment is made, any surplus Application Monies will be promptly refunded without interest.

Subject to ASX granting approval for quotation of the Shares, the allotment of Shares will occur as soon as practicable after the Public Offer closes. Holding statements will be dispatched as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their holding statement will do so at their own risk.

2.9

Application Monies to be held in trust

The Application Monies for Shares to be issued pursuant to the Public Offer will be held in a separate bank account on behalf of applicants until the Shares are allotted. If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Application Monies will be refunded in full

without interest, and any Shares issued will be deemed to be void. All interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

2.10

Escrow arrangements

Subject to the Company's Shares being reinstated to trading on the ASX, certain Securities in the Company will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Securities likely to be subject to escrow are the Securities issued under the Secondary Offers.

The Shares offered under the Public Offer will not be subject to any escrow restrictions.

Prior to the Company's Shares being reinstated to trading on the ASX, the Company will enter into escrow agreements with the recipients of the restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

2.11

CHESS and issuer sponsorship

The Company participates in CHESS. All trading on the ASX in existing Shares is, and in new Shares will be, settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company does not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer-sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

Risks

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 5 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

2.13

Overseas investors

An Offer made pursuant to this Prospectus is not made to persons or in places which would not be lawful to make the Offer. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Failure to comply with such restrictions may constitute a violation of applicable securities laws.

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in respect of the Offers.

2.14

Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to Security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Securities will not be processed. In accordance with privacy laws, information collected in relation to specific Security holders can be obtained by that Security holder through contacting the Company or the Share Registry.

Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

2.16

Enquiries

This is an important document and should be read in its entirety. Investors should consult with their professional advisers before deciding whether to apply for Securities under this Prospectus. Any investment in the Company under this Prospectus should be considered highly speculative.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company on +61 8 9486 4036.



Overview of the Company, MSM and the Merged Group

MSM Corporation International Limited

MSM Corporation International Limited (formerly Minerals Corporation Limited) (Company) is an Australian company listed on ASX that was incorporated on 18 October 1982. The Company was admitted to the official list on 20 November 1996. The Company's most recent primary activity has been mineral exploration.

On 7 April 2015, the Company announced that it had decided not to exercise its option to acquire the Riwaka Project near Nelson, New Zealand following the results of the Company's technical and commercial evaluation of the project. The Company stated that it was reviewing a number of alternative investment opportunities for the Company.

The Company continues to hold a minority interest in the Skardon Kaolin Project in Cape York Peninsula, Queensland (Skardon Project). Subject to completion of the MSM Acquisition occurring, the Company intends to dispose of its interest in the Skardon Project. Accordingly, the Company's interest in the Skardon Project is not considered material in the context of the Offers.

3.2

Acquisition of MSM

On 30 April 2015, the Company announced to ASX that it had entered into conditional binding term sheet with the Major MSM Shareholders to acquire all the issued capital of MSM. On 4 September 2015, the Company and the Major MSM Shareholders entered into a definitive, full form share sale agreement which replaced the initial term sheet (Share Sale Agreement). The Share Sale Agreement was on terms consistent with the initial term sheet.

Corporate structure

The diagram below summarises the corporate structure of the Company following completion of the MSM Acquisition.

MSM CORPORATION INTERNATIONAL LIMITED

(formerly Minerals Corporation Limited)

100%

MEGASTAR MILLIONAIRE PTY LTD

100%

100%

MSM MUSIC, INC.

(Delaware registered entity)

MSM HOLDINGS PTE. LTD.

(Singaporean registered entity)

Notes:

- **1.** At the time MSM Music, Inc was registered, MSM had proposed that the Contest would be a music contest, rather than a general talent contest. It is proposed to change the name of MSM Music, Inc. to a more appropriate corporate name in due course.
- 2. The Company also has one wholly owned subsidiary, ACN 168 222 651 Pty Ltd. This entity was incorporated in February 2014 for the purposes of a transaction unrelated to the MSM Acquisition, which subsequently did not complete. It does not hold any assets or liabilities or operate any business. The Company's current intention is to leave it dormant and assess whether it is required following completion of the MSM Acquisition.

Megastar Millionaire Pty Ltd

The "Megastar Millionaire" business was founded and developed through a transcontinental collaboration between Mr Adam Wellisch and Mr Dion Sullivan commencing in 2013, which crystallised with the acquisition of the key domain, Megastar Millionaire.com, on 2 July 2013.

Together, Mr Wellisch and Mr Sullivan set out to develop the model and brand for an industry-leading online music contest and content delivery platform. The vision was to create a disruptive reimagining of the highly popular and conventional televised music contests to leverage the migration of user content consumption to mobile social mediums.

Over time, and through the involvement of other key management and advisers, the vision for the model and brand was expanded to include a general talent contest and content delivery platform.

The key milestones achieved by MSM to date are summarised below:

(a) Execution of formation Heads of Agreement and incorporation of MSM

The project commenced by Mr Wellisch and Mr Sullivan in 2013 was formalised by the incorporation of Megastar Millionaire Pty Ltd **(MSM)** on 12 August 2014 and the entry into the formation Heads of Agreement on 29 August 2014.

Pursuant to the Heads of Agreement, Mr Wellisch and Mr Sullivan, together with technology incubator Webstar Group International Pty Ltd **(Webstar)**, agreed to:

- I. settle the activities, performance criteria, specifications and milestones for the development of the MSM business;
- II. assign all parties' present and future rights and interests, including intellectual property rights, which are developed under the Heads of Agreement, to MSM; and
- **III.** issue equity in MSM to each of Mr Wellisch, Mr Sullivan and Webstar in consideration for the services provided to date, and to be provided under the Heads of Agreement.

(b) <u>Incorporation of subsidiaries</u>

MSM's Singaporean registered subsidiary, MSM Holdings Pte Ltd, was incorporated on 3 March 2015.

MSM's Delaware registered subsidiary, MSM Music, Inc., was incorporated on 23 June 2015.

Engagement of key management personnel: Mr Doug Barry

On 1 February 2015, MSM executed a heads of agreement with Mr Doug Barry, pursuant to which Mr Barry agreed to be engaged as adviser and chairman of MSM's operations in the United States. Mr Barry has significant experience with entertainment, digital and technology start-ups and brings key strategic corporate and entertainment industry connections and experience to MSM.

For further information regarding Mr Barry, please see Section 9.4(a).

Mr Barry executed a formal executive adviser agreement with MSM US on 29 October 2015 (summarised in Section 10.3(c)).

(d) Protection of intellectual property rights

- I. On 25 March 2015, applications for registration of MSM's trademarks were lodged with the United States Patent and Trademark Office on behalf of MSM's wholly owned Singaporean-registered subsidiary, MSM Holdings Pte. Ltd.
- II. On 15 May 2015, applications for registration of MSM's trademarks were lodged pursuant to the international Madrid Protocol on behalf of MSM Holdings Pte. Ltd.
- III. In April 2015, additional domain names for the Megastar Millionaire Platform were acquired by Mr Wellisch on behalf of the MSM Group.
- IV. MSM US has also lodged an application for a provisional patent application entitled "A System and Method for a Media Platform" with the United States Patent and Trademark Office.

(e) Completion of significant capital raising

On 1 April 2015, MSM received the final funding under a significant capital raising through the issue of convertible notes to raise a total of \$800,000 (before costs). These seed funds supported the development of the MSM business including by funding the costs to date incurred as part of the MSM Acquisition, as well as the costs incurred as part of achieving the milestones described in this Section.

Further information about MSM's historical expenditures is in Section 7.1.

(f) Strategic investments and partnerships

I. ToneDen, Inc.

On or about 3 August 2015, MSM entered into an agreement with ToneDen, Inc. **(ToneDen)**, pursuant to which MSM agreed to invest a total of US\$300,000 for a 5% equity interest in ToneDen **(ToneDen Agreement)**.

ToneDen is a music creation software platform, based in Berkeley, California, designed to help millions of artists connect directly with their fans online. In one year, ToneDen has grown to support over 100,000 creators that use its technology to promote their music and better engage their audiences. ToneDen works with over 500 digital establishments in the industry, including SoundCloud and Spotify, to better understand and grow artist reach online. ToneDen's mobile platform provides fans with a direct point of contact with the artists they support, allowing them to keep up to date with new music and easily share that with their networks. Notable existing investors include Stanford StartX, Silicon Valley's preeminent early stage incubator, and Allen Debevoise, notable tech entrepreneur and founder of Machinima and Third Wave.

It is anticipated that MSM's investment in ToneDen and the relationships between the management of MSM and ToneDen will result in ToneDen supporting MSM in the following manner:

- **A.** leverage its core competencies of music platform technologies and community build into MSM;
- **B.** pre-market Megastar Millionaire to its (currently) more than 100,000 global artists; and
- **C.** leverage its contacts within music industry influencers to promote MSM.

The terms and conditions of the ToneDen Agreement are summarised in Section 10.2(c).

II. Digital Riot Media (formerly Social Media Studios)

On or about 5 August 2015, MSM entered into an agreement with Digital Riot Media LLC (**Digital Riot**) (formerly known as Social Media Studios), pursuant to which MSM invested US\$50,000 by way of convertible notes in Digital Riot (**Digital Riot Agreement**).

Digital Riot is a fully dedicated direct-to-consumer digital movie studio which is building a slate of movies around social media influencers, supported by cast and crew from traditional media.

Digital Riot is using the disruptive technology of direct-to-consumer marketing and distribution to create a reliable and efficient business model. In addition to a large development slate, the Digital Riot team is developing distribution solutions and platforms which will allow us to scale and distribute content efficiently.

The terms and conditions of the Digital Riot Agreement are summarised in Section 10.2(a).

The co-founder and executive chairman of Digital Riot is also the chairman of MSM's US Operations, Mr Doug Barry. Mr John Baldecchi is the chief executive officer of Digital Riot, and also a member of the MSM US Advisery Board.

Digital Riot has also agreed to support the Merged Group in the following manner:

- **A.** agreeing to allow a mutually agreed upon number of winners the opportunity to leverage their talents for a supporting role within one (or more) of Digital Riot's short-form films;
- **B.** allowing the Merged Group to selectively use Mr Baldecchi to promote the Megastar Millionaire Platform and the Contest in various paid and non-paid media outlets, including tweets, Facebook updates and interviews as agreed by Mr Baldecchi; and
- **C.** introducing the Merged Group to various digital entertainment industry influencers, either as potential strategic partners and/or investors.

For more information, refer to Section 10.2(b).

III. ROAR, LLC.

On 26 October 2015, MSM entered into an agreement with ROAR, LLC. **(ROAR)**, pursuant to which ROAR agreed to provide MSM with certain non-exclusive strategic management services in North America **(ROAR Agreement)**.

ROAR is a talent, music, and brand management firm with expertise in overall career strategy, guidance, execution and business development,

strategic partnerships, and marketing initiatives. ROAR's clients include musicians, actors, writers, directors, comedians, entertainment and lifestyle companies, experts and icons engaged in entertainment and lifestyle initiatives.

Pursuant to the ROAR Agreement, ROAR agreed to provide the following services to MSM (on a non-exclusive basis):

- **A.** advice in relation to identification, access, negotiation and management of prospective commercial arrangements with celebrities and other prominent influencers and supporters of MSM;
- **B.** North American market media strategy and advice in relation to dealings and negotiations with C-level executives within relevant music, TV and digital companies;
- **C.** advice in relation to the identification of and negotiation with appropriate agency, brand and charity strategic partners relevant to the promotion and awareness building campaign for MSM; and
- **D.** advice in relation to the monetisation of talent that participate within the Megastar Millionaire Platform.

The formal terms and conditions of the ROAR engagement are to be agreed in a full form agreement in due course. For further information, refer to Section 10.2(d).

(g)

Formation of MSM US Advisory Board

On 7 October 2015, MSM appointed Mr Michael Pole as the inaugural member of the "MSM US Advisory Board". On 10 October 2015, MSM appointed Mr John Baldecchi to the MSM US Advisory Board.

It is intended that the Merged Group will leverage the significant experience of the members of the MSM US Advisory Board in the entertainment and social media industries.

The MSM US Advisory Board will conduct quarterly meetings with the intention of assisting in the strategic and corporate development and promote the interests of the Merged Group.

For further information regarding Mr Pole and Mr Baldecchi, please see Section 9.4(b). For further information regarding the terms of the engagement of Mr Pole and Mr Baldecchi, please refer to Section 10.3(d).

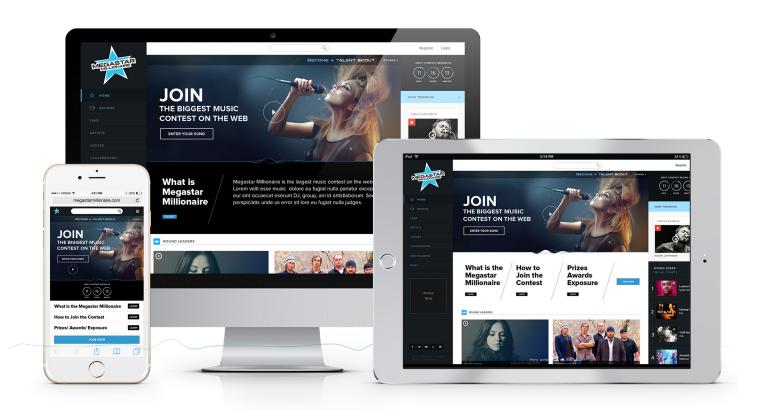
The terms and conditions of the appointments of Mr Pole and Mr Baldecchi are summarised in Section 10.3(d).

Development of the proposed Megastar Millionaire Platform

The key technology supporting the business of the Merged Group will be the Megastar Millionaire Platform, which is proposed to be offered over iOS, Android, Mac, PC and Tablet systems.

The Megastar Millionaire Platform is currently at an early-stage of development and is yet to be completed.

MSM has completed the initial design concepts for the Megastar Millionaire Platform, some of which are illustrated below. These creative skins are indicative of the proposed interactive interface and remain subject to change.



The key steps for the development of the Megastar Millionaire Platform are described on the following page.

step 1: Design phase

Development of the scope and design of the Megastar Millionaire Platform and determining the technologies across which the Megastar Millionaire Platform will operate.

The initial design concepts have been completed by MSM and MSM has determined that the Megastar Millionaire Platform will be developed such that it is compliant with and available on iOS and Android mobile, Mac, PC and tablet.

step 2: Development of wireframes

It is proposed that third party teams who are specialists in developing native mobile apps will be engaged to develop the wireframes for the Megastar Millionaire Platform.

"Wireframes" are two-dimensional illustrations of a webpage's interface that specifically focuses on space allocation and prioritisation of content, functionalities available, and intended behaviours.

In architectural terms, the wireframes are the blueprints to the webpage which outline what information the website will contain, but without the functionality that will be present in the live webpage.

Risks which may result in delays to the anticipated timing include, amongst other things, inferior code based selection and/or poor determination of the scope and design of the Megastar Millionaire Platform.

step 3: Code development

Once the wireframes have been developed, code development and integration of required third party services for the operation and functionality of the Megastar Millionaire Platform will be facilitated.

These third party services may include, for example, third party payment providers to facilitate pay-for-play payments and the payment of subscription fees.

Risks which may result in delays to the anticipated timing include, amongst other things, reliance on key personnel, scope creep and/or poor budget or task management.

step 4: Alpha testing

The next step will involve the Merged Group stress testing the Megastar Millionaire Platform and identifying any missing functionalities or errors.

The alpha testing phase will be done in-house and will be the first formal testing phase for the Megastar Millionaire Platform.

Risks which may result in delays to the anticipated timing include, amongst other things, improper stress case definitions and/or code breakage due to poor infrastructure.

step 5: Beta release

The Merged Group will then complete the last stage of testing, which will involve sending the product to beta test sites outside the Merged Group for real-world exposure or offering the Megastar Millionaire Platform for a free trial download over the internet.

The beta release is the phase most likely to identify matters within the Megastar Millionaire Platform which need to be rectified prior to the launch of the first Contest. These matters may be:

- of a technical nature, such as missing functionalities or errors; or
- of a more fundamental or general nature such as the Megastar Millionaire Platform being confusing or suggestions of improvements.

Risks which may result in delays to the anticipated timing include latencies unforeseen in ISP/Mobile ISP carriers, third party system integrators and consumer support systems.

The development of the Megastar Millionaire Platform is expected to be completed by fourth quarter of 2016 and the first quarter of 2017.

The above Section contains statements of current intentions as at the date of this Prospectus. Investors should note that, as with any business plan, the steps and anticipated timing set out in the above Section may change depending on a number of factors, including the outcome of operational and development activities and the materialisation of risks (refer to Section 5 for additional detail regarding the likely risks). In light of this, the Board reserves the right to alter the development process described above.

Launch of the first Contest in the United States

The first consumer offering of the Merged Group utilising the Megastar Millionaire Platform is proposed to be a Contest in which residents of eligible states within the United States will be able to participate.

Due to certain gambling laws in the United States, the Contest may not be able to be offered in all states. It is considered that it will be legal in at least 35 of 50 states of the United States.

It is intended that the Contest will be the consumer interface for the Megastar Millionaire Platform, once developed. The content uploaded and developed as part of the Contest may be used for other purposes subsequently, such as the creation of new social gaming products.

It is currently anticipated that, subject to raising the funds under the Public Offer, the Merged Group will launch one fully executed Contest within the first 24 months following completion of the MSM Acquisition.

Participation in the first Contest, either as a Contestant or a paying Fan, will be open to United States residents only. Non-United States residents will be able to view the Megastar Millionaire Platform, but will not be able to access premium content/services beyond a "paywall". Subsequent Contests may be run in other geographic regions in the future. Although MSM has not developed plans for such geographic expansion, it may in the future run Contests in Australia, New Zealand and throughout Asia and any other continent that has heavy mobile penetration and secure internet service provider protocols. Any expansion of the Contests into other jurisdictions will be subject to the Merged Group being able to secure sufficient intellectual property protection and being able to operate the Contest and the Megastar Millionaire Platform within the jurisdiction's legal and regulatory framework.

Prior to the commencement of the running of the first Contest (as set out in Section 3.7), the Merged Group proposes to undertake a pre-marketing campaign in the United States. The intention of the pre-marketing campaign will be:

- (a) to build awareness of the contest and create demand;
- migrate early adopters of the Megastar Millionaire Platform both organically and through strategic investments and relationships such as that ToneDen (refer to Section 10.2(c)); and
- create "buzz" and marketplace awareness for the Contest via paid and unpaid media opportunities.

Marketing will continue throughout the duration of the Contest.

The Merged Group will continue marketing the Contest and the Megastar Millionaire Platform after the conclusion of the first Contest, but to a lesser extent, with marketing building up again prior to the commencement of subsequent Contests.

It is intended for Megastar Millionaire to establish long-term relationships with fans and participants, rather than one-off relationships as part of each individual Contest.

Proposed running of the first Contest in the United States

The proposed operation of the first Contest in the United States is summarised below.



step 1: Pre-launch promotions

Prior to the commencement of the first Contest, awareness programs will be carried out, highlighting the opportunities for Contestants and Fans to win prizes by participating in the Contest.

This pre-launch consumer-driven marketing will largely be conducted through social media campaigns.

Contestants will enter the Contest by:

- · paying a nominal fee ("pay-to-play"); and
- uploading three videos to their profile (a performance clip, an interview and a promotional video).

Fans may then vote for the Contestants.

Participation in the first Contest, either as a Contestant or a paying Fan, will be open to United States residents only.

Non-United States residents will not be able to access premium content/ services beyond a "paywall".

Those Contestants having at least the minimum specified number of Fans will qualify for the Contest.

Contestants must also have a following on social media of at least 2,000 (whether through Facebook, Instagram, Twitter or similar).

The Merged Group's focus at this stage of the process is anticipated to be on:

- driving potential Contestants to enter the Contest;
- driving potential Fans to register, view and vote; and
- quickly building a social network.

step 2: Auditioning

During an 8-week auditioning process, Fans will be given the opportunity to scout talent, vote for and promote their favourite Contestants.

Voting may be through pay-for-play online voting and/or subscription models.

The top Contestants with a specified minimum number of votes from a minimum number of Fans will then be granted entry into the judging rounds.

step 3: Judging

It is intended that that up to 1,000 Contestants will be selected for a 6-week judging round.

During this round, Contestants will upload new videos within a specified timeframe to compete for promotion and judging points. Fans may continue to vote for Contestants through pay-for-play online voting and/ or subscription models.

Judges may interact with Contestants and Fans online by releasing opinion pieces on standout entries, engaging in public relations and participating in weekly webisodes showcasing highlights on the Megastar Millionaire Platform and social media. It is anticipated that celebrity judges may be engaged through the Merged Group's relationship with ROAR (summarised in Section 10.2(d)).

The Company anticipates that celebrity judges will be involved in approximately 4-weekly quarterfinal rounds through virtual production and coaching of Contestants, and "saving" Contestants that would otherwise be eliminated as a result of a lack of votes from Fans.

step 4: Final round

It is anticipated that there will be 12 semifinalists determined by an independent panel, who will enter the finals with a chance to:

- be one of the 4 runner-up winners who will split US\$100,000;
- go on a promotional tour;
- be the overall "Megastar Millionaire" and win US\$1,000,000; and
- win the opportunity to appear in an online film produced by Digital Riot.

As is considered standard with significant cash prizes, the US\$1,000,000 will not be payable as a one-off cash payment. It will be payable in a financial annuity over a number of years to be determined by the Merged Group.

The above descriptions are statements of current intentions as at the date of this Prospectus. Investors should note that, as with any business plan, the steps and anticipated timing set out in the above table may change depending on a number of factors, including the outcome of operational and development activities and the materialisation of risks (refer to Section 5 for additional detail regarding the likely risks). In light of this, the Board reserves the right to alter the development process described above.

Post-Contest activities of the Merged Group

The Merged Group intends to retain the engagement of Fans and Contestants with the Megastar Millionaire Platform beyond the conclusion of each Contest.

Although the Merged Group does not propose to assume ownership rights over content uploaded by Contestants and Fans as part of each Contest, the Merged Group will ensure that it has rights to use that content for other purposes.

Accordingly, new products and social media games may be created using such content, outside of the initial Contest. These products and social media games may be developed to maintain the engagement of Fans and Contestants with the Megastar Millionaire Platform following the conclusion of a Contest.

3.9

Potential revenue sources from the Megastar Millionaire Platform

The Merged Group plans to pursue multiple revenue streams in the commercialisation of the Megastar Millionaire Platform. It is noted that meaningful revenue will only be generated if the Megastar Millionaire Platform is successfully developed to a sufficiently high quality and the Contests are successful in creating large scale participation and engagement with the Megastar Millionaire Platform.



Contestant pay-to-play

"Pay-to-play" (sometimes referred to as "pay-for-play") describes the process where the consumer pays a fixed fee to engage in actions not available to the non-paying consumer, such as entering the Contest as a Contestant.

It is proposed that a nominal fee will be payable by potential Contestants in order for them to upload their entry videos for the Contest.



Fan pay-for-play or subscription fees

Fans may "pay-for-play" by paying a fixed fee to engage in actions not available to the non-paying consumer, such as winning prizes, accessing premium content, or voting for a preferred Contestant.

In the opinion of the MSM Board, pay-for-play is a known and proven revenue stream within social gaming. Examples include in-app purchases where uses of an app are given the option to purchase additional content or services within the app.

Subscription fees may also be payable by Fans to enable them to access premium content not available to non-paying Fans.

This is intended to be recurring revenue for the duration of (and possibly post) each individual Contest.

(c) Advertising revenue

Once significant traffic flows across/through the Megastar Millionaire Platform, the Merged Group may have the opportunity to offer brands and advertising agencies a content site from which digital advertising may be hosted. This is dependent on building minimum viable traffic figures, which shall be accomplished via the acquisition, retention and engagement efforts on behalf of the initial Contests.

(d) <u>Merchandise sales</u>

Depending on the level of consumer engagement, merchandising opportunities may become available.

Fans of a particular Contestant may be able to purchase actual digital and physical merchandise (such as digital content, hats, t-shirts etc.) using the Megastar Millionaire Platform, for a fee. The potential revenue source for the Merged Group would be a co-revenue share with Contestants, whereby the Merged Group increases the Contestant's exposure (their "brand") and revenue earning opportunities. Fulfilment of the merchandise sale system (e.g. payment and postage systems) would be accomplished through a third party provider.

(e) <u>Data resale</u>

In conjunction with critical traffic mass (per the advertising approach outlined above), the Merged Group may leverage its technologies to aggregate consumer behaviour into segments, from which predictive models may be built and then potentially monetised via third party brands seeking greater consumer insight into their prospective customer base.

This revenue opportunity is not anticipated to materialise in the short to medium term and would be dependent on consumer acquisition and retention and engagement success.

The proliferation of data sources such as mobile devices, websites, sensors, etc., coupled with an enhanced ability to analyse large data sets, has stimulated interest in "Big Data". Online channels, review sites, mobile devices and sensors are all sources that provide critical business intelligence for organisations. Many organisations are realising the potential value of these data repositories. "Big Data" primarily focuses on the concept of volume, velocity and variety of data. It allows decision makers to track progress on developments, understand trends and patterns in the market and gain new insights from aggregated data in real-time, thus narrowing both time and information gaps. It delivers the capability to analyse the data and extract information for decision making. Data analytics serves as the means to leverage "Big Data" for effective analysis.

The MSM Board considers that once the Megastar Millionaire Platform has been successfully used for one or more Contests, it may be used for other potentially revenue-generating activities, including the following:



Sponsorship of Megastar Millionaire Platform

The Megastar Millionaire Platform may be offered as a "white-label" model through which third parties can adopt the Megastar Millionaire Platform for their own contests.

A white label model is one whereby the Megastar Millionaire Platform would be provided as an unbranded product for a third party to use under its own brand.

The third party would provide the content, and the Company would "power" the third party content through the use of the Megastar Millionaire Platform on an unbranded basis.

The potential source of revenue for the Merged Group through the whitelabelling of the Megastar Millionaire Platform would be through a licence fee or co-revenue share arrangement.



Gamification

Although the Merged Group does not propose to assume ownership rights over content uploaded by Contestants and Fans as part of each Contest, the Merged Group will have rights to use that content for other purposes.

Accordingly, new products and social media games may be created using such content, outside of the initial Contest as currently contemplated.

3.10

Business model

The basis for any revenue generated by digital entertainment or social gaming offerings such as that proposed to be offered through the Megastar Millionaire Platform, once developed, is driven by the acquisition, retention and engagement of its consumers.

The value attributed to consumers of the Megastar Millionaire Platform, once developed, will fall into the three key metrics described on the following page.

CATEGORY	DESCRIPTION	VALUE	FOCUS
Consumer acquisition	Consumer acquisition is the number of individual potential participants access the Megastar Millionaire Platform.	High	To maximise consumer acquisition, the Merged Group will undertake a focused and strategic marketing campaign both before the launch of the first Contest and on an ongoing basis.
Consumer retention	Consumer retention means the number of consumers that continue to access or use the Megastar Millionaire Platform following the initial access or download.	High	To maximise consumer retention, the Merged Group will need to ensure that the Megastar Millionaire Platform is cohesive from initial access or installation to first usage and re-engagement. This will be one of the focuses during the alpha and beta testing phases described in Section 3.5.
Consumer engagement	Repeat users of social gaming or digital entertainment offerings provide the most value.	High	To maximise consumer engagement, the Merged Group will be required to constantly monitor consumer behaviour, make optimization changes and keep the flow of communication between and from users open over social media and the offering itself. The Megastar Millionaire Platform shall be a "living" technology, consistently monitored for performance improvement. The Merged Group will be required to adapt and modify the product offerings on an ongoing basis to ensure consumers remain engaged. Testing during the beta phase is intended to ensure the Megastar Millionaire Platform and product offerings will maximise consumer engagement.

Early stage of development

While the development of the Megastar Millionaire Platform and the first consumer offering, being the Contest, is at an early stage, the Board considers that it has a reasonable basis for believing it can complete the key steps described in this Section due to the following reasons:



The experience of the key management personnel of the Merged Group responsible for this stage of the process

Through the engagement of Mr Dion Sullivan, MSM has engaged an experienced marketing and brand strategist with significant experience in digital media, social gaming and digital entertainment.

Through the engagement of Mr Doug Barry, MSM has access to significant experience in technology start-ups in the media and entertainment industries.

Mr Sullivan will be involved in all aspects of the development of the Megastar Millionaire Platform and the Contests.

Mr Barry will be involved primarily in the development phase of the Megastar Millionaire Platform, as well as the conduct of the Contests.

For more information regarding Mr Sullivan and Mr Barry, refer to Sections 9.3(b) and 9.4(a), respectively.



Current status of development

Considerable man-hours have been spent by the MSM team in developing the Megastar Millionaire Platform and the Contest structure to date. MSM has:

- Local commenced the development of the Megastar Millionaire Platform and has already invested over \$85,000 in website development;
- II. invested over \$144,000 in procuring a portfolio of trademark applications, domain names and in-house know-how to protect aspects of its business;
- **III.** invested over \$209,000 in strategic investments which are considered to benefit the development of the Merged Group's business strategy;
- IV. identified and commenced discussions with brand marketing agencies, site builders and social media businesses, which it may engage to assist in the development of the Megastar Millionaire Platform and the Contest. These consultants and third parties are entities that the key management personnel of MSM has previously worked with; and
- V. developed the proposed marketing strategy, which will involve:
 - A. paid social media advertising;
 - **B.** unpaid celebrity endorsements (through MSM's relationship with ROAR);

- C. search engine optimisation and search engine marketing;
- **D.** advertising through YouTube;
- E. behavioural targeting; and
- **F.** pay-per-click.

The continued development of the Megastar Millionaire Platform and the launch of the first Contest are contingent on MSM obtaining additional funding through the Public Offer.

Low-risk technological development

The development of integrated software and technology applications similar to that proposed for the Megastar Millionaire Platform has been completed numerous times before. The Board considers that there is a low risk that the Megastar Millionaire Platform cannot be built as intended.

The risk with the technological development is that in order for the Merged Group's business plan to succeed, the Megastar Millionaire Platform must offer a quality product. A product which may be functional, but of a low quality, is unlikely to result in the consumer retention and engagement required for the Merged Group's business plan to succeed.

(d) <u>Key partnerships</u>

MSM has developed key partnerships with entities experienced in the social media, gaming, digital entertainment and "celebrity" industry which are considered to be highly beneficial to the development of the Megastar Millionaire Platform and the acquisition of consumers.

For more information regarding these key partnerships, refer to Sections 3.4(f) and 10.2.

The Board considers that these key partnerships are highly beneficial for the development of the Megastar Millionaire Platform and the conduct of the Contests and that their involvement is likely to result in a better quality offering, with a higher number of registered users.

However, the Board also considers that the termination of one or all of these key partnerships for any reason is unlikely to result in the Merged Group being unable to deliver the Megastar Millionaire Platform or the first Contest.

The expertise of the key management personnel of the Merged Group, in addition to the wealth of experience and contacts of the MSM US Advisory Board, is considered sufficient to deliver the Megastar Millionaire Platform and the first Contest.

The historical success of televised talent contests and the growth of the online entertainment sector

Refer to Section 4 for further information.

Key dependencies of the business model

The key factors that the Company will depend on to meet its objectives are:

- (a) the successful completion of the Offers;
- (b) the successful completion of the MSM Acquisition;
- the successful development of the Megastar Millionaire Platform;
- retaining the key personnel of MSM;
- the ability to protect its intellectual property in the Megastar Millionaire Platform; and
- the ability of the Company to acquire, retain and engage consumers to the Megastar Millionaire Platform.

3.13

Intellectual property

On 25 March 2015, applications for registration of MSM's trademarks were lodged with the United States Patent and Trademark Office on behalf of MSM's wholly owned Singaporean-registered subsidiary, MSM Holdings Pte. Ltd.

On 15 May 2015, applications for registration of MSM's trademarks were lodged pursuant to the international Madrid Protocol on behalf of MSM Holdings Pte. Ltd.

In April and July 2015, the domain names for the Megastar Millionaire Platform were registered by Mr Wellisch on behalf of the MSM Group.

MSM's United States-based intellectual property lawyers have also lodged an application for a provisional patent application entitled "A System and Method for a Media Platform" on behalf of MSM's wholly owned Delaware-registered subsidiary, MSM US.

The Company has engaged a United States-based lawyer with expertise in intellectual property to prepare an intellectual property report regarding MSM's intellectual property rights. This report is in Section 6.

The Company will be required to obtain legal advice in relation to the applicable intellectual property protection required in any additional jurisdictions in which it proposes to offer Contests in the future.

United States regulatory framework

The Company has considered the compliance of the proposed Megastar Millionaire Platform and Contests with United States Federal and State law.

MSM's proposed Contests, as currently structured, do not involve distinguishable elements of chance and thus likely constitute lawful skill based activities, and thus, are legal in at least 35 of 50 the States in the United States. The Contests are proposed to be based solely upon demonstration talent and skill, exhibited through performances, and voted on by members. Skill contests such as those contemplated by the Merged Group have long been distinguished from games of chance in the United States.

It is important to note that the gambling laws of the United States are subject to interpretation by a number of authorities, including the United States Department of Justice, the Attorneys General of the United States and of each of the 50 States, state agencies, law enforcement, and the federal and state courts. These laws are subject to frequent interpretation by the authorities that enforce them and those interpretations may disagree with the interpretations of authorities in other jurisdictions. In particular, opinions of the state Attorneys General are not binding on a successor Attorney General and the enforcement priorities of the various law enforcement agencies with jurisdiction over gambling laws can change over time and without warning. Accordingly, any analysis of gambling laws is subject to the discretionary powers vested in administrative officials in the various jurisdictions involved, as well as any pending legislation or litigation which may become effective in the future.

The Company will be required to obtain legal advice in relation to the applicable regulatory framework for any additional jurisdictions in which it proposes to offer Contests in the future.

3.15

Key personnel of the Merged Group

The key personnel proposed to be involved in the Merged Group are described in Sections 9.3 and 9.4.

3.16

Proposed use of funds

The Company has current cash reserves of approximately \$385,500 as at the date of this Prospectus.

The Company intends to apply the current cash reserves as follows over the next two years, when combined with the subscriptions under the Public Offer:

ITEM	Amount (\$)	%
Technology & development of the Megastar Millionaire Platform	1,800,000	24.37%
Sales & marketing (including Contest prizes)	2,050,000	27.76%
Strategic acquisitions and investments	785,000	10.63%
Contract business services	700,000	9.48%
Costs associated with the Offers	623,020	8.44%
Working capital and corporate administration	1,427,480	19.33%
TOTAL	7,385,500	100.00%

Notes:

Contract business services include legal, customer service, payment providers, third-party agencies, public relations, media relations, and investor relations, amongst others.

Corporate administration expenses include management and board fees, accounting and legal fees, ASIC and ASX fees, insurance, rent, and other expenses.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

It is possible that future acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by debt and/or equity issues (subject to any required Shareholder approvals).



Industry Overview

Introduction

While it is intended that the Megastar Millionaire Platform will, once developed, be able to be viewed on any internet-enabled device, MSM is pursuing a "mobile first" strategy where mobile devices are to be the main viewing platform for the talent content uploaded. The Merged Group's proposed business model is based on a number of trends that the Board considers are likely to stimulate the market opportunity for an online talent competition:

- the strong growth in mobile internet access through smartphones and tablets, creating a growing potential audience for MSM. This is also stimulated by the improvements in mobile network speed and reliability, and the greater ubiquity of Wi-Fi networks, which improve the mobile viewing experience (refer to Section 4.2);
- significant growth in viewing online videos, particularly through mobile devices (refer to Section 4.3);
- a growing ability to monetise online videos, for example through subscriptions and advertising (refer to Section 4.4);
- significant interest in the talent competition genre, with broadcast talent competitions achieving extremely high viewing and voting figures (refer to Section 4.5); and
- growing interest in the use of "Big Data" (refer to Section 4.6).

Each of these factors is discussed in more detail below.

The Company notes that the development of the Megastar Millionaire Platform is at an early-stage and that it is not seeking to draw parallels between the levels of activity in the industry generally, and the proposed Megastar Millionaire Platform or proposed Contests. The intention of this Section is to provide Shareholders and prospective investors with the information considered reasonably necessary to derive an understanding of the industry in which the Merged Group intends to operate, and one of the key reasons for the Board electing to proceed with the MSM Acquisition.

4.2

Growth in mobile internet access

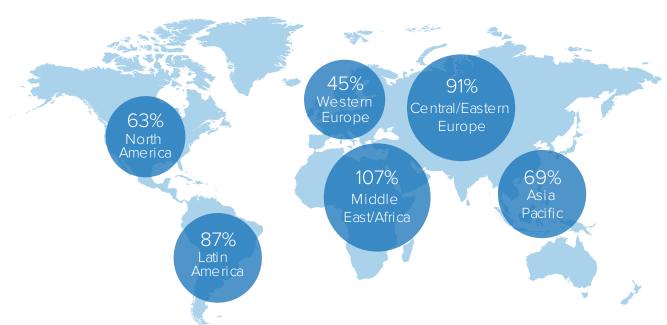
Mobile devices are becoming an increasingly common platform for accessing the internet, offering the benefit of convenience as users do not need to be linked to a physical connection and can access the internet whilst out and about. The greater availability of Wi-Fi networks, coupled with improvements in the speed and reliability of mobile networks, are acting as major stimuli for the use of mobile devices, such as smartphones and laptops, to access the internet.

Approximately 3.6 billion individuals globally had a mobile cellular subscription at the end of 2014, which is about half of the world's population. The increase in mobile penetration globally is slowing, indicating that the mobile market is approaching maturity. However, an increasing number of mobile users are migrating from basic mobile phones to smartphones. Smartphones

accounted for an estimated 75% of all mobile phones sold in Q4 2015, up from 65% in Q1 2014.

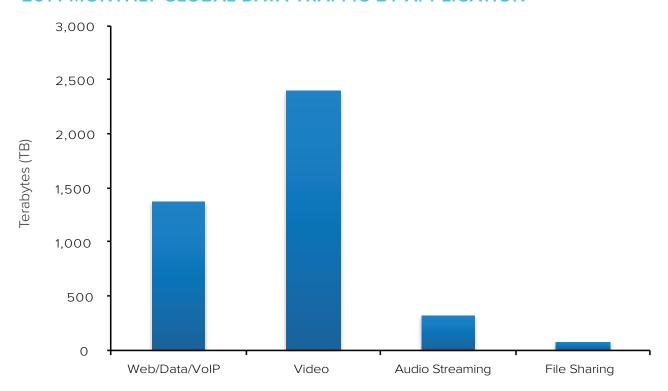
Along with smartphones, the use of tablets is also increasing rapidly. The number of cellular connected tablets (i.e. tablets with a SIM card) being used globally was estimated at 300 million in 2013. However, this understates the total ownership of tablets, as many tablets will not be directly connected to a cellular network but will instead connect to the internet via Wi-Fi or mobile tethering.

WORLDWIDE MOBILE USAGE RATES: 2013-2014 MOBILE USAGE GROWTH BY REGION



Source: Cisco [®] Visual Network Index Global Mobile Usage Forecast White Paper, Feb 3, 2015.

2014 MONTHLY GLOBAL DATA TRAFFIC BY APPLICATION



Source: Cisco [®] Visual Network Index Global Mobile Usage Forecast White Paper, Feb 3, 2015.

Growth in consumption of online video

Viewing of video content over mobile devices is growing rapidly for a number of reasons. As well as growth in the number of consumers with an internet-enabled mobile device, the user experience is improving as devices become better suited to video viewing. Larger screens are now more common, enabling higher picture quality when viewing video. The speed and reliability of mobile networks are also improving, adding to a better viewing experience. In addition to demand-side trends, supply-side developments are also contributing to the growth of mobile video consumption; for example, the increasing presence of "over-the-top" (OTT) providers, such as Netflix, Amazon Instant Video, Hulu, etc.

OTT refers to the delivery of services such as video or voice telephony over a network, where the service is not provided by the network owner or operator. Access to the services by subscribers does not require any business or technology affiliations to the network owner or operator.

Online video viewing, particularly through mobile devices, is displacing viewing through television. This is a particularly marked trend in the United States, where the early entry of online video services such as YouTube and Netflix has provided a significant stimulus to online video viewing. Nearly seven in eight Americans watch online video, with over 50% watching online videos daily. The number of unique video viewers in December 2014 alone approached almost 200 million Americans, with each viewer watching more than ten videos per day on average. Almost half of smartphone and tablet users watch video on their devices, but as only about 10% currently do so daily, there is strong potential for further growth.

4.4

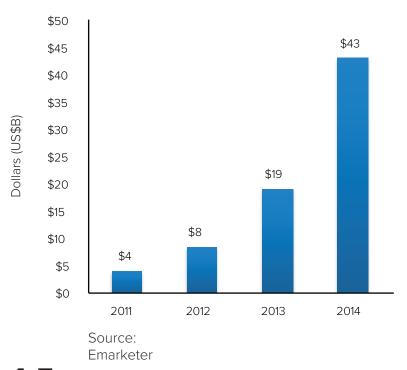
Online talent video monetisation

Producers of online talent video content have a number of monetisation options available, including subscription fees or sale of advertising, either embedded within video content or elsewhere on their website.

The willingness of consumers to pay a subscription fee for streamed digital content, both audio and video, is driving a significant increase in the number of global subscribers. At the end of 2014, an estimated 41 million consumers globally subscribed to a digital audio streaming service.

Sale of advertising has been the most common approach to monetisation of online video content, and the rapid growth in online video viewing has stimulated similar growth in online video advertising expenditure. Whilst this advertising revenue applies to all online video content, not specifically music videos, advertising revenue for music video content is also growing strongly. Ad-supported revenues for music streaming (largely for video) increased by 38.6% globally in 2014.

WORLDWIDE MOBILE ADVERTISING SPEND 2011-2014



4.5

Track record of televised talent competitions

Music and other talent competitions are a highly popular genre of video entertainment, and follow a tradition of talent shows that have existed since the 1940's on broadcast television. Shows such as Original Amateur Hour, which was first broadcast in the United States in 1948 and ran until 1970, involved performances by amateur talent which viewers voted on by postcard or telephone. More recent incarnations of musical talent shows, including American Idol, the Voice, and the X-Factor, have been particularly successful.

In addition to music talent shows, other talent shows feature broader genres of entertainment, including dance, magic, and comedy. Shows of this nature include America's Got Talent, which is part of the Got Talent franchise that has franchised shows in over 50 countries. America's Got Talent premiered on the NBC network in June 2006, and its tenth season premiered in May 2015. Since its debut, America's Got Talent has regularly ranked as the number one show on the night shown.

Talent shows can also specialise in specific non-musical genres of entertainment, such as dance or comedy. For example, the So You Think You Can Dance franchise has had local shows in over 20 countries. The United States version of the show premiered in 2005 and is currently in season 12. Although viewing numbers have declined somewhat, it still remains highly popular.

The Company notes that the development of the Megastar Millionaire Platform is at an early stage and that it is not seeking to draw parallels between the Contests and the established talent or music contests based on televised programs described above. The intention of this Section is to provide Shareholders and prospective investors with the information considered

reasonably necessary to derive an understanding of the industry in which the Merged Group intends to operate, and one of the key reasons for the Board electing to proceed with the MSM Acquisition.

4.6

Interest in the use of 'Big Data'

The proliferation of data sources such as mobile devices, websites, sensors etc., coupled with an enhanced ability to analyse large data sets, has stimulated interest in 'Big Data'. Online channels, review sites, mobile devices and sensors are all sources that provide critical business intelligence for organisations. Many organisations are realising the potential value of these data repositories. Big Data primarily focuses on the concept of volume, velocity and variety of data. It allows decision makers to track progress on developments, understand trends and patterns in the market and gain new insights from aggregated data in real-time, thus narrowing both time and information gaps. It delivers the capability to analyse the data and extract information for decision making. Data analytics serves as the means to leverage Big Data for effective analysis.

4.7

Industry competition

Whilst the Company is not aware of any direct competitor to the proposed Megastar Millionaire Platform or the Contest, and the Company considers its business proposition to be a unique proposal, there are aspects of the Contest which are similar with existing defined products which have achieved positive reviews and awareness among digital technology watchers. Examples of such competition in the music industry include:

- (a) Chosenfm: a karaoke/lip synching video gamification mobile application;
- Starmaker Studios: a karaoke signing game (currently available on iOS only) and music video creation software; and
- Mobstar: a mobile talent competition search based on head-to-head competitions allowing for "15 seconds of fame".

4.8

Barriers to entry and market share

Due to the rapid pace of technological change and industry development, it is likely that new technologies or products may be developed that replicate or even supersede the proposed Megastar Millionaire Platform and Contests in the future. This constitutes a potential significant risk to the business of the Merged Group.



Risk Factors

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Securities.

5.1

Risks relating to the change in nature and scale of activities



REINSTATEMENT OF SECURITIES TO QUOTATION ON ASX

The acquisition of MSM constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the official list of ASX. Accordingly, quotation of the Company's Shares and quoted Options on the official list of ASX was suspended on the date of the General Meeting.

There is a risk that the Company may not be able to meet the requirements of ASX for reinstatement of its Shares and quoted Options to official quotation. Should this occur, the Company's Shares and quoted Options will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares and quoted Options should the Company be suspended until such time as it does re-comply with the Listing Rules.



DILUTION RISK

The Company currently has 43,938,402 Shares on issue.

On issue of the consideration under the MSM Acquisition and the subscription of the Shares under the Public Offer (assuming no Options are exercised), the existing Shareholders will retain approximately 16.09% of the issued capital of the Company, with the MSM Shareholders (including Mr Barry) holding 32.04%, the MSM Noteholders holding 9.15% and the investors under the Public Offer holding 42.72%.

If the Milestones for the Performance Shares are satisfied and all Performance Shares are converted into Shares, the interests of the existing Shareholders will be reduced to approximately 11.78% (assuming no other Shares are issued).

If the Options issued under the MSM Optionholder Offer and the MSM Noteholder Offer are exercised and all Performance Shares are converted into Shares, the interests of the existing Shareholders will be reduced to approximately 10.56% (assuming no other Shares are issued).

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the MSM business.



LIQUIDITY RISK

A number of Securities to be issued under the Secondary Offers will be subject to escrow restrictions.

This could be considered an increased liquidity risk, as a large portion of issued capital may not be able to be traded freely for a period of time.

(d) SALE OF CONSIDERATION SECURITIES

Some of the vendors of MSM may elect to sell those Shares received from the sale of their interests in MSM to the Company which are not subject to escrow restrictions by ASX immediately following completion of the MSM Acquisition. If one or more of the vendors of MSM elect to sell a sufficiently large number of Shares, then this may negatively impact the price of Shares and decrease the realisable value of existing Shareholders' investment in the Company.

(e) CONTRACTUAL RISK

Pursuant to the Share Sale Agreement, the Company has agreed to acquire 100% of the issued capital of MSM, subject to the satisfaction or waiver of certain conditions precedent.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Share Sale Agreement (and the related agreements comprised of the Short Form Share Sale Agreements, Convertible Note Deeds of Assignment, and Option Cancellation Deeds described in Section 10.4). If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

5.2

Specific risks to the MSM business

(a) NO TRADING HISTORY

MSM has no trading history and there is therefore uncertainty in relation to the business of MSM and investors should consider the Company's prospects in light of MSM's limited financial history. In addition, there is no guarantee that the Company will be able to successfully develop or commercialise the Megastar Millionaire Platform and if it is unable to do so it will not be able to realise significant revenues in the future.

(b) TECHNOLOGY AND DEVELOPMENT RISKS

MSM is an early-stage company and has yet to develop the Megastar Millionaire Platform.

Accordingly, the development phase of the Megastar Millionaire Platform required for the first Contest, summarised in Section 3.9, is subject to a number of technological and development risks which may result in unforeseen and unavoidable delays. These risks include, amongst other things, overestimating the ease at which the technology can be developed for the Megastar Millionaire Platform, issues in developing the code, availability of appropriately skilled third parties, and unforeseen bugs and errors.

While the development of the technology per se is not considered to be particularly

difficult or unique, the risk lies in developing a quality product. In order for the Merged Group's business plan to succeed, the Megastar Millionaire Platform must offer a quality product. A product which may be functional, but of a low quality, is unlikely to result in the consumer retention and engagement required for the Merged Group's business plan to succeed.

(c) RELIANCE ON KEY PERSONNEL

The success of the Merged Group's business will depend on the ability of the Directors and officers of the Merged Group to develop the business and manage operations, and on their ability to attract and retain key product development, technical, engineering, business development and marketing staff, as well as key providers such as talent managers and judges for the Contest.

As noted in Section 9.4(c), MSM is in the process of establishing an operational team to assist senior management post-completion of the MSM Acquisition.

The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on the business. Competition for qualified technical, sales and marketing staff can be intense and no assurance can be provided that the Merged Group will be able to attract or retain key personnel in the future. A shortage of qualified staff could also cause wage inflation, which may impact on the Merged Group's profitability.

(d) MAINTENANCE OF KEY BUSINESS PARTNER RELATIONSHIPS

The Merged Group will rely on relationships with key business partners (including but not limited to ToneDen, Digital Riot and ROAR) to enable it to develop the Megastar Millionaire Platform and run the Contests.

In the event that any of these relationships are terminated, the Merged Group would seek to replace them with alternate business partners, however such alternates may not be readily available, or available on reasonable terms, and this could impact the Merged Group's financial position.

(e) FAILURE TO ATTRACT, RETAIN AND ENGAGE CONSUMERS

The revenue streams for the Company depend on its ability to attract, retain and engage consumers to the Megastar Millionaire Platform. There is a risk that the Company may be unable to attract, retain and engage sufficient consumers for the potential revenue streams to materialise or be sufficient for the continued operation of the business.

(f) MSM INTELLECTUAL PROPERTY RIGHTS

MSM US, a wholly owned subsidiary of MSM, has lodged a provisional patent application in the United States to protect its intellectual property interests in the United States while also securing foreign priority for its patent rights. The United States provisional application process provides MSM US with foreign priority for subsequent patent applications filed in countries that are signatories to the Paris Convention which recognise patent priority in each of those signatory countries. MSM US provisional patent application in the United States creates a priority date that can be used to establish priority in any Paris Convention country. In the coming months, MSM plans to file at least one non-provisional patent application under the Patent Cooperation Treaty that claims priority to its United States provisional application.

The prospect of attaining patent protection for products such those proposed to be used in the business of the Merged Group is highly uncertain and involves complex and continually evolving factual and legal questions. These include legislative and judicial changes, or changes in the examination guidelines of governmental patent offices, which may negatively affect the Merged Group's ability to obtain patents for its products.

MSM Holdings Pte. Ltd., a wholly owned subsidiary of MSM, has lodged applications for registration of trademarks for "Megastar Millionaire", "MSM", and the Megastar Millionaire logo in with the United States Patent and Trademark Office. These applications were also lodged pursuant to the international Madrid-Protocol.

The Company has received legal advice from its United States intellectual property expert to the effect that in the United States, each of the trademark applications are considered at least achievable, if not certain (refer to Section 6 for further information).

However, the Company understands that in Australia, while registration of the Megastar Millionaire logo is achievable, the use and registration of the "Megastar Millionaire" trademark will encounter difficulties, and use and registration of the "MSM" trademark will almost certainly not succeed.

As the Contest is initially planned to be run out of the United States, the potential issues in connection with the registration of the trademarks in Australia is not currently considered a key concern by the Board as it will not prevent MSM from trading using the ASX code "MSM" or continuing to trade under its current branding. It may, however, limit the Merged Group's ability to prevent a competing product being made available by another party using the same or similar branding, and may also give rise to a greater risk of a claim of trademark infringement being made against the Merged Group. Accordingly, if all or some of the trademark applications are not accepted, the Merged Group may be required to "rebrand" the MSM business, which may result in costs being incurred, a potential loss of goodwill, and delays in the development of the MSM business.

The Merged Group may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement or to establish validity of its rights. Any litigation, whether or not successful, could result in significant expense to the Merged Group and cause a distraction to management.

Any expansion of the Contests into other jurisdictions will be subject to the Merged Group being able to secure sufficient intellectual property protection.



INFRINGEMENT OF THIRD-PARTY INTELLECTUAL PROPERTY

If a third party accuses the Merged Group of infringing its intellectual property, or if a third party commences litigation against the Merged Group for infringement of its intellectual property rights, the Merged Group may incur significant costs in defending such action, whether or not it ultimately prevails. Costs that the Merged Group may incur in defending such third-party infringement actions would also include diversion of management's and technical personnel's time.

In addition, parties making claims against the Merged Group may be able to obtain injunctive or other equitable relief that could prevent the Merged Group from further developing or commercialising the Megastar Millionaire Platform. In the event of a successful claim for infringement against the Merged Group, it may be required to pay damages and obtain one or more licenses or consents from the prevailing third

party. If it is not able to obtain these licenses at a reasonable cost, or at all, it could encounter delays in developing and commercialising the Megastar Millionaire Platform and loss of substantial resources while it attempts to rebrand or adjust the Contest structure or the Megastar Millionaire Platform.

Defence of any lawsuit or failure to obtain any of these licenses or consents could prevent the Merged Group from commercialising the Megastar Millionaire Platform and could cause it to incur substantial expenditure.

Although MSM has advised the Company that it is not aware of any third-party interests in relation to the intellectual property rights to be utilised by the Megastar Millionaire Platform, and has taken steps to protect and confirm its interest in the required intellectual property rights, there is always a risk of third parties alleging that their intellectual property rights have been infringed. In particular, the Company notes that it is aware of the existence of registered trademarks which may be considered similar to those trademarks proposed to be used by MSM. If all or some of MSM's trademark applications are not granted, the Company may consider "rebranding" the MSM business to, amongst other things, reduce the risk of a claim of trademark infringement.



REGULATORY RISKS

The environment in which the Merged Group's business will operate is subject to complex and evolving policies, laws and regulations regarding privacy, data protection, defamation, obscene material, content regulation, intellectual property (see further above), competition, distribution of electronic contracts and other communications, protection of minors, consumer protection, taxation, online payment services, and advertising and marketing standards.

Foreign data protection, privacy, and other laws and regulations are often more restrictive than those in Australia. In some cases, laws or regulations in one country may be inconsistent with, or contrary to, those of another country.

The media industry in the United States and other places around the world within which the Megastar Millionaire Platform may extend has the potential to become subject to even higher levels of regulation by government. It is likely applicable laws and regulations will continue to change in an effort to keep up with the rapidly evolving industry. Due to their evolving nature, many of these laws and regulations are subject to uncertain interpretation. It is difficult to predict how existing and new laws and regulations will be applied to the Merged Group or its business. It is possible that they may be interpreted and applied in a manner that is inconsistent with current practices or detrimental to the Merged Group.

Existing and new laws and regulations applicable to the media and technology industry can be costly to comply with, delay or impede the development of new products and services, require changes to business practices, result in negative publicity, lead to declines in user growth or engagement, require significant time and attention of management and technical personnel, and subject the Merged Group to inquiries or investigations, claims or other remedies, including monetary penalties, or otherwise harm the Merged Group business.

The Company has considered the key laws and regulations in the United States which are likely to apply to the Megastar Millionaire Platform and the Contests and is not aware of any potential issues.

Any expansion of the Contests into other jurisdictions will be subject to the Merged Group being able to operate the Contest and the Megastar Millionaire Platform within the jurisdiction's legal and regulatory framework.



RISK OF THIRD PARTY COMPETITORS

The industry in which the Merged Group will be involved is subject to increasing global competition which is fast-paced and fast-changing. While the Merged Group will undertake all reasonable due diligence in its business decisions and operations, the Merged Group will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Merged Group's business. For instance, new technologies and products could overtake the innovativeness of the Megastar Millionaire Platform. In that case, the Merged Group's revenues and profitability could be adversely affected.

The cost and time for a competitor to develop a competing product offering to the Megastar Millionaire Platform may not be significant (particularly for a larger competitor with access to funding and resources). This may result in a heightened risk of competition to the Merged Group. If a person or entity successfully develops and commercialises a competing product, this may have a materially adverse effect on the value and prospects of the Merged Group.



RELIANCE ON CORE INFORMATION TECHNOLOGY AND OTHER SYSTEMS

The operation of the Megastar Millionaire Platform will be dependent upon the performance, reliability and availability of its information technology and security systems. This includes its core technologies such as computer servers and backend processing systems. These systems may be adversely affected by a number of factors, including major events such as acts of terrorism or war, or breakdown in utilities such as electricity and fibre optic cabling. Events of that nature may cause one or more of those core technologies to become unavailable. There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors, or other technical issues. The Company's disaster recovery plans may not cover loss or damage that is suffered as a result of such a system failure.

Any damage to, or failure of, the key systems of the Megastar Millionaire Platform may affect the Merged Group's ability to operate its business. Such disruptions have the potential to reduce the Merged Group's ability to generate revenue, impact consumer service levels and damage the brand of "Megastar Millionaire".

The media and technology industry is also subject to rapid and significant changes in technology and the impact of these changes on the Merged Group cannot be predicted. The costs associated with implementing emerging and future technology changes may be significant.



RELIANCE ON THIRD PARTY PLATFORMS

The Merged Group plans to utilise third party hardware ('smartphones'), software ('mobile operating systems') and distribution ('app stores') platforms for commercialisation of the Megastar Millionaire Platform. If access to these third party platforms were terminated or reduced, the Merged Group's operations and business would be adversely affected.

The business model of the Merged Group is dependent upon the existence and ownership of these devices. There can be no guarantee that these devices will continue to be as widely used as they are currently or that they will not be replaced by alternative devices upon which the Megastar Millionaire Platform may not function as intended, which could impact on the profitability of the Merged Group.



The Merged Group will be required to outsource key components of the development of the Megastar Millionaire Platform to third-party consultants and experts, and organisations. There is no guarantee that such consultants and experts or organisations will be available as required or will meet expectations.

(m) REPUTATIONAL RISKS

The Merged Group will operate in a fast-changing environment, and negative publicity can spread quickly, whether true or false. Negative comments by disgruntled consumers about the Merged Group may have a disproportionate effect on the Merged Group's reputation and its ability to earn revenues and profits. Additionally, complaints by such consumers can lead to additional regulatory scrutiny and a consequential increase compliance burden in responding to regulatory inquiries. This could negatively impact on the Merged Group's profitability.

SECURITY BREACHES AND HACKER ATTACKS

A malicious attack on the Megastar Millionaire Platform or the Merged Group's other products, systems, processes or people from external or internal sources could put the integrity and privacy of consumers' data and business systems used by the Merged Group at risk.

The impact of loss or leakage of consumer or business data could include costs for rebates, potential service disruption, litigation and brand damage, resulting in reduced or failing revenues.

The Merged Group will continue to follow best practice in relation to security policies, procedures, automated and manual protection, encryption systems and staff screening to minimise risks.

(o) INCREASED INVESTMENT IN PRODUCT DEVELOPMENT AND SUPPORT

There is a risk that developing, maintaining and upgrading the Megastar Millionaire Platform as required on an ongoing basis, as well as new product development, may lead to a higher than anticipated investment spend on information technology development.

(P) FOREIGN EXCHANGE RISKS

As most of the Merged Group's operations including the first Contest will be based out of the United States and Contests may be offered on a global basis in the future, it is likely that the Merged Group's costs and expenses will be denominated in foreign currency. Accordingly, the depreciation and/or the appreciation of the relevant foreign currency relative to the Australian currency would result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the foreign currency relative to the Australian currency may result in lower than anticipated revenue, profit and earning. The Merged Group could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the relevant foreign currency, and will have to monitor this risk on an ongoing basis.

5.3

General Risks



ADDITIONAL REQUIREMENTS FOR CAPITAL

The funds raised under the Public Offer are considered sufficient to meet the immediate objectives of the Merged Group. Additional funding may be required in the event costs exceed the Merged Group's estimates and to effectively implement its business and operations plans in the future (including in relation to MSM) to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses, which the Merged Group may incur. If such events occur, additional financing will be required.

The Merged Group may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements or other means. Failure to obtain sufficient financing for the Merged Group's activities and future projects may result in delay and indefinite postponement of its activities and potential development programs. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Merged Group and might involve substantial dilution to Shareholders.



INVESTMENT RISK

The Securities to be issued pursuant to this Prospectus should be considered speculative. They carry no guarantee as to payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid for the Shares. While the Directors commend the Public Offer, prospective investors must make their own assessment of the likely risks and determine whether an investment in the Merged Group is appropriate to their own circumstances.



SHARE MARKET

Share market conditions may affect the value of the Merged Group's securities regardless of the Merged Group's operating performance. Share market conditions are affected by many factors including, but not limited to, the following:

- I. general economic outlook;
- **II.** interest rates and inflation rates;
- **III.** currency fluctuations;
- IV. changes in investor sentiment toward particular market sectors;
- V. the demand for, and supply of, capital;
- VI. terrorism or other hostilities; and
- VII. other factors beyond the control of the Company.



ECONOMIC AND GOVERNMENT RISKS

The future viability of the Merged Group is also dependent on a number of other factors affecting performance of all industries and not just the media and technology industries including, but not limited to, the following:

 general economic conditions in jurisdictions in which the Merged Group operates;

- II. changes in government policies, taxation and other laws in jurisdictions in which the Merged Group operates;
- III. the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the media and technology sector:
- IV. movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Merged Group operates; and
- V. natural disasters, social upheaval or war in jurisdictions in which the Merged Group operates.

(e) TAXATION

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Merged Group are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally.

To the maximum extent permitted by law, the Merged Group, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(f) INSURANCE RISKS

The Merged Group intends to insure its operations in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Merged Group affected.

(g) LITIGATION RISKS

The Merged Group is exposed to possible litigation risks including, but not limited to, intellectual property claims. Further, the Merged Group may be involved in disputes with other parties in the future, which may result in litigation. Any such claim or dispute, if proven, may impact adversely on the Merged Group's operations, financial performance and financial position. Neither the Company nor MSM or any of their related bodies corporate are currently engaged in any litigation that is material for the purposes of this Prospectus.

The Company has been served with a Statement of Claim in respect of loans allegedly owed by the Company to the plaintiff. It is alleged in the Statement of Claim that unsecured loans were advanced by the plaintiff to the Company over the period from 14 September 2009 to 6 April 2010. A deed of administration in relation to the Company was executed on 6 October 2010 and wholly effectuated on 19 April 2011. The Company intends on defending this claim, which is considered by the Board to be entirely without merit.



United States Intellectual Property Expert's Report

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October 20, 2015

Mr. Matthew Foy Minerals Corporation Limited Office J, Level 2 1139 Hay Street WEST PERTH WA 6005

Dear Mr. Foy:

IP Due Diligence for RTO "Megastar Millionaire"

- We have been instructed by Bellanhouse Legal, acting for and on behalf of Minerals Corporation Limited (Company), to provide an intellectual property (IP) law due diligence report (Report) in the acquisition of Megastar Millionaire Pty Ltd (MSM) and its proposed 'Megastar Millionaire' talent competition (Contest).
- 2. This report identifies:
 - 2.1 Material United States (**US**) IP rights; and
 - 2.2 various IP rights under development.

Trade Secrets and Confidential Information

- 3. MSM is in possession of confidential information and trade secrets which are each critical to its business.
- 4. Under US Law, a Trade Secret, as defined in the Uniform Trade Secrets Act, is:
 - 4.1 information, including a formula, pattern, compilation, program, device, method, technique, or process;
 - 4.2 that derives independent economic value, actual or potential, from not being generally known to or readily ascertainable through appropriate means by other persons who might obtain economic value from its disclosure or use; and
 - 4.3 is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

- 5. The UTSA has been enacted, in one form or another, by 40 states and the District of Columbia. Prior the development of the UTSA, improper use or disclosure of a trade secret was traditionally a common law tort. Sections 757 and 758 of the Restatement of Torts (1939) set forth the basic principles of trade secret law that were widely adopted by U.S. courts. In particular, § 757, comment b, listed six factors to be considered in determining whether information constitutes a trade secret:
 - 5.1 the extent to which the information is known outside the claimant's business;
 - the extent to which it is known by employees and others involved in the business:
 - 5.3 the extent of measures taken by the claimant to guard the secrecy of the information;
 - the value of the information to the business and its competitors;
 - the amount of effort or money expended by the business in developing the information; and
 - the ease or difficulty with which the information could be properly acquired or duplicated by others.
- 6. We are instructed that any confidential information and/or trade secrets have been adequately protected by policies, non-disclosure agreements and confidentiality obligations in any and all contracts of employment, including directors of MSM and related entities.

Summary of US Trademarks law and procedures generally

- 7. Introduction:
 - 7.1 In the US, if an Applicant is filing a trademark, the Applicant must choose a trademark "filing basis". The timelines for receiving registration are dependent upon the filing basis applied for. A "section 1(a) basis" applies if the application is based on use in commerce, meaning the Applicant is currently using their trademark in commerce with all the goods/services in the application. The Applicant must provide the date the Applicant began using its trademark and a specimen (real-use sample) showing how the mark is actually being used with the goods/services. A "section 1(b) basis" applies when the Applicant has not yet started using their trademark in commerce.
 - 7.2 Each of the marks filed on behalf of MSM or its related entities (described from paragraph 14 below onwards) have been filed under section 1(b) in the US. The US trademark procedure under a 1(b) filing basis is as follows:
- 8. Typical US trademark application process:

- 8.1 Step 1 Application filed: The filed application is assigned a serial number.
- 8.2 Step 2 The U.S. Patent and Trademark Office (**USPTO**) reviews the application. If the minimum filing requirements are met, the application is assigned to an examining attorney. The Examining Attorney conducts a review of the application to determine whether federal law permits registration. Filing fees are not refunded, even if the application is later refused registration on legal grounds. In approximately 1 month, the application goes to step 3a or step 3b.
- 8.3 Step 3a USPTO publishes mark: If no refusals or additional requirements are identified, the examining attorney approves the mark for publication in the *Official Gazette* (**OG**). The OG, a weekly online publication, gives notice to the public that the USPTO plans to issue a registration. Approximately 1 month after approval, the mark will be published in the OG for a 30-day opposition period. Any party who believes it would be harmed by the registration may file an objection (opposition) within that 30-day period with the Trademark Trial and Appeal Board (**TTAB**). No further action is taken until the opposition is resolved. It takes approximately 2 months go to step 8 (when the opposition is resolved positively for the Applicant).
- 8.4 Step 3b USPTO issues letter (**Office Action**): If refusals or requirements must still be satisfied, the examining attorney assigned to the application issues an Office Action stating the refusals/requirements. Within 6 months of the issuance date of the Office Action, the Applicant must submit a response that addresses each refusal and requirement. Within 6 months, the application moves to step 4.
- 8.5 Step 4 Applicant timely responds: In order to avoid abandonment of the application, the Applicant must submit a timely response addressing each refusal and/or requirement stated in the Office Action. The examining attorney will review the submitted response to determine if all refusals and/or requirements have been satisfied. In approximately 1 to 2 months, the application moves to step 5a or step 5b.
- 8.6 Step 5a USPTO publishes mark: If the Applicant's response overcomes the refusals and/or satisfies all requirements, the examining attorney approves the mark for publication in the OG. Approximately 1 month after approval, the mark will publish in the OG for a 30-day opposition period. Any party who believes it would be harmed by the registration may file an objection (opposition) within that 30-day period with the TTAB. No further action is taken until the opposition is resolved. It takes approximately 2 months to go to step 8 (when the opposition is resolved positively for the Applicant).
- 8.7 Step 5b USPTO issues final letter (**Office Action**): If the Applicant's response fails to overcome the refusals and/or satisfy the outstanding

requirements, the examining attorney will issue a "Final" Office Action. The Office Action makes "final" any remaining refusals or requirements. The Applicant may respond to a final Office Action by a) overcoming the refusals and complying with the requirements or b) appealing to the TTAB. Within 6 months, the application moves to step 6.

- 8.8 Step 6 - Applicant timely responds and/or files appeal: To avoid abandonment of the application, the Applicant must submit a timely response addressing each refusal and/or requirement stated in the "Final" Office Action. Alternatively, or in addition to the response, the applicant may also submit a Notice of Appeal to the TTAB. The examining attorney will review the submitted response to determine if all refusals and/or requirements have been satisfied. If the Applicant's response fails to overcome the refusals and/or satisfy the outstanding requirements, the application will be abandoned unless the applicant has filed a Notice of Appeal, in which case the application is forwarded to the TTAB. The term "abandoned" means that the application process has ended and the trademark will not be registered. Filing fees are not refunded when applications abandon. Abandoned applications are "dead," since they are no longer pending or under consideration for approval. The application takes approximately 1 to 2 months go to step 7a or step 7b.
- 8.9 Step 7a USPTO publishes mark: If the applicant's response overcomes the refusals and/or satisfies all requirements of the "Final" Office Action, the examining attorney approves the mark for publication in OG. Approximately 1 month after approval, the mark will be published in the OG for a 30-day opposition period. Any party who believes it would be harmed by the registration may file an objection (opposition) within that 30-day period with the TTAB. No further action is taken until the opposition is resolved. In approximately 2 months, the application moves to step 8.
- 8.10 Step 7b Applicant's appeal sent to TTAB: If the applicant's response does not overcome the refusals and/or satisfy all of the requirements and the applicant has filed a Notice of Appeal with the TTAB, the appeal will be forwarded to the TTAB where applicant can appeal.
- 8.11 Step 8. Notice of Allowance (**NOA**) is issued: A NOA is issued to the applicant within 2 months after the mark is published in the OG. The NOA is not a registration, but indicates that the mark will be allowed to register after an acceptable Statement of Use (**SOU**) is filed. The deadline for filing an SOU or request for extension of time (extension request) to file an SOU is calculated from the date the NOA issued. If the Applicant does not file an SOU or extension request within 6 months of the date the NOA issued, the application will be abandoned. Within 6 months, the application will move to step 9.
- 8.12 Step 9 Applicant timely files SOU: If the Applicant is using the mark in commerce on all of the goods/services listed in the NOA, the Applicant

must submit an SOU and the required fee(s) within 6 months from the date the NOA issued to avoid abandonment. The Applicant cannot withdraw the SOU; however, the Applicant may file one extension request with the SOU to provide more time to overcome deficiencies in the SOU. No further extension requests may be filed. It takes approximately 1 month for the application to move to step 11.

- 8.13 Step 10 USPTO reviews SOU: If the minimum filing requirements are met, the SOU is forwarded to the examining attorney. The examining attorney conducts a review of the SOU to determine whether federal law permits registration. The Applicant cannot withdraw the SOU and the filing fee(s) will not be refunded, even if the application is later refused registration on legal grounds. In approximately 1 month the application moves to go to step 11.
- 8.14 Step 11 SOU is approved and mark registers: If no refusals or additional requirements are identified, the examining attorney approves the SOU. Within approximately 2 months after the SOU is approved, the USPTO issues a registration. To keep the registration "live," the registrant must file specific maintenance documents at the 6 year mark and 10 year mark.
- 9. Annuities: US trademark registration remains valid for 10 years after filing, with optional 10-year renewal periods. To maintain active registration, the owner must file a "Declaration of Use" between the fifth and sixth year following the initial registration. If the declaration is not filed the registration is cancelled and cannot be reinstated. Owners wishing to renew registration must file for renewal within the last year of each term. USPTO provides a six-month grace period for renewal, provided an additional fee is paid. If an owner fails to renew a registration, they must file a new registration application.
- 10. Loss of Rights: A trademark owner may lose trademark rights despite valid registration and renewal. If an owner stops using a mark in commerce, the trademark is considered abandoned. The law only protects marks as long as they are in continual use. Rights may also be lost if the owner improperly licenses his mark. Finally, a valid trademark may become generic over time, resulting in loss of rights. For example, the word "aspirin," initially a trademark of the Bayer company, has become generic over time and is no longer subject to trademark protection, in the United States, but remains under trademark protection in Canada and in many European countries.
- 11. Rejection of Trademark Application; Likelihood of confusion; In the ex parte examination of a trademark application, a refusal under §2(d) is normally based on the examining attorney's conclusion that the applicant's mark, as used on or in connection with the specified goods or services, so resembles a registered mark as to be likely to cause confusion. (See TMEP §1207.02 concerning §2(d) refusals to register marks that so resemble another mark as to be likely to deceive, and TMEP§1207.03 concerning §2(d) refusals based on unregistered marks. Note: Refusals based on unregistered marks are not issued in ex parte examination.)

- Determination of Likelihood of Confusion: In In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (C.C.P.A. 1973), the Court of Customs and Patent Appeals discussed the factors relevant to a determination of likelihood of confusion. In ex parte examination, the issue of likelihood of confusion typically revolves around the similarity or dissimilarity of the marks and the relatedness of the goods or services. The other factors listed in du Pont may be considered only if relevant evidence is contained in the record. See In re Majestic Distilling Co., 315 F.3d 1311, 1315, 65 USPQ2d 1201, 1204 (Fed. Cir. 2003) ("Not all of the DuPont factors may be relevant or of equal weight in a given case, and 'any one of the factors may control a particular case,'" quoting In re Dixie Restaurants, Inc., 105 F.3d 1405, 1406-07, 41 USPQ2d 1531, 1533 (Fed. Cir. 1997)); In re National Novice Hockey League, Inc., 222 USPQ 638, 640 (TTAB 1984). In an ex parte case, the following factors are usually the most relevant:
 - 12.1 The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
 - 12.2 The relatedness of the goods or services as described in an application or registration or in connection with which a prior mark is in use.
 - 12.3 The similarity or dissimilarity of established, likely-to-continue trade channels.
 - 12.4 The conditions under which buyers to whom sales are made, i.e. "impulse" vs. careful, sophisticated purchasing.
 - 12.5 The number and nature of similar marks in use on similar goods.
 - 12.6 A valid consent agreement between the applicant and the owner of the previously registered mark.
 - 12.7 The Court of Appeals for the Federal Circuit has provided the following guidance with regard to determining and articulating likelihood of confusion:
- 13. The basic principle in determining confusion between marks is that marks must be compared in their entireties and must be considered in connection with the particular goods or services for which they are used (citations omitted).

MSM Trademarks

Applications

14. On or around 25 March 2015, our office filed, on behalf of MSM Holdings Pte

Ltd, which we understand is an MSM related entity, for the mark (Logo), 'MEGASTAR MILLIONAIRE' mark (Megastar Mark) and 'MSM' mark (MSM Mark) (US Applications).

Executive Summary

- 15. We consider that:
 - 15.1 registration of the Logo is achievable;
 - 15.2 use and registration of the Megastar Mark is achievable; and
 - 15.3 use and registration of the MSM Mark almost certain.
- 16. There are no pending or registered trademarks on the US Trademarks Register (**Register**) which are identical to the Logo, Megastar Mark or MSM Mark (together, the **Brands**).
- 17. However, the US examining attorney has issued Office Actions for the Megastar Mark and the Logo in which two trademark applications were raised as obstacles to the registration of the Brands. These trademark applications were each submitted before the applications for the Brands, but are yet to be registered. Under US law, through amending the goods and services, registration for the Brands remains achievable.

Logo

- 18. US trademark application 86575644 (**Application**) for the Logo was lodged in the US on 25 March 2015.
- 19. On 29 June 2015, an Office Action was issued against the Application.
- 20. The examining attorney asked us to clarify the goods and services under TMEP §1402.01. Further, the examining attorney cited pending U.S. Application Serial Nos. 79161942 and 79162445 (referenced below) because they precede the Logo's filing date. If one or more of the marks in the referenced applications register, the Logo may be refused registration under Trademark Act Section 2(d) because of a likelihood of confusion with the registered mark(s). See 15 U.S.C. §1052(d); 37 C.F.R. §2.83; TMEP §§1208 et seq. In this Office Action, the examining attorney states that "upon receipt of applicant's response to this Office action, action on this application may be suspended pending final disposition of the earlier-filed referenced applications".
 - 20.1 Application Serial Nos. 79161942 and 79162445 ("**Keesing Marks**") are:

	Trade Mark	Owner	Classes	Status & Priority Date
1	79161942 MEGA STAR GAMES	Keesing Media Group B.V. NETHERLANDS Hogehilweg 13 NL-1101 CA AMSTERDAM ZUIDOOST NETHERLANDS	Class 9: Electronic publications; including electronic publications containing puzzles; software; games software; software applications for games; downloadable electronic game programs	Pending – Under Examination 14 July 2014
2	79162445 MEGA STAR GAMES	Keesing Media Group B.V.	Class 9: Electronic publications; including electronic publications containing puzzles; software; games software; software applications for games; downloadable electronic game programs	Pending – Under Examination 2 October 2014

- 21. Please note that the objection is only with respect to the Logo's class 9 goods.
- 22. On 6 October 2015, after discussing this case with the examining attorney, our Office responded to this Office Action, and took the opportunity to amend the goods and services to remove any reference to "social games", such that under class 009, the Logo claimed the following goods and services:
 - 22.1 "Downloadable mobile applications for networked contests and music competitions in which artists are able to upload content, and users are able to judge the artists content in order to select winners of the various contests and competitions; Downloadable software in the nature of a mobile application for viewing and voting on performers in music and multimedia contests and competitions; Software for networked contests and music competitions in which artists are able to upload content, and users are able to vote on the artists content in order to select winners of the various contests and competitions".
- 23. In our view, should the Keesing Marks issue, and should Examiner reject the Logo because it is likely to cause confusion with the Keesing Marks, this may be addressed by:
 - 23.1 Responding to the Office Action under US Law; or
 - 23.2 Requesting a letter of consent or concurrent use agreement from Keesing Media Group BV.
- 24. Each of these possibilities are addressed below:
 - 24.1 Response to Office Action

- 24.2 Under US Law, Lanham act section 2(d), 15 USC 1052(d) and various case law, in our view, the Logo and the Keesing Marks would not cause likelihood of confusion, and do not create significantly different commercial impressions, because, at least:
 - (a) The relatedness of the goods or services as described in the Application are completely dissimilar;
 - (b) The trade channels significantly differ;
 - (c) The purchasers/artists/voters are sophisticated (not impulse buyers) and wouldn't blindly confuse a contest run by MSM and an e-publication having puzzles and for games as Mega Star claims; and
 - (d) The marks are actually dissimilar in their entireties as to appearance, sound, connotation and commercial impression because the LOGO uses the term "millionaire" and the Keesing Marks use the term "games".

24.3 Letter of Consent

- a. In our view, the goods provided under the Keesing Marks and the Logo do not compete and are unlikely to cause consumer confusion.
- b. As such, an option for addressing the Examiner's objection would be to request that Keesing provide MSM Holdings Pte Ltd a letter of consent to the use and registration of the Logo.
- c. In making the request, the following issues should be raised:
 - i. the goods provided under the Keesing Marks do not conflict with the goods provided under the Logo;
 - ii. the end user consumers of goods provided under the Keesing Marks are likely to be vastly different to the enduser consumers of goods provided under the Logo; and
 - iii. the Keesing Marks do not appear to be in use in US
- d. Responding to the Office Action is a cost effective means of addressing the Office Action, and is likely to be successful.
- e. Requesting a letter of consent or concurrently use agreement will put Keesing on notice of MSM Holdings Pte Ltd's interest in a trademark. If Keesing refuse to provide a letter of consent, and the Application progresses to acceptance by other means (for example, by the filing of written submissions), Keesing may oppose acceptance once the acceptance has been advertised.

Megastar Mark

- 25. A plain word trademark registration provides the registered owner with a broader monopoly than a stylised trademark, or a composite trade mark (such as a logo). This is because it allows the owner to enforce its rights in the words or phrase, not only when they are used in similar phrases, but also where they are encompassed in a composite mark, such as a logo.
- 26. US trademark application 86575507 (**Application**) for "Megastar Millionaire" was lodged in the US on 25 March 2015.
- 27. On 29 June 2015, an Office Action was issued against the Application by the same examining attorney who examined the Logo. The examining attorney issued an analogous Office Action to that of the Logo, and thus, on 6 October 2015, after discussing this case with the examining attorney, our Office responded to this Office Action in the same way in which we responded to the Office Action with regard to the Logo.
- 28. In our view, should the Keesing Marks issue, and should Examiner reject the Megastar mark because it is likely to cause confusion with the Keesing Marks, this may be addressed in the same way as the Logo as recited in paragraphs 24 of this paper:
 - 28.1 Responding to the Office Action under US Law; or
 - 28.2 Requesting a letter of consent or concurrent use agreement from Keesing Media Group BV.

MSM Mark

- 29. US trademark application 86575644 (**Application**) for the MSM mark was lodged in the US on 25 March 2015.
- 30. On 29 June 2015, an Office Action was issued an Office Action for the MSM mark. The examining attorney asked that scope of goods and services be clarified, and thus, on 6 October 2015, after discussing this case with the examining attorney, our Office responded to this Office Action to clarify the goods and services.
- This application, in our view, will be allowed by the USPTO, and proceed to registration after filing of the Statement of Use.

Patents

- 32. On 2 October 2015, our Office filed a provisional patent application in the US, Application no. 62/236513, entitled "A System and Method for a Media Platform", assigned to its wholly owned US Subsidiary, MSM Music, Inc., a Delaware Corporation ("MSM US").
- 33. In the US, a patent is a registered right that is granted for a device, substance, method or process that is new, inventive, and useful when compared with what is already known. A patent is legally enforceable and gives its owner, exclusive rights to commercially exploit the invention in the jurisdiction of grant, for the life of the patent. This exclusive right is for a limited period, typically twenty (20) years from filing of the patent. Generally speaking, a patent can protect anything that requires human ingenuity and is practically useful. However, there are exclusions. For example, abstract ideas, discoveries, or computer programs may not be patentable. Each country has its own Patent law, and these exclusions vary from one country to another. A pending patent application i.e. a patent application which has not been granted, is not enforceable. A granted patent can be revoked. In most jurisdictions, a patent right is enforceable only after a patent application successfully passes substantive examination at the national patent office and is granted. Even after grant of a patent application, there may be avenues available for third parties to invalidate the granted patent and thereby revoke the exclusive right. Also, a granted patent does not quarantee that the owner will be allowed to exploit the technology. The owner of a granted patent can be prevented from working the invention or exploiting the technology, by an owner of another granted patent having an earlier priority date, if the technology falls under the scope of the claims of the granted patent having an earlier priority date.
- 34. Protection of MSM US's provisional patent application: 62/236513
 - 34.1 A provisional patent application can act as a priority application, but it cannot mature into a granted patent in its own right. However, a provisional patent application provides a 'priority date' for the invention. The priority date can be claimed in a corresponding complete application (in the US, a "non-provisional application"). A priority date of a patent application is the date against which it is tested for patentability criteria such as novelty and inventive step. For example, if a product claimed by a patent was known/published before the priority date, the patent could be invalidated for lack of novelty or inventive step. The priority date is recognized in all countries which are party to the Paris Convention which includes 176 countries including the United States and Australia. To progress the subject matter of a provisional application, a complete application claiming priority to the provisional application must be filed within 12 months from the filing date of the provisional application. The priority date of such a complete application will be the filing date of the provisional application. The following threestep process is followed in the US and generally followed in most jurisdictions. However, again, it should be noted that each jurisdiction has its own patent process and patent law:

- (a) Step 1 Complete the non-provisional application: In order to progress the subject matter of the provisional application to the next stage, within 12 months from the filing date of the provisional application, the applicant must file:
 - (i) a complete patent application in desired regions/countries under the provisions of the Paris convention (currently there are 176 countries, including the US and Australia, party to the Paris Convention), or under similar provisions of unilateral or bi-lateral treaties if the desired country is not party to the Paris Convention. Such complete application would claim priority from the provisional application; and/or
 - (ii) an international patent application under provisions of the Patent Cooperation Treaty (**PCT**) (currently there are approximately 148 countries/regions, including Australia, contracting the PCT), such a PCT application would claim priority from the provisional application. Subsequently, one or more 'national phase entry' complete patent application are then to be filed in desired regions/countries within at least 30 months from the earliest priority date. Separate complete application and/or PCT application may be filed corresponding to the US provisional application, in which case the deadline for filing the complete application and/or PCT application is 2 October 2 2016 for MSM US's provisional patent application.

The contents of the complete application and/or PCT application will be published after 16 months from the earliest priority date, and typically published by 18 months from the earliest priority date. If a corresponding complete application or PCT application is not filed within 12 months, the provisional application will lapse and its content will remain confidential (unless otherwise disclosed by the inventor/applicant). We understand that the Company's management plans to file a PCT application claiming priority to the filed US provisional application well before the 2 October 2016 deadline.

34.2 Step 2 – Examination

(a) Once a complete application or applications have been filed in the US, Australia and/or other regions/countries, the Patent Office in each jurisdiction will examine the complete application to assess whether the complete application meets the various criteria for patentability, including novelty and inventive step, according to their local laws. If examination is negative, the applicant can respond to the Patent Office with

arguments and/or amendments. If the applicant's response is not persuasive to the Patent Office, the application could lapse. In some jurisdictions, including the US and Australia, Patent Office decisions can be appealed in a court. Correct entitlement to ownership of the patent application is often checked or required by the respective Patent Office (see 'ownership' section below).

34.3 Step 3 – Acceptance and grant

- (a) Alternatively, if examination is positive, the complete application is allowed/accepted and subsequently granted. In the US, once the Applicant pays the issue fee and the publication fee, the USPTO will grant the patent. The patent holder must pay maintenance fees due at 3.5 years, 7.5 years and 11.5 years after patent grant. During opposition period any person may oppose the grant of the accepted application. During opposition proceedings, in order to revoke the accepted patent application, the person will need to prove that if granted the patent would be invalid for reasons such as lack of novelty or inventive step. Many other jurisdictions have similar provisions (including the US) for either third party 'interparte' or 'ex-parte' opposition. Such opposition may be pre or post grant of the patent application. Once a patent application is granted, its applicant has enforceable rights that may be retrospectively applied to the date of publication of the application.
- 35. The Company, in this Prospectus, has made the prudent decision not to descend into extemporisation about other potential patentable assets which would or be likely to negatively impact any future capability for IP protection.
- 36. There is no guarantee the non-provisional application will mature into a patent. In the US, whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title". 35 U.S.C. 101 et seq. Four types of inventions are patentable, namely processes, machines, articles of manufacture, and compositions of matter. If an invention does not fall within one of these four categories, the invention is not patentable. For example, data structures that are not claimed in combination with a computer or some type of computer-readable media are clearly outside of these four categories. A claim to "software" that is not tied to a process or a physical machine (such as a computer or mobile device) would also fall outside the four statutory categories and therefore would not be patentable. See Manual of Patent Examination and Procedure ("MPEP") Section 2106.
- 37. In addition to falling within one of these four statutory classes, an invention must also avoid a judicially created "exception" to patentable subject matter if it is to be considered a patentable type of invention. Recent case law has identified three different exceptions, namely abstract ideas, laws of nature, and natural

phenomenon. The Supreme Court in Alice Corp. v. CLS Bank International analyzed these three exceptions in some detail. The "abstract idea" exception to patentable subject matter is particularly important for patents relating to software, mobile-device apps, and the Internet. There are still many unanswered questions at the USPTO as to the patentability of software, alone (e.g., software not tied to hardware and computer performance). See MPEP Section 2106.

- 38. In order for an invention to be patentable, the invention must be considered to be new or novel. This novelty requirement states that an invention cannot be patented if certain public disclosures of the invention have been made. See 35 U.S.C 102.
- 39. In order for the invention to be patentable, it must be "useful." This means that the invention must have a useful purpose. In most cases, the usefulness requirement is easily met in the context of computer and electronic technologies. See MPEP Section 2107.
- 40. In order for the invention to be patentable, it must also be nonobvious. If an invention is not exactly the same as prior products or processes (which are referred to as the "prior art"), then it is considered novel. However, in order for an invention to be patentable, the patent statute also requires that the invention be a non-obvious improvement over the prior art. (See 35 U.S.C 103). This determination is made by deciding whether the invention sought to be patented would have been obvious "to a person having ordinary skill in the art to which the claimed invention pertains."
- 41. Disclosure of the subject matter of any future patent would certainly, in the Company's view, destroy the novelty in the patent, because that disclosure would form part of the prior art base, pre-dating the filing date.
- 42. There is an exception to these requirements for disclosures made by the inventor less than one year before the patent application was filed. This means that there is a one year period after the first public disclosure or offer for sale of an invention by an inventor during which a patent application must be filed. This "statutory bar" is unforgiving, which means that an inventor who does not file for patent protection on the new invention within this one year grace period will lose all right to obtain patent protection on the invention. In fact, it is possible that this one-year clock may start "ticking" by something as innocuous as showing the invention to friends without any obligation of confidentiality. See 35 U.S.C. 101 and MPEP Section 2153.01(a)
- 43. Although the United States grants the one year grace period described above, most other countries do not grant such a period. Therefore, it is almost always preferable to file a patent application before any public disclosure of the invention. Most patent attorneys will try diligently to file a patent application prior to any public release or announcement in order to allow international patent filings.
- 44. The statute that describes this novelty requirement under U.S. law was significantly revised by the America Invents Act. Patent applications that were

filed on or before March 16, 2013 fall under the earlier version of the statue. Under this earlier version, public disclosures made by another less than one year before the patent application was filed may not bar an application if the disclosure was made after the applicant's "invention" date. See 35 U.S.C. 102.

- 45. Even accounting for this "one year grace period" in the US, the dissolution of the novelty by reason of the disclosure of what is the IP, through the vehicle of the Prospectus, would in fact have the effect of destroying shareholder value. A major asset of the acquired business would not be capable of effective patent protection in that event, allowing third parties to copy the substance of the IP which would have been protected by a patent.
- 46. For that reason, the Company cannot, without significantly impacting the value of the business, disclose within the Prospectus with any greater precision than already articulated the subject matter of any IP which would be the substance of future patent protection. In our view, from an IP perspective, this is a sensible strategy.
- 47. Ownership: Primarily the rights in an invention, for which a patent is sought, belong to its inventor. Other parties, for example an employer, may derive the rights to the invention from the inventors. Such transfer of rights may be by means of a formal assignment of rights or other contractual arrangements, such as employment contracts. MSM Music Inc, a Delaware Corporation, has been assigned rights in full to the provisional application by the inventors of the subject matter in the provisional application.

Patent Searches

- 48. No enquiries have been made by the Report authors or anyone else engaged by the Company in respect of competing patents, but that some form of rights which will impact upon the IP will exist, but are typical and manageable risks.
- 49. This goes to the nature of:
 - 49.1 searches;
 - 49.2 patents;
 - 49.3 patenting strategy; and
 - 49.4 the role of patent attorneys.
- 50. We are instructed that MSM is cognizant of the inevitability of third party rights and will work assiduously with its patent attorneys to draft around those rights, as part of the ordinary course and necessity of patent drafting. It may be possible, and it is often necessary, during examination of a patent application to define the invention more specifically by amendment of the claims to distinguish the invention over relevant prior art. There may be variations in the claims between countries, reflecting in part different national examination procedures and threshold patentability requirements. Such amendments may affect the scope and hence the commercial significance of the resultant patent protection.

Amendments of this kind, dealing with third party rights, are very standard in patent applications.

- 51. In respect of enquiries, these are normally undertaken by searches. Prior art (or "novelty") searches conducted by either an applicant, or various patent offices (discussed further below) to determine whether a patent should be granted are limited to the time periods and geographical areas covered. Databases used in searching therefore may not include older published documents and may not cover certain jurisdictions. Moreover, searches cannot locate documents which have not been published at the time of conducting the search. In most countries, publication of a patent application does not occur until 18 months from the earliest priority date. Delays between official publication and the implementation of information onto the relevant databases can also occur.
- 52. All searches are limited to the accuracy and scope of the databases searched together with the search criteria adopted. Accordingly, whilst the searches conducted by various patent offices provide a reasonable indicator of patentability prospects, these and other factors make it not possible to guarantee that every relevant prior art record has been identified and considered. Accordingly, any conclusions drawn regarding the validity of claims in a patent based on patent office searches should be regarded as indicative rather than conclusive in nature.
- 53. Other issues which arise as a consequence of third party rights which might impact upon the IP are:

53.1 <u>Patent infringement</u>

- a. The owner of a granted patent has an exclusive right to stop others making, selling, importing or otherwise using the patented invention for the life of the patent.
- b. Patent infringement occurs when someone makes, hires, uses, imports or sells the patented invention, or a product made by a patented method, or offers to do these things, within the country or area covered by the patent without the permission of the patentee.

53.2 Patent validity

- a. Grant of a patent does not guarantee validity. A granted patent may be challenged through the courts in invalidation proceedings (often in a counter-claim to infringement proceedings), or (in some countries, including the US) challenged at the USPTO in administrative proceedings. Grant of a valid patent does not mean that the patent can necessarily be exploited without infringing third party IP rights.
- b. However, legislation around the world entitles third parties to challenge the validity of those rights, even when granted or

- registered, for example, by revocation action brought through the courts.
- c. There may also be pending applications filed by third parties, which MSM would not be able to become aware of even if it had initiated enquiries. Unpublished complete patent applications are not capable of identification through searches, and neither are provisional patents. These types of pending applications do not provide enforceable rights. However, once those applications have successfully completed the examination phase, and been allowed (or accepted) for grant, they will generally proceed to grant (unless they are successfully opposed by a third party). On grant, they would become enforceable but, either capable of challenge by MSM, or MSM would work around these in the patent drafting process.

53.3 Paris Convention issues

- a. The Paris Convention for the Protection of Industrial Property provides that, each contracting State must grant the same protection to nationals of the other contracting States as it grants to its own nationals, in regard to the protection of industrial property.
- b. The Convention further provides for the right of priority in the case of patents (and utility models, where they exist), trade marks and industrial designs. The right of priority means that, on the basis of a regular first application filed in one of the contracting States, the applicant may, within a certain period of time (12 months for patents and utility models, 6 months for industrial designs and trade marks), apply for protection of the same invention in any of the other contracting States. These later applications will then be regarded as if they had been filed on the same day as the first application. In other words, these later applications will have priority over applications which may have been filed during the relevant period of time by other persons for the same invention, utility model, mark or industrial design.
- c. Moreover, these later applications, being based on the first application, will not be affected by any event that may have taken place in the interval, such as any publication of the invention, or sale of articles bearing the mark or incorporating the industrial design. The practical advantage of this provision is that, when an applicant requires protection in several countries, the applicant is not required to lodge all the applications at the same time but has 12 months in the case of patent protection to decide in which countries protection is required and to undertake the steps necessary to secure protection.
- d. Presently, the Paris Convention has around 175 contracting member countries, including Australia.

e. Issues arising from third party patent rights manifesting by way of the Paris Convention would, again, be either capable of challenge by MSM, or MSM would work around these in the patent drafting process.

53.4 Patent Cooperation Treaty (**PCT**)

- a. The Patent Cooperation Treaty enables applicants to seek patent protection for an invention simultaneously in each of about 148 contracting states by filing an "international" patent application. Such an application may be filed by anyone who is a national or resident of a PCT contracting state.
- b. The filing of a PCT application automatically designates all PCT contracting states. The effect of the international application in each designated state is the same as if a national patent application had been filed with the national patent office in that state. The practical advantage of using the PCT is that the effective lodgement date and associated fees for each of the designated countries can be deferred by a further 18 or 19 months (country dependent) from the initial 12 month priority deadline available under the Paris Convention.
- c. An application is said to be in the "international phase" from that date on which the PCT application is filed until such time that national applications (or in the case of European Patent Convention, regional applications) are filed. Once the national and/or regional applications are filed, the application is said to be in the "national phase".
- d. The PCT is subjected to an "international search." The international search is carried out by one of the major patent offices and results in an "international search report," or ISR which includes a listing of published documents that may affect patentability of the invention claimed in the international application.
- e. So, MSM to a very significant extent is reliant upon the results of that international search report: essentially, an inevitable enquiry which is ordinarily much more detailed that any enquiries initiated by a patent applicant, and the outcome of that report. Again, MSM is in the position of being able to work around the outcomes of that report through various patenting strategies.
- f. In addition to the ISR, a preliminary and non-binding, written opinion on whether the invention appears to meet patentability criteria in light of the search report results is issued by the PCT authority. The ISR and written opinion are communicated to the applicant who, after evaluating their content, may decide to withdraw the application, if for example, the content of the report and opinion suggest that the granting of patents is unlikely.

Alternatively, and, we are instructed that almost certainly the case in respect of MSM's IP, an applicant may decide to amend the claims in the application to address any issues raised in the opinion.

- g. The applicant may respond to the written opinion, by filing a request for "international preliminary examination". The response may include amendments to the application, for example, in order to more clearly distinguish the invention from the disclosures made in documents identified in the search report. The result of the preliminary examination is an "international preliminary report on patentability" or IPRP, which contains, once again, a preliminary and non-binding opinion on the patentability of the claimed invention.
- h. The international search and written opinion is intended to provide a preliminary and non-binding opinion only on patentability of the claimed invention, and is not intended to indicate whether commercial exploitation of the applicant's invention may infringe the rights of others. However, it will be of guidance to MSM, and MSM will utilise the ISR to mitigate any risk in respect of third party rights.

53.5 National patents

- a. In order to obtain protection for an invention overseas, a national patent application must be lodged in each jurisdiction of interest. (There is no mechanism to file a "global patent".)
- b. Many national patent offices conduct their own comprehensive search and examination to determine whether the application meets the national requirements for patentability. Such search and examination may result in objections being raised. If an objection raised by a national patent office cannot be overcome, the application will be refused. However, an objection can be overcome by amendment to the claims and/or argument. We are instructed that MSM expects any objection can be overcome if need be, and this is not surprising, in our experience.
- c. Grant of a patent by a national patent office provides an indication rather than a guarantee of its validity. In most jurisdictions, a patent application is subject to substantive examination prior to grant. Although this process confers an initial presumption of validity, in most countries that "presumption" carries no binding legal weight and a patent may be challenged at any time after grant by way of revocation proceedings undertaken in a court of competent jurisdiction. In certain countries a granted patent may be subjected to re-examination by the relevant patent office, particularly if relevant prior art is identified that was not considered during the initial examination of the application. So, even the "enquiries" (to use your term)

conducted by national patent offices may not uncover all relevant prior art at first instance. Again, if such issues were to arise, we are instructed that MSM would endeavour work around these in the patent drafting process.

Copyright

- 54. Copyright law in the US is governed by federal statute, namely the Copyright Act of 1976. The Copyright Act prevents the unauthorized copying of a work of authorship. However, only the copying of the work is prohibited. Anyone may copy the ideas contained within a work. For example, a copyright could cover a written description of a machine, but the actual machine itself is not covered. Thus, no one could copy the written description, while anyone could use the description to build the described machine.
- 55. Copyrights can be registered in the Copyright Office in the Library of Congress, but newly created works do not need to be registered. In fact, it is no longer necessary to even place a copyright notice on a work for it to be protected by copyright law. However, the Copyright Act does provide additional benefits to those who register with the Copyright Office. Consequently, copyright registration and the use of a copyright notice is recommended.
- 56. In order to attract the protection of Copyright, it must be "original." However, the amount of originality required is extremely small. The work cannot be a mere mechanical reproduction of a previous work, nor can the work consists of only a few words or a short phrase.
- 57. The Copyright Act uses the phrase "works of authorship" to describe the types of works that are protected by copyright law. In order to clarify what was considered a work of authorship, Congress included a list of eight works of authorship in the Act itself: Literary works; musical works, including any accompanying words; dramatic works, including any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works; sound recordings; and architectural works.
- 58. In order for a work to be protectable, it must be fixed in a tangible medium of expression. A work is considered fixed when it is stored on some medium in which it can be perceived, reproduced, or otherwise communicated.
- 59. In the US, In the United States, computer programs are literary works, under the definition in the Copyright Act. Thus, the Company will federally register all computer code and algorithms as they are completed.
- 60. US Courts have limited the scope of protection for format ideas in reality television program rather severely. While it may be possible to claim copyright in such a format, it is likely to be difficult to enforce.

Credentials

- 61. The author of this report is a US registered IP lawyer who has:
 - been in practice for 10 years, almost all of which have exclusively been in the field of IP; and
 - 61.2 is experienced in the provision of IP advice and has previously provided IP due diligence reports in Australia.

Disclaimer

- 62. This report is:
 - on the IP rights that is line with the company's five year global strategy; to analyse the existing portfolio of IP rights and identify discrepancies between the actual and the desired situation; to draw up a report with recommendation for actions (additional filings, withdrawals; changing of owner, central management, licensing systems, user guidelines for licensees, renewals, geographic expansions, and so forth);
 - 62.2 not an analysis of any part of the patent landscape relating to the provision of the contest.

63. We have not:

- 63.1 conducted reviews of any overseas trademark registries which might be target markets for MSM, on in online platforms on the Internet in which third parties might have prior rights which may adversely affect MSM's IP rights; or
- 63.2 carried out any US common law searches to determine the extent of any unregistered rights in this jurisdiction.

Very truly yours,

William J. Fitzpatrick, Esq.

Fitzpatrick PC

*Admitted in NY, CA and before the United States Patent and Trademark Office



Financial Information

7.1

Financial information

The Investigating Accountant's Report contained in Section 8 sets out:

- the audited Statement of Financial Position of the Company as at 30 June 2015;
- the audited Statement of Financial Position of MSM as at 30 April 2015;
- the audit-reviewed, pro-forma Statement of Financial Position of the Merged Group.

Investors are urged to read the Investigating Accountant's Report in full.

The full audited financial statements for the Company for its financial years ended 2015, 2014, and 2013 can be found at the Company's ASX announcements platform on www.asx.com.au.

7.2

MSM financial background

During the period from incorporation of MSM on 12 August 2014 up to 30 April 2015, MSM raised a total of \$101,951 through the issue of shares to the MSM Shareholders, and \$800,000 through the issue of convertible notes to the MSM Noteholders.

These funds have been spent on the following primary purposes:

Consulting and accountants fees	\$9,873
Trademark and setup costs	\$72,490
Website development	\$32,638
Capital raising costs	\$24,860

Travel and marketing expenses	\$2,432
Legal expenses	\$21,556
Director fees	\$5,500
General working capital	\$699

7.3

Forecast financial information

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings and, accordingly, forecast financials are not included in this Prospectus.

7.4

Dividend policy

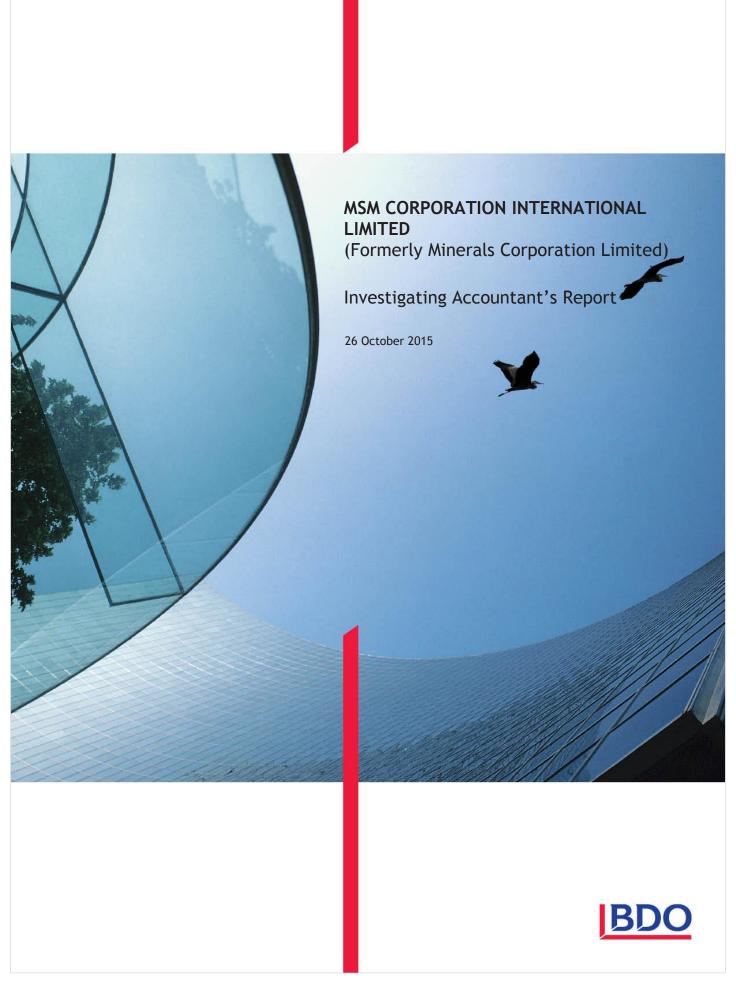
The Merged Group does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the Megastar Millionaire Platform.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.





Investigating Accountant's Report





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26 October 2015

The Directors
MSM Corporation International Limited
Office J, Level 2, 1139 Hay Street
WEST PERTH WA 6005

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd ('BDO') has been engaged by MSM Corporation International Limited ('MSM' or the 'the Company') to prepare this Investigating Accountant's Report ('Report') in relation to the historical financial information and pro forma historical financial information of MSM for inclusion in the Prospectus. The Prospectus is required under Australian Securities Exchange ('ASX') requirements for MSM to re-comply with Chapters 1 and 2 of the ASX Listing Rules, as a result of MSM signing a binding term sheet to acquire 100% of Megastar Millionaire Pty Ltd ('Megastar').

Broadly, the Prospectus will offer 116,666,667 Ordinary Shares at an issue price of \$0.06 each to raise \$7 million before costs ('the Offer').

The Prospectus also contains:

- An offer of 75 million Ordinary Shares and 100 million Performance Shares to the Vendors of Megastar in consideration for the acquisition of all the issued capital in Megastar;
- An offer of 25 million Ordinary Shares and 25 million Options in consideration for the acquisition of convertible notes issued by Megastar;
- An offer of 12.5 million Ordinary Shares in consideration for the satisfaction of the contractual obligations under the services agreement with the proposed Non-Executive Chairman, Mr Doug Barry, on completion of the Acquisition; and
- An offer of 18 million Options in consideration of the cancellation of Megastar options.

Further details of the contents of the Prospectus can be found in Section 7.

The Company has recently changed its name from Minerals Corporation Limited to MSM Corporation International Limited.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd ('BDO') holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') of both MSM and Megastar included in Appendix 5 and 6:

- the MSM historical Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 June 2015;
- the MSM historical Statement of Financial Position as at 30 June 2015;
- the Megastar historical Statement of Profit and Loss and Other Comprehensive Income for the ten months ended 30 April 2015; and
- the Megastar historical Statement of Financial Position as at 30 April 2015;

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

The Historical Financial Information for MSM has been extracted from the Annual Report of MSM for the year ended 30 June 2015, which was audited by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued an unmodified audit opinion on the financial report, but included an Emphasis of Matter paragraph which states that the ability of the Company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity or successful exploration and subsequent exploitation of the entity's tenements.

The Historical Financial Information for Megastar has been extracted from the financial report of Megastar for the ten months ended 30 April 2015, which was audited by Shakespeare Partners in accordance with the Australian Auditing Standards. Shakespeare Partners issued an unmodified review opinion on the financial report.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act* 2001.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (together the 'Pro Forma Historical Financial Information') of MSM as at 30 June 2015.

The Pro Forma Historical Financial Information has been derived from the historical financial information of MSM, after adjusting for the effects of the subsequent events described in section 6 of this Report and the pro forma adjustments described in section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the

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pro forma adjustments relate, as described in section 7 of this Report, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

3. Director's responsibility

The directors of MSM are responsible for the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information to be free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Subsequent Events

The Pro-Forma Statement of Financial Position reflects the following events that have occurred subsequently to the period ended; 31 April 2015 for Megastar; and 30 June 2015 for MSM:

 Megastar made strategic investments in ToneDen (US\$100,000) and Social Media Studios (US\$50,000), both in early August. At an exchange rate of approximately 0.7173 AUD/USD, this equates to a total investment of \$209,108; and Megastar continued capitalising costs in relation to website development, trademarks and set-up costs. In the period from 1 May 2015 to 30 September 2015 Megastar capitalised \$124,902.

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief, no other material transaction or event outside of the ordinary business of MSM, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro forma historical Statement of Financial Position as shown in Appendix 2 has been prepared on the basis of financial statements of MSM as at 30 June 2015, the financial statements of Megastar as at 30 April 2015, the subsequent events set out in section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The Company will change its name from Minerals Corporation Limited to MSM Corporation International Limited (which has already taken place);
- The issue of 116,666,667 Shares at an offer price of \$0.06 each to raise \$7 million before costs pursuant to the Prospectus;
- Costs of the Offer are estimated to be \$623,020 under the subscription, which are to be
 offset against the contributed equity;
- The issue of 75 million Ordinary Shares and 100 million Performance Shares respectively to the Vendors of Megastar in consideration for the acquisition of all of the issued capital of Megastar. The Performance Shares have the following vesting conditions:
 - 50 million Performance Shares will convert into 50,000,000 Ordinary Shares if Megastar achieves \$5 million in earnings before interest, tax, depreciation and amortization ('EBITDA') or the MSM Platform achieves a number of unique registered users of at least 1,000,000 on or before three years from date of issue ('Class A Performance Shares'); and
 - 50 million Performance Shares will convert into 50,000,000 Ordinary Shares if Megastar achieves \$15 million in EBITDA or the MSM Platform achieves a number of unique registered users of at least 2,000,000 on or before five years from date of issue ('Class B Performance Shares').

Currently there are no reasonable grounds in which to assess the likelihood of each of the performance milestones being met, resulting in the issue of up to 100 million ordinary shares in MSM. Therefore, we have not made any adjustments to the pro-forma statement of financial position.

An offer of 25 million Ordinary Shares and 25 million Options in consideration for the
acquisition of the 8,000 convertible notes with a face value of \$100 each convertible to
Megastar shares issued by Megastar. The 25 million Options have an exercise price of \$0.10
and are exercisable on or before 7 November 2019. We have not included an adjustment for
the Options in the Pro Forma Statement of Financial Position as they are currently out of
the money and would not be exercised by a rational option holder;

- An offer of 12.5 million Ordinary Shares in consideration for the satisfaction of the contractual obligations under the services agreement with the proposed Non-Executive Chairman, Mr Doug Barry, on completion of the Acquisition; and
- An offer of 18 million Options in consideration of the cancellation of 18 million Megastar options which have an exercise price of \$0.10 and are exercisable on or before 7 November 2019. We have not included an adjustment for the Options in the Pro Forma Statement of Financial Position as they are currently out of the money and would not be exercised by a rational option holder;

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the proposed transaction other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO Audit (WA) Pty Ltd is the auditor of MSM and from time to time, BDO also provides MSM with certain other professional services for which normal professional fees are received.

9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

Adam Myers

Director

APPENDIX 1

MSM CORPORATION INTERNATIONAL LIMITED (formerly Minerals Corporation Limited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income	Audited for the year ended 30-Jun-15 \$
Interest income	7,965
General administration costs	(120,140)
Accounting fees	(25,055)
Audit fees	(32,262)
Company secretarial fees	(19,000)
Corporate and compliance expenses	(40,262)
Depreciation and amortisation	(372)
Directors' fees	(113,533)
Legal fees	(44,072)
Occupancy costs	(6,000)
Share based payments	(37,294)
Project evaluaiton fees	(294,865)
Loss before income tax expense	(724,890)
Income tax expense	
Loss after income tax expense	(724,890)
Loss from discontinued operations	
Total comprehensive loss for the half year net of tax	(724,890)

This consolidated statement of comprehensive income shows the historical financial performance of the Company and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4 and the prior year financial information set out in Appendix 5. Past performance is not a guide to future performance.

APPENDIX 2

MEGASTAR MILLIONAIRE PTY LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income	Audited for the 10 months ended 30-Apr-15 \$
Administration costs	(623)
Consultants' fees	(9,873)
Director fees	(5,500)
Professional fees	(21,556)
Travel and marketing	(2,432)
Other expenses	(76)
Loss before income tax expense	(40,060)
Income tax expense	
Loss after income tax expense	(40,060)
Loss from discontinued operations	-
Total comprehensive loss for the period net of tax	(40,060)

This consolidated statement of comprehensive income shows the historical financial performance of Megastar and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4 and the prior year financial information set out in Appendix 5. Past performance is not a guide to future performance.

APPENDIX 3

MSM CORPORATION INTERNATIONAL LIMITED (formerly Minerals Corporation Limited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		MSM Audited as at	Megastar Audited as at	Subsequent	Pro forma	Pro forma
Statement of Financial Position		30-Jun-15	30-Apr-15	events	adjustments	after Offer
	Notes	\$	\$	\$	\$	\$
CURRENT ASSETS						
Cash and cash equivalents	2	572,029	793,315	(334,010)	6,376,980	7,408,314
Trade and other receivables		41,423	-	-	-	41,423
TOTAL CURRENT ASSETS		613,452	793,315	(334,010)	6,376,980	7,449,737
NON CURRENT ASSETS						
Property, plant and equipment		168	-	-	-	168
Exploration and evaluation assets		343,568	-	-	-	343,568
Intangible assets	3	-	105,129	124,902	-	230,031
Strategic Investments	4	-	-	209,108	-	209,108
TOTAL NON CURRENT ASSETS		343,736	105,129	334,010	-	782,875
TOTAL ASSETS		957,188	898,444	-	6,376,980	8,232,612
CURRENT LIABILITIES						
Trade and other payables		50,065	61,413	-	-	111,478
TOTAL CURRENT LIABILITIES		50,065	61,413	-	-	111,478
NON CURRENT LIABILITIES						
Convertible Note	5	-	800,000	-	(800,000)	-
TOTAL NON CURRENT LIABILITIES		-	800,000	-	(800,000)	-
TOTAL LIABILITIES		50,065	861,413	-	(800,000)	111,478
NET ASSETS		907,123	37,031	-	7,176,980	8,121,134
EQUITY						
Issued capital	6	138,104,297	77,091		(127,574,838)	10,606,550
Reserves	7	101,211	-		823,789	925,000
Accumulated losses	8,9	(137,298,385)	(40,060)	-	133,928,029	(3,410,416)
TOTAL EQUITY		907,123	37,031	-	7,176,980	8,121,134

Note: The cash and cash equivalents balance above does not account for working capital spent by MSM during the period from 1 July 2015 to the date of this report, or for working capital spent by Megastar during the period from 1 May 2015 to the date of this report. From 1 July 2015 to the date of this report, MSM has spent approximately \$115,000 on working capital of MSM and expenses related to the Offer. From 1 May 2015 to the date of this report, Megastar has spent approximately \$250,000 on working capital of Megastar and expenses related to the Offer. The estimated working capital requirements of MSM and Megastar combined until completion of the Offer is estimated to be approximately \$55,000 per month.

The pro-forma statement of financial position after the Offer is as per the statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4 and the prior year financial information set out in Appendix 5.

APPENDIX 4

MSM CORPORATION INTERNATIONAL LIMITED (formerly Minerals Corporation Limited) NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

b) Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

c) Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

d) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by MSM at the end of the reporting period. A controlled entity is any entity over which MSM has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

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In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and statement of financial performance. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of financial performance. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is re-measured each reporting period to fair value through the statement of financial performance unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of financial performance.

e) Income Tax

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by

11

changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

f) Cash and Cash Equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

g) Trade and other receivables

Trade receivables are recognised as the amount receivable and are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

h) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to

settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

j) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore the area are recognised in the statement of financial performance.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- I. The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- II. Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient date exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing,

exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, and accumulated costs in respect of that area are written off in the financial period the decision is made.

n) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of financial performance. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

o) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

p) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

q) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ("vesting date"). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

r) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

Options

The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Determination of fair values on exploration and evaluation assets acquired in business combinations

On initial recognition, the assets and liabilities of the acquired business are included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of its fair value.

Recoverability of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Taxation

The Company is subject to income taxes in Australia. Significant judgement is required when determining the Company's provision for income taxes. The Company estimates its tax liabilities based on the Company's understanding of the tax law.

	Audited 30-Jun-15	Pro forma after Offer
NOTE 2. CASH AND CASH EQUIVALENTS	\$	\$
Cash and cash equivalents	572,029	7,408,314
Audited balance of MSM at 30 June 2015		572,029
Audited balance of Megastar at 30 April 2015		793,315
Subsequent events: Capitalisation of Intangible assets Investment in strategic partnerships		(124,902) (209,108) (334,010)
Pro-forma adjustments:		, , ,
Proceeds from shares issued under the Public Offer		7,000,000
Capital raising costs		(623,020)
		6,376,980
Pro-forma Balance		7,408,314

Note: The cash and cash equivalents balance above does not account for working capital spent by MSM during the period from 1 July 2015 to the date of this report, or for working capital spent by Megastar during the period from 1 May 2015 to the date of this report. From 1 July 2015 to the date of this report, MSM has spent approximately \$115,000 on working capital of MSM and expenses related to the Offer. From 1 May 2015 to the date of this report, Megastar has spent approximately \$250,000 on working capital of Megastar and expenses related to the Offer. The estimated working capital requirements of MSM and Megastar combined until completion of the Offer is estimated to be approximately \$55,000 per month.

	Audited 30-Jun-15	Pro forma after Offer
NOTE 3. INTANGIBLE ASSETS	\$	\$
Intangible assets	-	230,031
Audited balance of MSM at 30 June 2015 Audited balance of Megastar at 30 April 2015		- 105,129
Subsequent events: Capitalisation of Intangible assets		124,902
Pro-forma Balance		230,031

NOTE 4. STRATEGIC INVESTMENTS	Audited 30-Jun-15 \$	Pro forma after Offer \$
Strategic Investments		209,108
Audited balance of MSM at 30 June 2015 Audited balance of Megastar at 30 April 2015		-
Subsequent events:		
Investment in strategic partnerships		209,108
Pro-forma Balance		209,108

	Audited 30-Jun-15	Pro forma after Offer
NOTE 5. LOAN - CONVERTIBLE NOTE HOLDERS	\$	\$
Convertible note		-
Audited balance of MSM at 30 June 2015		-
Audited balance of Megastar at 30 April 2015		800,000
Due former adjustments		
Pro-forma adjustments:		
Cancellation of Megastar convertible notes		(800,000)
		(800,000)
Pro-forma Balance		-

The balance of \$800,000 as at 30 April 2015 relates to Megastar's convertible notes which are to be cancelled in exchange for the issue of 25 million shares in MSM and 25 million free attaching options upon completion of the Acquisition.

NOTE & JOSHED CARITAL	Audited 30-Jun-15	Pro forma after Offer
NOTE 6. ISSUED CAPITAL	420 404 207	\$
Issued capital	138,104,297	10,606,550
	Number of shares	\$
Fully paid ordinary share capital of MSM as at 30 June 2015	37,207,991	138,104,297
Fully paid ordinary share capital of Megastar as at 30 April 2015		77,091
	37,207,991	138,181,388
Pro-forma adjustments:		
Proceeds from shares issued under the Public Offer	116,666,667	7,000,000
Capital raising costs	-	(623,020)
Issue of Ordinary Shares to the Vendors for the Acquisition	75,000,000	2,652,479
Elimination of MSM's issued capital upon Acquisition (see Note 7)	-	(138,104,297)
Cancellation of Megastar convertible notes	25,000,000	1,500,000
MSM Shares issued to Doug Barry	12,500,000	-
	229,166,667	(127,574,838)
Pro-forma Balance	266,374,658	10,606,550

NOTE 7. DECEDIVES	Audited 30-Jun-15	Pro forma after Offer
NOTE 7. RESERVES Reserves	101,211	925,000
NGSC17C3	101,211	723,000
Audited balance of MSM at 30 June 2015		101,211
Audited balance of Megastar at 30 April 2015		-
Pro-forma adjustments:		
Elimination of MSM's reserves upon Acquisition (see Note 7)		(101,211)
Issue of Options in consideration for convertible notes		925,000
		823,789
Pro-forma Balance		925,000

The Options were issued in consideration for the cancellation of convertible notes convertible to Megastar shares, as outlined in Section 7.

Using the Black-Scholes option pricing valuation methodology the fair value of the Options to be issued has been calculated. The following inputs were used:

NOTE 7. RESERVES	Options
Number of options	25,000,000
Share price	\$0.06
Exercise Price	\$0.10
Expected volatility	100%
Expiry date (years)	4.09
Share price hurdle	nil
Expected dividends	-
Risk free rate	2.06%

	Audited 30-Jun-15	Pro forma after Offer
NOTE 8. ACCUMULATED LOSSES	\$	\$
Accumulated losses	(137,298,385)	(3,410,416)
Audited balance of MSM at 30 June 2015		(137,298,385)
Audited balance of Megastar at 30 April 2015		(40,060)
Pro-forma adjustments:		
Elimination of MSM's accumulated losses upon Acquisition (see Note 7)		137,298,385
Recognised expense regarding consideration for convertible notes		(1,625,000)
Amount recognised as ASX listing expense upon Acquisition	<u>.</u>	(1,745,356)
		133,928,029
	_	
Pro-forma Balance		(3,410,416)

NOTE 9: ACQUISITION ACCOUNTING

A summary of the details with respect to the Acquisition as included in our Report is set out below. These details have been determined for the purpose of the pro-forma adjustments as at 30 June 2015, and will require re-determination based on the identifiable assets and liabilities as at the successful acquisition date, which may result in changes to the value as disclosed below.

Under the Acquisition, MSM acquires all the shares in Megastar by issuing 75 million Ordinary Shares and 100 million Performance Shares in MSM to Megastar shareholders, giving Megastar a controlling interest in MSM and equating to a controlling interest in the combined entity following the Acquisition. Megastar has thus been deemed the acquirer for accounting purposes as it will own approximately 62.92% (75,000,000 / 119,207,991) of the consolidated entity. The acquisition of Megastar by MSM is not deemed to be a business combination, as Megastar is not considered to be a business under AASB 3 Business Combinations.

As such the consolidation of these two companies is on the basis of the continuation of Megastar with no fair value adjustments, whereby Megastar is deemed to be the accounting parent. Therefore the most appropriate treatment for the transaction is to account for it under AASB 2 Share Based Payments, whereby Megastar is deemed to have issued shares to MSM shareholders in exchange for the net assets held by MSM.

In this instance, the value of the MSM shares provided has been determined as the notional number of equity instruments that the shareholders of Megastar would have had to issue to MSM to give the owners of MSM the same percentage ownership in the combined entity. We have deemed this to be \$2,652,479.

The pre-acquisition equity balances of MSM are eliminated against this increase in Share Capital upon consolidation and the balance is deemed to be the amount paid for the ASX listing status of MSM, being \$1,745,356.

The net assets acquired, and the amount recognised as an ASX listing expense, are as follows:

	Acquiree's carrying amount
	before Acquisition
NOTE 9. ACQUISITION	(\$)
Net assets acquired:	
Cash and cash equivalents	572,029
Trade and other receivables	41,423
Property, plant and equipment	168
Intangible assets	343,568
Trade and other payables	(50,065)
Net assets of MSM as at 30 June 2015	907,123
Fair value of MSM consideration shares and performance shares	2,652,479
Total net assets acquired	907,123
Amount recognised as ASX listing expense upon Acquisition	(1,745,356)

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 11: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

APPENDIX 5

MSM CORPORATION INTERNATIONAL LIMITED (formerly Minerals Corporation Limited)

CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

	Audited as at	Audited as at
Historical Consolidated Statement of Financial Position	30-Jun-14	30-Jun-13
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	362,421	277,679
Trade and other receivables	93,797	34,418
TOTAL CURRENT ASSETS	456,218	312,097
NON CURRENT ASSETS		
Property, plant and equipment	540	1,618
Exploration and evaluation assets	246,062	724,370
TOTAL NON CURRENT ASSETS	246,602	725,988
TOTAL ASSETS	702,820	1,038,085
CURRENT LIABILITIES		
Trade and other payables	239,168	128,299
TOTAL CURRENT LIABILITIES	239,168	128,299
TOTAL LIABILITIES	239,168	128,299
NET ASSETS	463,652	909,786
EQUITY		
Issued capital	136,948,230	135,496,661
Reserves	88,917	1,000
Accumulated losses	(136,573,495)	(134,587,875)
TOTAL EQUITY	463,652	909,786
	Audited for the	Audited for the
Historical Consolidated Statement of Profit or Loss and Other	year ended	year ended
Comprehensive Income	30-Jun-14	30-Jun-13
	\$	\$
Interest income	7,821	21,777
Administration costs	(148,346)	(202,073)
Corporate and compliance expenses	(67,744)	(23,314)
Directors' fees	(328,054)	(216,423)
Impairment costs	(770,421)	(210, 123)
Settlement fees	(197,494)	_
Share-based payment - Options	(87,917)	_
Share-based payment - Shares	(201,518)	_
• •	(191,947)	(224,969)
	(171,747)	
Other	(1 085 620)	
Loss before income tax expense	(1,985,620)	(645,002)
Loss before income tax expense Income tax expense	<u> </u>	-
Loss before income tax expense Income tax expense Loss after income tax expense	(1,985,620)	(645,002)
Loss before income tax expense Income tax expense	<u> </u>	-

APPENDIX 6

MEGASTAR MILLIONAIRE PTY LTD

CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

	Audited as at
Historical Consolidated Statement of Financial Position	30-Apr-15
	\$
CURRENT ASSETS	
Cash and cash equivalents	793,315
TOTAL CURRENT ASSETS	793,315
NON CURRENT ASSETS	
Intangible assets	105,129
TOTAL NON CURRENT ASSETS	105,129
TOTAL ASSETS	898,444
CURRENT LIABILITIES	
Trade and other payables	61,413
TOTAL CURRENT LIABILITIES	61,413
NON CURRENT LIABILITIES	
Convertible Note	800,000
TOTAL NON CURRENT LIABILITIES	800,000
TOTAL LIABILITIES	861,413
NET ASSETS	37,031
EQUITY	
Issued capital	77,091
Accumulated losses	(40,060)
TOTAL EQUITY	37,031
	Audited for the
Historical Consolidated Statement of Profit or Loss and Other	10 months ended
Comprehensive Income	30-Apr-15
	•
Administration costs	(623)
Consultants' fees	(9,873)
Director fees	(5,500)
Professional fees	(21,556)
Travel and marketing	(2,432)
Other expenses	(76)
	(40,060)
Loss before income tax expense	(10,000
Loss before income tax expense Income tax expense	
·	
Income tax expense	(40,060)



Directors,
Key
Management
& Corporate
Governance

9.1

Board of Directors

In accordance with the terms of the Share Sale Agreement and with effect from completion of the MSM Acquisition, Mr Nicholas Ong and Dr Andrew Tunks will each retire as a Director of the Company and two nominees of MSM, Mr Dion Sullivan and Mr Adam Wellisch, will be appointed to the Board of the Company. Mr Adam Wellisch will also be appointed as Non-Executive Chairman of the Board. Mr Matthew Foy will remain as a Non-Executive Director of the Company.

Upon completion of the MSM Acquisition, the new Board of the Company is anticipated to comprise:

- (a)
- Mr Adam Wellisch (Non-Executive Chairman and Non-Executive Director);
- (b)
- Mr Dion Sullivan (Executive Director); and
- (c)
- Mr Matthew Foy (Non-Executive Director).

9.2

Director profiles for the Existing Board

Details of the Directors comprising the Board upon until completion of the MSM Acquisition are set out below.



MR MATTHEW FOY

Non-Executive Director and Company Secretary

BComm SAFin FGIA

Mr Foy was a senior adviser at the ASX with 8 years' experience facilitating the compliance of listed companies. Mr Foy reviewed and approved the listing of over 40 companies during his tenure at the ASX.

Mr Foy has been involved in a number of seed capital raisings and initial offerings and possesses significant commercial and corporate experience.

Mr Foy is an active member of the Western Australian Council of Governance Institute of Australia and is currently company secretary of ASX listed Stonehenge Metals Limited, Segue Resources Limited, Auroch Minerals NL, Frontier Resources Limited and XTD Limited. Mr Foy is currently a director of ASX-listed Auroch Minerals NL (since 3 December 2014).



DR ANDREW TUNKS

Non-Executive Director

B.Sc (Hons), Ph.D. Geology

Dr Tunks is a geologist with over 25 years' experience, and has led numerous successful exploration campaigns in Africa, leading to the discovery of several gold deposits in Ghana, as well as Botswana's largest Uranium deposit.

Dr Tunks is not currently a director of any other ASX-listed company.



NICHOLAS ONG

Non-Executive Director

BComm MBA

Nicholas was a Principal Adviser at the ASX and brings nine years' experience in compliance and corporate governance to the Board. He has overseen the admission of over 100 companies onto the official list of the ASX. Nicholas is a member of the Governance Institute of Australia and is Managing Director of Minerva Corporate, a corporate advisory firm that specialises in providing transaction advisory, financial reporting and company secretarial services.

Nicholas is currently a director of ASX-listed Excelsior Gold Limited (since May 2011), Fraser Range Metals Group Ltd (since July 2013), Auroch Minerals NL (since 31 May 2014) and Segue Resources Limited (since June 2011).

9.3

Director profiles for the Proposed Board

Details of the Directors who will comprise the Board upon completion of the MSM Acquisition are set out below.



MR ADAM WELLISCH

Non-Executive Chairman

B.Com. MAICD

Mr Wellisch has 18 years' experience in technology strategy, business administration, systems consulting and software development. He has held executive and non-executive positions for technology organisations ranging from start-ups to large multinationals. Recent appointments include Asia-Pacific CIO for market-leading FTSE 100, Compass Group plc, and Information Systems Director for Bupa's fast-growing health services division.



MR DION SULLIVAN

Executive Director

Mr Sullivan is a digital marketing veteran with more than 20 years' experience. He has held positions of increasing responsibility within Clairol/Bristol Myers Squibb; and FTD.com, where he assisted in spearheading the launch of FTD.com (Interflora internationally), transforming a 90-year-old, struggling not-for-profit into a successful NASDAQ listing (current market capitalisation of approximately US\$825 million). Since 2000, he has lived in Silicon Valley and has held executive positions within Bank of America, Viacom, MTV Kids & Family, VideoJax (with Doug Barry), and Betfair/TVG North America.



MR MATTHEW FOY

Non-Executive Director and Company Secretary

Please refer to Section 9.2 above for Mr Foy's profile.

9.4

Other key management



MR DOUG BARRY

Chairman and Adviser of MSM US

Mr Barry has spent the past 20 years working in the media, entertainment and technology industries as a successful entrepreneur, investor, advisor and operating executive. He co-founded Selby Ventures in 2000 and focuses on seed and early-stage investments in digital media, internet and mobile. Mr Barry was an original venture investor in Pandora Media. Other notable investments include 4INGO (mobile advertisement platform), Bigfix (software/service), Clairvoyante (mobile display), Coremetrics (web analytics) and Panopticon (ecommerce personalisation). Mr Barry was an early advisor to TiVo (digital video recording), Glu (early mobile gaming) and Rightsflow (music rights management acquired by Google).

For further detail regarding Mr Barry's Executive Adviser Agreement, please refer to Section 10.3(c).



MSM US ADVISORY BOARD

MSM has established an advisory board to be constituted by board members based in the United States with a broad range of experience in the digital, entertainment and social media industries.

The initial two members of the MSM US Advisory Board are Mr John Baldecchi and Mr Michael Pole.

Mr Baldecchi is a notable producer in Los Angeles, California, having worked with most major Hollywood Studios including Sony, Warner Bros., FOX, Disney and Dreamworks. Included among Mr Baldecchi's film projects are The Mexican, Conan the Barbarian, and 88 minutes. He is a graduate of the University of California, Los Angeles.

Mr Pole is a notable senior digital gaming executive based in Los Angeles, California. Mr Pole has held senior-level management positions with some of the industry's most successful video and mobile game companies, including Nexon, gloops, Electronic Arts, Fox Interactive and Vivendi Universal Games. Michael's games have sold more than 40 million units and generated more than a billion dollars in revenue. He is a graduate of California State University, Northridge.

For further information about the terms and conditions of the engagement of Mr Baldecchi and Mr Pole, please refer to Section 10.3(d).



ADDITIONAL SENIOR MANAGEMENT

MSM is in the process of assembling a team to assist senior management post-completion of the MSM Acquisition. It is the intention that this team will include the following positions:

- head of product development;
- II. head of technologies, assisted by front- and back-end engineers;
- III. head of business development and partnerships; and
- IV. third-party agencies to assist at various stages of the creation, build and launch of the Megastar Millionaire Platform:
 - A. digital brand services;
 - **B.** payment systems;
 - C. consumer service and oversight; and
 - **D.** consumer insight and analytics.

9.5

Directors' interests

Other than as disclosed in this Prospectus, no Existing Director or Proposed Director holds at the date of this Prospectus or held at any time during the last 2 years, any interest in:

- (a) the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; and
- (c) the Offers.

Further, other than as disclosed in this Prospectus, the Company has not paid any amount or provided any benefit, or agreed to do so, to any Existing Director or Proposed Director, either to induce that Director to become, or to qualify them as a Director, or otherwise, for services rendered by them in connection with the formation or promotion of the Company or the Offers.

9.6

Directors' security holdings

Directors are not required to hold any Shares under the Constitution of the Company.

Set out in the table below are details of the anticipated relevant interests of the Existing Directors and Proposed Directors in the Shares of the Company upon completion of the Offers.

DIRECTOR	EXISTING SHARES ⁽¹⁾	% INTEREST - EXISTING	SHARES AT COMPLETION	% INTEREST AT COMPLETION ⁽²⁾
Dr Andrew Tunks	11,364	0.026%	11,364	0.004%
Mr Nicholas Ong	60,608	0.138%	60,608	0.022%
Mr Matthew Foy	21,137	0.048%	21,137	0.008%
Mr Dion Sullivan	Nil	Nil	7,014,389	2.568%
Mr Adam Wellisch	Nil	Nil	9,712,230	3.556%

Notes:

- 1. Assumes that no existing Options are exercised prior to completion and that the Performance Shares have not converted into Shares.
- 2. Assumes that the Public Offer is fully subscribed and that there are 273,105,069 Shares on issue at completion of the MSM Acquisition.

Set out in the table below are details of the anticipated relevant interests of the Existing Directors and Proposed Directors in other Securities of the Company upon completion of the Offers.

DIRECTOR	EXISTING OPTIONS	NEW OPTIONS	PERFORMANCE SHARES
Dr Andrew Tunks	Nil	Nil	Nil
Mr Nicholas Ong	45,456 ⁽¹⁾	Nil	Nil
Mr Matthew Foy	7,576(2)	Nil	Nil
Mr Dion Sullivan	Nil	6,000,000	9,352,518
Mr Adam Wellisch	Nil	6,000,000	12,949,640

Notes:

- 1. Comprised of 15,152 Options exercisable at \$0.65 each on or before 31 December 2015 and 30,304 Options exercisable at \$0.10 each on or before 7 November 2019.
- 2. Exercisable at \$0.65 each on or before 31 December 2015.

9.7

Directors' remuneration

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The current maximum amount of remuneration that may be paid to all non-executive Directors has been set at \$250,000 per annum.

The remuneration of the executive Directors will be determined by the Board. A summary of Mr Dion Sullivan's employment agreement is set out in Section 10.3(a). Mr Sullivan is the only currently proposed executive Director.

9.8

Corporate Governance

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out in this Section 9.8. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

In accordance with Listing Rule 1.1 Condition 13, the corporate governance statement set out in this Section 9.8 discloses the extent to which the Company intends to follow the recommendations as at the date of reinstatement of the Company's securities to quotation on ASX. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at http://www.mineralscorp.com.au, under the section marked "Corporate Governance":

- (a) Board Charter;
- (b) Board Performance Evaluation Policy;
- (c) Code of Conduct;
- (d) Audit Committee Charter;
- (e) Remuneration and Nomination Committee Charter;
- (f) Security Trading Policy;

- (g) Continuous Disclosure Policy;
- (h) Shareholder Communication and Investor Relations Policy;
- (i) Risk Committee Charter;
- (j) Risk Management Policy; and
- (k) Diversity Policy.

Principle 1: Lay solid foundations for management and oversight

RECOMMENDATION 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter.

The responsibilities of the Board include but are not limited to:

- **A.** setting and reviewing strategic direction and planning;
- **B.** reviewing financial and operational performance;
- C. identifying principal risks and reviewing risk management strategies; and
- **D.** considering and reviewing significant capital investments and material transactions.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, Shareholders, co-ventures, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Chief Executive Officer and the management team. The management team, led by the Chief Executive Officer, is accountable to the Board.

RECOMMENDATION 1.2

The Company undertakes appropriate checks before appointing a person, or putting forward to Shareholders a candidate for election as a director, and provides Shareholders with all material information in its possession relevant to a decision on whether or not to elect a Director.

The checks which are undertaken, and the information provided to Shareholders, are set out in the Company's Remuneration and Nomination Committee Charter.

RECOMMENDATION 1.3

The Company has a written agreement with each of the Directors and the Incoming Directors and senior executives setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors, will be disclosed in accordance with Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

RECOMMENDATION 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

- **A.** ensuring a good flow of information between the Board, its committees, and Directors;
- **B.** monitoring policies and procedures of the Board;
- C. advising the Board through the Chairman of corporate governance policies; and
- **D.** conducting and reporting matters of the Board, including the despatch of Board agendas, briefing papers and minutes.

RECOMMENDATION 1.5

The Company has a Diversity Policy, the purpose of which is:

- **A.** to outline the Company's commitment to creating a corporate culture that embraces diversity and, in particular, focuses on the composition of its Board and senior management; and
- **B.** to provide a process for the Board to determine measurable objectives and procedures which the Company will implement and report against to achieve its diversity goals.

The Board intends to set measurable objectives for achieving diversity, specifically including gender diversity, which will be disclosed in the Company's corporate governance statement for the financial year ended 30 June 2015, and will review the effectiveness and relevance of these measurable objectives on an annual basis.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation will be disclosed by the Company in each corporate governance statement.

RECOMMENDATION 1.6

The Chief Executive Officer will be responsible for evaluating the performance of the Company's senior executives in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board.

The Chair will be responsible for evaluating the performance of the Company's Chief Executive Officer in accordance with the process disclosed in the Company's Process for Performance Evaluations, which is currently being developed by the Board.

The Company will report on whether an evaluation of its Chief Executive Officer and senior executives has taken place in the relevant reporting period in each of its corporate governance statements.

RECOMMENDATION 1.7

The Chair will be responsible for evaluating the performance of the Board, Board committees and individual directors in accordance with the process disclosed in the Company's Board performance evaluation policy.

This policy is to ensure:

- **A.** individual Directors and the Board as a whole work efficiently and effectively in achieving their functions;
- B. the executive Directors and key executives execute the Company's strategy through

the efficient and effective implementation of the business objectives; and

C. committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the board charter.

This policy will be reviewed annually.

The Company will report on whether an evaluation of the Board, its committees and individual directors has taken place in the relevant reporting period, and whether the process was in accordance with the process disclosed, in each of its corporate governance statements.

Principle 2: Structure the board to add value

RECOMMENDATION 2.1

Due to the size of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of a nomination committee are currently undertaken by the Board.

The duties of the full Board in its capacity as a nomination committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Company's website.

When the Board meets as a remuneration and nomination committee, it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration and Nomination Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a Nomination Committee and is disclosed on the Company's website.

RECOMMENDATION 2.2

The mix of skills and diversity which the Board is looking to achieve in its composition is:

- A. a broad range of business experience
- B. strong corporate governance; and
- **C.** technical expertise and skills required to discharge duties.

RECOMMENDATION 2.3

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations.

Currently the Board is structured as follows:

- **A.** Dr Andrew Tunks (Non-Executive Director);
- B. Mr Nicholas Ong (Non-Executive Director); and
- C. Mr Matthew Foy (Non-Executive Director).

Messrs Andrew Tunks and Nicholas Ong will resign following the Company's reinstatement to the Official List and Mr Adam Wellisch and Mr Dion Sullivan will be appointed to the Board. Adam Wellisch will be a non-independent non-executive chairman and Dion Sullivan will be appointed as Executive Director of the Company.

Andrew Tunks and Nicholas Ong have been directors of the Company since 3 September 2013

and 24 June 2014, respectively. Matthew Foy has been a director of the Company since 15 January 2015.

RECOMMENDATION 2.4

Currently, the majority of the Board are independent directors. Upon the Company's reinstatement to the Official List, the Board will consist of one independent Director, one non-independent non-executive Director and one executive Director. The Board considers that membership weighted towards technical expertise is appropriate at this stage of the Company's operations. Accordingly, the Board, following completion of the MSM Acquisition, will not have a majority of independent Directors.

RECOMMENDATION 2.5

The Company does not currently have a chairperson. As noted above, Adam Wellisch, once appointed, will not be an independent Chairman.

RECOMMENDATION 2.6

It is a policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

Principle 3: Act ethically and responsibly

RECOMMENDATION 3.1

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board, and is disclosed on the Company's website.

The Code applies to all Directors, employees, contractors and officers of the Company. The Code will be formally reviewed by the Board each year.

Principle 4: Safeguard integrity in corporate reporting

RECOMMENDATION 4.1

Due to the size of the Board, the Company does not have a separate Audit Committee. The roles and responsibilities of an audit committee are undertaken by the Board.

The full Board in its capacity as the Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The duties of the full Board in its capacity as the Audit Committee are set out in the Company's Audit Committee Charter, which is available on the Company's website.

When the Board meets as an Audit Committee, it carries out those functions which are delegated to it in the Company's Audit Committee Charter. Items that are usually required to be discussed by an Audit Committee are marked as separate agenda items at Board meetings when required. The Board is responsible for the initial appointment of the external auditor and the appointment

of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

The Board has adopted an Audit Committee Charter which describes the role, composition, functions and responsibilities of the Audit Committee and is disclosed on the Company's website.

RECOMMENDATION 4.2

Before the Board approves the Company financial statements for each financial period, it will receive from the Chief Executive Officer and the Chief Financial Officer or equivalent a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

RECOMMENDATION 4.3

Under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered. Alternatively, the Company's auditor may be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company will write to its auditor to inform them of the date of the Company's annual general meeting. In accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair will allow a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair will also allow a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

Principle 5: Make timely and balanced disclosure

RECOMMENDATION 5.1

The Company is committed to:

- **A.** ensuring that Shareholders and the market are provided with full and timely information about its activities:
- **B.** complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and
- **C.** providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Disclosure Policy, which is disclosed on the Company's website. The Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.

The Company Secretary manages the policy. The policy will develop over time as best practice

and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

Principle 6: Respect the rights of security holders

RECOMMENDATION 6.1

The Company provides information about itself and its governance to investors via its website at http://www.mineralscorp.com.au. The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's Shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by ASX, the following will be posted to the Company website:

- **A.** relevant announcements made to the market via ASX;
- **B.** media releases;
- C. investment updates;
- **D.** Company presentations and media briefings;
- E. copies of press releases and announcements for the preceding three years; and
- **F.** copies of annual and half-yearly reports including financial statements for the preceding three years.

RECOMMENDATION 6.2

The Company has a Shareholder Communication and Investor Relations Policy which aims to ensure that Shareholders are informed of all major developments of the Company. The policy is disclosed on the Company's website.

Information is communicated to Shareholders via:

- A. reports to Shareholders;
- **B.** ASX announcements;
- C. annual general meetings; and
- **D.** the Company website.

This Shareholder Communication and Investor Relations policy will be formally reviewed by the Board each year. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details (via the website) for Shareholders to make their enquiries.

RECOMMENDATION 6.3

The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals.

The Company encourages Shareholders to submit questions in advance of a general meeting, and for the responses to these questions to be addressed through disclosure relating to that meeting.

The Company's Shareholder Communication Policy is disclosed on the Company's website in the Corporate Governance Plan.

RECOMMENDATION 6.4

Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details (via the website) for Shareholders to make their enquiries.

Principle 7: Recognise and manage risk

RECOMMENDATION 7.1

Due to the size of the Board, the Company does not have a separate Risk Committee. The Board is responsible for the oversight of the Company's risk management and control framework.

When the Board meets as a Risk Committee, it carries out those functions which are delegated to it in the Company's Risk Committee Charter. Items that are usually required to be discussed by a Risk Committee are marked as separate agenda items at Board meetings when required.

The Board has adopted a Risk Committee Charter which describes the role, composition, functions and responsibilities of the Risk Committee and is disclosed on the Company's website.

The Board has adopted a Risk Management Policy, which is disclosed on the Company's website. Under the policy, responsibility and control of risk management is delegated to the appropriate level of management within the Company, with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and control framework.

The risk management system covers:

- **A.** operational risk;
- B. financial reporting;
- C. compliance / regulations; and
- **D.** system / IT process risk.

A risk management model is also being developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

RECOMMENDATION 7.2

The Board will review the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces, and to ensure that the Company is operating within the risk appetite set by the Board.

Arrangements put in place by the Board to monitor risk management include, but are not limited to:

- **A.** monthly reporting to the Board in respect of operations and the financial position of the Company; and
- **B.** quarterly rolling forecasts prepared.

RECOMMENDATION 7.3

The Company does not have, and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy.

RECOMMENDATION 7.4

Given the speculative nature of the Company's business, it will be subject to general risks and certain specific risks. These are outlined in detail in Section 5.

The Company will identify those economic, environmental and/or social sustainability risks to which it has a material exposure, and disclose how it intends to manage those risks in each of its corporate governance statements.

Principle 8: Remunerate fairly and responsibly

RECOMMENDATION 8.1

Due to the size of the Board, the Company does not have a separate Remuneration Committee. The roles and responsibilities of a Remuneration Committee are currently undertaken by the Board.

The duties of the full board in its capacity as a Remuneration Committee are set out in the Company's Remuneration and Nomination Committee Charter which is available on the Company's website.

When the Board meets as a Remuneration Committee, it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required.

RECOMMENDATION 8.2

Details of the Company's policies on remuneration will be set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

RECOMMENDATION 8.3

In accordance with Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

- **A.** closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;
- **B.** trading in the Company's securities which is not subject to the Company's trading policy; and
- **C.** the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Company's website.

Director related party transactions

Mr Matthew Foy is Compliance Director of Minerva Corporate Pty Ltd, a company that provides accounting and company secretarial services to the Company. As at the date of this Prospectus, the Company has paid \$211,308.25 to Minerva Corporate Pty Ltd for services rendered during the past 2 years. Minerva Corporate Pty Ltd has provided these services on normal commercial terms. The Directors resolved (with the exception of Mr Foy who has an interest in the matter) that the services provided to the Company were on an arms' length basis and that the amounts paid by the Company to Minerva Corporate Pty Ltd were not more than the Company would expect to pay for those services to an unrelated party so that Shareholder approval was not required.

9.10

Intellectual property and confidentiality policy

In anticipation of the MSM Acquisition, the Company has adopted an "Intellectual Property and Confidentiality Policy and Processes" document **(Policy)**, which forms part of the contract of employment or engagement for each of the Company's (and, following completion of the MSM Acquisition, the Merged Group's) staff, contractors and consultants **(Employees)**.

The purpose of the Policy is to:

- provide consistent rules, processes and guidelines with respect to the conduct, protection and management of the Company's design and development projects for the purpose of protecting the results of the intellectual activities of the Employees for the benefit of the Company;
- ensure proper compliance with applicable intellectual property laws and regulations and related laws and regulations;
- provide a platform for rational decision making, improved commercialisation efforts and generation of maximum returns for Shareholders relating to intellectual property; and
- formalise a business culture of respecting the intellectual property rights and confidential information of third parties, including and especially the rights of organisations and individuals who have previously engaged the Employees, whereby third-party intellectual property and confidentiality rights are to be treated as important as the rights of the Company.

Pursuant to the Policy, Employees are required to, amongst other things:

- take appropriate measures to secure and protect the Company's intellectual property rights;
- (b) respect and take due care of the legitimate intellectual property rights of third parties;
- ensure that their design and development is an original work undertaken in order to gain knowledge and understanding for the benefit of the Company;
- declare to the Board any potential, perceived, or actual conflicts of interest;
- responsibly manage all relevant documentation;
- assist the Company in investigating and defending third-party claims for alleged or actual infringement of third-party intellectual property rights; and
- assist the Company in the prosecution, assignment, encumbrance, enforcement (including any threat of enforcement or any revocation or cancellation of third-party intellectual property rights).

Paragraphs (f) and (g) above survive termination of any Employee's contract of employment or engagement. In that event, the Company undertakes to pay for the Employee's reasonable costs of assisting the Company in those acts, matters and things contemplated above.

The Policy also provides that the Company will own all intellectual property created by Employees which is created in the course of their employment, involves the use of the Company's resources, or relates to current or future business plans of the Company.

The Policy also imposes obligations on Employees in relation to their use and disclosure of intellectual property and confidential information.





Material Contracts

Introduction

The Directors consider that certain contracts entered into by the Company and MSM are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section. As this Section is a summary only, the provisions of each contract are not fully described. To understand fully all rights and obligations pertaining to the material contracts, it would be necessary to read them in full.

10.2

MSM Agreements



DIGITAL RIOT CONVERTIBLE PROMISSORY NOTE

On 12 July 2015, MSM entered into an unsecured convertible promissory note **(Note)** agreement with Social Media Studios, LLC, a California Limited Liability Company, which was subsequently renamed "Digital Riot Media LLC" **(Digital Riot)**. MSM was one of a number of investors in this investment round undertaken by Digital Riot **(Round)**.

The material terms and conditions of the Note are as follows:

- I. MSM agreed to pay Digital Riot the principal sum of US\$50,000 (which was paid by MSM on or about 15 July 2015);
- II. interest shall accrue on the unpaid principal of the Note at a rate of 5% per annum;
- III. all unpaid principal, together with any then unpaid and accrued interest, if not converted on the terms set out below, shall be due and payable on the earlier to occur of:
 - A. 15 December 2016 (Maturity Date);
 - **B.** Digital Riot either failing to make a payment of principal or interest on the Maturity Date or becoming the subject of voluntary or involuntary bankruptcy or insolvency proceedings; and
 - **C.** with the written agreement of the investors that hold a majority of the aggregate outstanding principal of the notes issued as part of the Round:
- IV. in the event that Digital Riot consummates an equity financing to raise at least US\$2,500,000 (excluding the proceeds of the Round) (Qualified Equity Financing) then the outstanding principal and interest shall automatically convert into preferred units in Digital Riot with a liquidation preference over units issued as part of Digital Riot's "Series A Round" (Series A Units) at a price per unit that is the price per Unit equal to the price per Series A Unit, provided that:
 - **A.** no Note may convert at a valuation of Digital Riot above a US\$4,000,000 pre-money valuation (Valuation Cap); and

- **B.** if the pre-money valuation is at or below the Valuation Cap at the time of conversion, MSM shall receive a discount on the price per unit of 20%;
- V. if at the time of the Maturity Date, Digital Riot has not consummated a Qualified Equity Financing, then the outstanding principal amount together with any accrued and unpaid interest shall be repayable, however MSM may elect to convert the Note into preferred units in Digital Riot with a liquidation preference over Series A Units at a price per unit based on a US\$4,000,000 pre-money valuation at the time of conversion; and
- VI. the Note is transferable by MSM, subject to MSM providing Digital Riot with written advice from counsel that the offer, sale or other distribution may be affected without registration or qualification under any federal or state law then in effect.



On 26 October 2015, Digital Riot Media, LLC. (**Digital Riot**) entered into an agreement whereby it agreed to support MSM by:

- I. agreeing to allow a mutually agreed upon number of Contestants the opportunity to audition for one (or more) of Digital Riot's short-form films;
- II. allowing MSM to selectively use the chief executive officer of Digital Riot, Mr John Baldecchi, to promote the Megastar Millionaire Platform and the Contest in various paid and non-paid media outlets, including tweets, Facebook updates and interviews, as agreed by Mr Baldecchi; and
- III. introducing MSM to various digital entertainment industry influencers, either as potential strategic partners and/or investors.

This agreement may be terminated by either party upon the provision of 30 days' written notice to the other party.

No additional consideration is payable by MSM to Digital Riot under this agreement.

TONEDEN AGREEMENT

On or about 3 August 2015, MSM agreed with ToneDen, Inc. **(ToneDen)** to invest US\$300,000 to acquire a 5% equity stake in ToneDen by paying the following consideration:

- I. US\$100,000 cash (which was paid by MSM on or about 7 August 2015); and
- II. US\$200,000 in the form of cash or Shares at the election of MSM, payable within 30 days of completion of the MSM Acquisition. Any issue of Shares would be based on the 30-day volume weighted average price of Shares prior to the date of issue.

This agreement was formalised by an agreement dated 14 October 2015, pursuant to which the following was also agreed:

- III. US\$50,000 of the US\$200,000 tranche would be required to be paid 90 days after ToneDen completes its current fundraising round (anticipated to be in November 2015);
- IV. ToneDen will be able to provide the Merged Group with the following services, amongst others:
 - **A.** advice on technology, marketing and business strategy regarding online communities:
 - B. assistance in project planning;

- **C.** advice and consultation on project design, interface and user experience;
- **D.** application of company resources and personnel on a limited basis;
- **E.** promotion and marketing of the Merged Entity's products to ToneDen users on an as-needs basis; and
- F. general support and management resources; and
- V. the consideration payable by the Merged Group for the provision of such services by ToneDen will take into account that the value created will be mutually beneficial for both parties.



ROAR AGREEMENT

- On 26 October 2015, MSM entered into an agreement with ROAR, LLC. (ROAR), pursuant to which ROAR agreed to be engaged as an independent contractor to provide MMS with certain non-exclusive strategic management services in North America.
- II. The services agreed to be provided to MSM by ROAR includes the following (on a non-exclusive basis):
 - **A.** advice in relation to identification, access, negotiation and management of prospective commercial arrangements with celebrities and other prominent influencers and supporters of MSM;
 - **B.** North American market media strategy and advice in relation to dealings and negotiations with C-level executives within relevant music, TV and digital companies;
 - **C.** advice in relation to the identification of and negotiation with appropriate agency, brand and charity strategic partners relevant to the promotion and awareness building campaign for MSM; and
 - **D.** advice in relation to the monetisation of talent that participate within the Megastar Millionaire Platform.
- III. The formal terms of the ROAR engagement are to be agreed in a full-form document in due course.

Employment and consultancy agreements

(a)

MR DION SULLIVAN: ENGAGEMENT BY MSM AND MSM US (SULLIVAN AGREEMENT)

- I. (Role) Mr Dion Sullivan has been engaged on a full-time basis as the Managing Director of MSM, and the Chief Executive Officer of MSM US. In this Section, "Employer" means MSM and MSM US, acting jointly.
- **II. (Commencement date)** The commencement date of Mr Sullivan's engagement with the Employer was 1 June 2015. Mr Sullivan has been paid his base salary by the Employer since that date.
- III. (Location) Mr Sullivan will be based in San Francisco.
- IV. (Term) The term of the Agreement is three years, unless otherwise terminated in accordance with the Agreement (Term). The Term is renewable for successive 12-month periods by agreement. At the end of the Term, the Agreement will continue on a month-to-month basis and may be terminated by the Employer on 15 days' notice, or by Mr Sullivan by notice.

V. (Compensation)

- **A.** The total annual base salary payable to Mr Sullivan is US\$275,000 per annum.
- **B.** The total annual base salary payable to Mr Sullivan shall be reviewed annually, and must be increased by at least 3% and no more than 10% for the second and third 12-month periods of employment.
- **C.** The Employer paid a US\$25,000 sign-on bonus to Mr Sullivan.
- **D.** Mr Sullivan shall also be paid a performance bonus of up to 40% of his base salary upon performance milestones each calendar year. The determination of whether a performance milestone has been satisfied shall be made by the Employer, acting reasonably.
 - The performance milestone may be issued in cash or Shares at the discretion of the Employer, however the maximum proportion that may be paid in equity each year is 50%, unless otherwise agreed by the Employer and Mr Sullivan.
- VI. (Other benefits) Mr Sullivan shall be entitled to vacation, accident, disability, dental and life insurance, 401(k) (a retirement savings plan) and other benefits available to other Employer's employees.
- VII. (Termination by the Merged Group) During the Term, the Agreement may be terminated by the Employer at any time:
 - **A.** by 30 days' notice to Mr Sullivan in cases of prolonged illness or incapacity (mental or physical), in which case, Mr Sullivan will only be entitled to his accrued entitlements;
 - **B.** by summary notice in circumstances where Mr Sullivan engages in a

- material act of dishonesty, commits or pleads guilty to an offence of a nature that the Employer considers renders Mr Sullivan unsuitable for continued employment; engages in gross negligence or wilful misconduct in the performance of his duties; or fails to perform his duties to a reasonably acceptable level after the Employer providing notice and a reasonable opportunity of at least 60 days to cure the deficiencies, in which case, Mr Sullivan will only be entitled to his accrued entitlements; and
- **C.** at any time by the Employer without cause, however the Employer will be required to pay Mr Sullivan his base salary for six months and a pro rata payment for any non-base salary up to the date of termination to the extent that any performance conditions have been satisfied (where applicable).
- VIII. (Termination by Mr Sullivan) During the Term, the Agreement may only be terminated by Mr Sullivan:
 - **A.** at any time without cause by giving the Employer not less than 90 days' notice in writing, in which case Mr Sullivan will only be entitled to his accrued entitlements:
 - **B.** at any time for "good reason" by giving not less than 60 days' notice, where "good reason" means a material diminution in Mr Sullivan's positions, duties, responsibilities, functions, status, base salary or benefits, in which case, the Employer will be required to pay Mr Sullivan his base salary for six months and a pro rata payment for any non-base salary up to the date of termination to the extent that any performance conditions have been satisfied (where applicable).
- **IX.** (Corporations Act restriction) All termination benefits are expressly subject to the restrictions on retirement benefits imposed under the Corporations Act.
- X. (Non-compete) During the Term and for 12 months after, Mr Sullivan must not, without the prior written consent of the Employer, either directly or indirectly, for himself or on behalf of any other person:
 - **A.** own, manage, operate, control, be employed by, participate in, render services to, or be associated in any manner with the ownership, management, operation or control of, any business similar to the type of business conducted by the Employer or its related bodies corporate (together, **Group**), within any of the geographic territories in which the Group conducts business;
 - **B.** solicit business of the same or a similar type being carried on by any member of the Group from any person or entity known by Mr Sullivan to be a customer of the Group; or
 - **C.** solicit any employee or contractor of the Group to terminate that relationship or endeavour or attempt in any way to interfere with or induce a breach of any contractual relationship that the Group entity may have with any employee, customer, contractor, supplier, representative or distributor.
- XI. (Assignment of intellectual property) Mr Sullivan agrees that all patentable or otherwise registrable designs, ideas, processes, methods, formulas, scientific and mathematical models, reports, programs, software, systems, materials, notes, records, drawings, inventions, improvements, developments and trade secrets (together, Inventions) conceived, created, discovered, developed, prepared, made or suggested by Mr Sullivan, solely or in collaboration with others, in or in connection with the performance of his

services to the Group, shall be solely and exclusively owned by the Employer or the Group and that Mr Sullivan shall have no property interest therein. Mr Sullivan must, without further consideration, assign all of his right, title and interest to all copyright or other proprietary rights in the Inventions.

- XII. (Duty to notify) Mr Sullivan must notify the Employer of any business opportunity Mr Sullivan becomes aware of which is in relation to the business conducted by the Group. Mr Sullivan shall not appropriate that business opportunity for himself or any other third party unless the Employer fails to take appropriate actions within 30 days.
- XIII. (Confidential information) Mr Sullivan is subject to standard obligations in relation to the protection of confidential information of the Group.
- XIV. (Applicable Law) The Agreement is be governed by the laws of the State of California and the venue for any dispute shall lie in the City of San Francisco.

The Agreement contains additional provisions considered standard for agreements of this nature.

MR DION SULLIVAN: ENGAGEMENT BY THE MERGED GROUP

In addition to his engagement as Managing Director of MSM, and Chief Executive Officer of MSM US under the Sullivan Agreement, Mr Dion Sullivan has executed an Executive Director appointment agreement with the Company, conditional upon completion occurring under the Share Sale Agreement.

Mr Sullivan will not be paid additional remuneration for his role as Executive Director of the Company as it is considered that his compensation under the Sullivan Agreement provides for this compensation.

The principal terms governing Mr Sullivan's engagement as an Executive Director of the Merged Group are addressed in the Sullivan Agreement (for example, in relation to compensation, termination, confidentiality and restrictive covenants).

Mr Sullivan's executive Director appointment agreement with the Company contains additional provisions considered standard for agreements of this nature.

MR DOUG BARRY: ENGAGEMENT BY MSM US (BARRY AGREEMENT)

- (Role) Mr Doug Barry has been engaged on a part-time basis (32 hours per month) as the Chairman and Adviser of MSM US. In this Section, "Employer" means MSM US. The services and responsibilities of Mr Barry include:
 - **A.** lead and promote the strategic vision for the Employer;
 - **B.** drive brand consistency with the Employer;
 - **C.** provide direction and feedback to the directors and chief executive officer of the Employer;
 - **D.** support the chief executive officer in representing the Employer in business meetings and affairs;
 - **E.** introduce and facilitate working relationships with appropriate third parties to advance the execution of the Employer's strategy; and
 - **F.** advise the chief executive officer on operations and dealings with the Employer's partners and customers, terms of key contracts and agreements, marketing strategy, and compliance and legal activities.

Mr Barry will be required to attend the Employer's board meetings as and when convened (not to exceed 6 per year).

- II. (Commencement date) The commencement date of Mr Barry's engagement with the Employer was 1 February 2015. Mr Barry has been paid his base salary by the Employer since that date.
- III. (**Term**) The term of the Agreement is two years, unless otherwise terminated in accordance with the Agreement (**Term**). The Term is renewable for successive 12-month periods by agreement. At the end of the Term, the Agreement will continue on a month-to-month basis and may be terminated by the Employer on 15 days' notice, or by Mr Barry by notice.

IV. (Compensation)

- **A.** The total annual base salary payable to Mr Barry is US\$120,000 per annum.
- **B.** Mr Barry is also entitled to be issued 12,500,000 Shares upon completion of the MSM Acquisition (approved by Shareholders at the General Meeting held on 7 October 2015) (Executive Shares).

The Executive Shares are subject to a vesting condition that requires Doug to provide his services under the Barry Agreement for 24 months commencing on the date of reinstatement of the Company's Shares to official quotation on ASX (Escrow Expiry Date). Mr Barry is prohibited from dealing with the Executive Shares during this period. The Executive Shares will also be subject to ASX-imposed escrow during this period.

If the Barry Agreement is terminated before the Escrow Expiry Date by MSM US without cause or due to the death or disability of Mr Barry, or by Mr Barry for cause, MSM US must provide compensation to Mr Barry for any US-tax liabilities incurred in respect of the Executive Shares. Any such compensation must be repaid by Mr Barry from the proceeds of the sale of the Executive Shares after the Escrow Expiry Date.

Conversely, if the Agreement is terminated before the Escrow Expiry Date by MSM US for cause, or by Mr Barry without cause, Mr Barry will be solely responsible for any tax liability incurred in relation to the issue of the Executive Shares.

- V. (Other benefits) Mr Barry shall be entitled healthcare reimbursement of up to US\$3,800 per month.
- VI. (Termination by the Merged Group) During the Term, the Agreement may be terminated by the Employer at any time:
 - **A.** by 30 days' notice to Mr Barry in cases of prolonged illness or incapacity (mental or physical), in which case, Mr Barry will only be entitled to his accrued entitlements;
 - **B.** by summary notice in circumstances where Mr Barry engages in a material act of dishonesty, commits or pleads guilty to an offence of a nature that the Employer considers renders Mr Barry unsuitable for continued employment; engages in gross negligence or wilful misconduct in the performance of his duties; or fails to perform his duties to a reasonably acceptable level after the Employer providing notice and a reasonable opportunity of at least 60 days to cure the deficiencies, in which case, Mr Barry will only be entitled to his accrued entitlements; and

- **C.** at any time by the Employer without cause, however the Employer will be required to pay Mr Barry his base salary for six months and a pro rata payment for any non-base salary up to the date of termination to the extent that any performance conditions have been satisfied (where applicable).
- VII. (Termination by Mr Barry) During the Term, the Agreement may only be terminated by Mr Barry:
 - **A.** at any time without cause by giving the Employer not less than 90 days' notice in writing, in which case Mr Barry will only be entitled to his accrued entitlements:
 - **B.** at any time for "good reason" by giving not less than 60 days' notice, where "good reason" means a material diminution in Mr Barry's positions, duties, responsibilities, functions, status, base salary or benefits, in which case, the Employer will be required to pay Mr Barry his base salary for six months and a pro rata payment for any non-base salary up to the date of termination to the extent that any performance conditions have been satisfied (where applicable).
- VIII. (Non-compete) During the Term and for 12 months after, Mr Barry is prohibited from, without the prior written consent of the Employer, being in any way connected with or interested in any business in direct competition with that of the Employer or its related body corporates. This does not prevent Mr Barry from holding equity in any other company.
- **IX.** (Confidential information) Mr Barry is subject to standard obligations in relation to the protection of confidential information of the Employer and its related bodies corporate.
- X. (Applicable Law) The Agreement is be governed by the laws of the State of California and the venue for any dispute shall lie in the City of San Francisco.

The Agreement contains additional provisions considered standard for agreements of this nature.



MSM US ADVISORY BOARD AGREEMENTS

On 7 October 2015, MSM appointed Mr Michael Pole as the inaugural member of the "MSM US Advisory Board". On 10 October 2015, MSM appointed Mr John Baldecchi to the MSM US Advisory Board.

The material terms and conditions of the engagement of Mr Pole and Mr Baldecchi (together, **Advisers**) are summarised below:

- **I. (Term)** The appointment is of no fixed term. Either party may terminate the appointment by the provision of 7 days' written notice.
- II. (Role) The Merged Group will leverage the Advisers' experience in the entertainment and social media industries in the development of its business. The Advisers agreed to act in the best interests of the Merged Group during their tenure on the MSM US Advisory Board.
- **III. (Compensation)** The MSM Group agreed to issue the Advisers 867,918 Shares each following completion of the MSM Acquisition, subject to the receipt of Shareholder approval and any escrow applied by ASX. The Shares will also be subject to a voluntary 6-month trading lock.
- IV. (MSM US Advisory Board Meetings) The Advisers must attend MSM US Advisory Board meetings on a quarterly basis.

- V. (Confidential information) The Advisers agree not to disclose any confidential information regarding the Company during their tenure on the MSM US Advisory Board or afterwards, unless that information has ceased to be confidential through no breach of the relevant Adviser.
- VI. (Intellectual property) Any intellectual property rights developed through the Advisers' role on the MSM US Advisory Board shall vest in the Merged Group and the Advisers agreed to do all things reasonably necessary to assign such rights to the Merged Group.
- VII. (Non-exclusive) The appointment of the Advisers to the MSM US Advisory Board is on a non-exclusive basis. Subject to the obligation to act in the best interests of the Merged Group during their tenure on the MSM US Advisory Board, the Advisers are not subject to any restrictions on their other engagements during or after their tenure.

(e)

NON-EXECUTIVE LETTER OF APPOINTMENT – NON-EXECUTIVE DIRECTOR (MR ADAM WELLISCH)

The Company has entered into a non-executive services agreement with proposed non-executive Director, Mr Adam Wellisch.

Mr Wellisch will be paid a fee of \$36,000 per annum, plus statutory superannuation for his services as non-executive Director, including but not limited to attending and participating in Board meetings and discussions, the Company's annual general meeting, and otherwise performing services and duties expected of a non-executive director as requested by the Board and in accordance with the Company's Constitution, the Corporations Act and the Listing Rules.

The appointment of Mr Wellisch as non-executive Director is otherwise on terms that are standard for an appointment of this nature.

The non-executive letter of appointment of Mr Wellisch as a non-executive Director of the Company also governs his appointment as a non-executive director of MSM, for which Mr Wellisch will not receive additional consideration.



MINERVA CORPORATE

The Company has entered into an agreement pursuant to which Mr Matthew Foy (Director and Company Secretary) and others via Minerva Corporate Pty Ltd provide company secretarial and accounting services to the Company. Minerva Corporate Pty Ltd is engaged as the Company's compliance officer on an exclusive basis.

It is pursuant to this agreement that the Company agreed to pay Mr Foy a fee of \$3,000 per month for his services as a non-executive Director.

Company Agreements



SHARE SALE AGREEMENT

The Company and the Major MSM Shareholders entered into the Share Sale Agreement on 4 September 2015. Subject to various conditions, the Company agreed to purchase 100% of the ordinary shares in MSM, and the MSM Shareholders agreed to sell all of their ordinary shares in MSM to the Company.

- (Conditions of the Share Sale Agreement) Completion of the sale and purchase of 100% of the ordinary shares in MSM pursuant to the Share Sale Agreement is due to occur on a date agreed by the parties following the satisfaction or waiver of the latest condition to be satisfied or waived. The conditions remaining to be satisfied or waived are:
 - A. the Company obtaining all necessary regulatory approvals;
 - **B.** the Company completing the capital raising as contemplated by the Public Offer in this Prospectus; and
 - **C.** each MSM Noteholder agreeing to assign their MSM Convertible Notes to the Company in accordance with the terms of the Convertible Note Deeds of Assignment (described in Section 10.4(c)); and

On or about 5 October 2015 the parties agreed to extend the "end date" of the Share Sale Agreement such that each party must use its best endeavours to ensure that the conditions precedent are satisfied on or before 31 December 2015 or such other date as agreed.

- II. (Completion) At completion of the Share Sale Agreement, the Company has agreed to issue Securities to the MSM Shareholders, MSM Noteholders and MSM Optionholders under the Secondary Offers. In addition, following the appointment of the Proposed Directors to the Board, it is proposed that Dr Andrew Tunks and Mr Nicholas Ong will resign as Directors.
- III. (Consideration) The consideration payable by the Company to the MSM shareholders under the Share Sale Agreement and the Short Form Sale Agreements is comprised of the Securities to be issued under the MSM Shareholder Offer.
- IV. (Warranties and indemnities) The Share Sale Agreement contains additional provisions, including warranties and indemnities in respect of the status of MSM and the Company, which are considered standard for agreements of this kind.



SHORT FORM SHARE SALE AGREEMENTS

The Company and each of the MSM Shareholders that are not Major MSM Shareholders (Minority MSM Shareholders) have executed Short Form Share Sale Agreements.

The Short Form Share Sale Agreements provide that subject to completion occurring under the Share Sale Agreement, the Company will purchase 100% of the ordinary shares in MSM held by the Minority MSM Shareholders.

The consideration payable by the Company under the Share Sale Agreement and the Short Form Sale Agreements is comprised of the Securities to be issued under the MSM Shareholder Offer.



It is a condition precedent to completion of the MSM Acquisition under the Share Sale Agreement that the Company and each of the MSM Convertible Noteholders must execute a Deed of Assignment pursuant to which each MSM Convertible Noteholder agrees to assign its right, title and interest in its convertible notes in MSM to the Company, and the Company consents to that assignment.

The Company and MSM are in the advanced stages of procuring the executed agreements of all MSM Noteholders.

The assignment and assumption described above is conditional upon completion occurring under the Share Sale Agreement.

The consideration payable by the Company under the Convertible Note Deeds of Assignment is comprised of the Securities to be issued under the MSM Noteholder Offer.

OPTION CANCELLATION DEEDS

The Company and each of the MSM Optionholders have executed Option Cancellation Deeds pursuant to which each MSM Optionholder agreed to cancel their options, conditional on completion occurring under the Share Sale Agreement.

The consideration payable by the Company under the Option Cancellation Deeds is comprised of the Securities to be issued under the MSM Optionholder Offer.

LEAD MANAGER AGREEMENT

On or about 5 October 2015, the Company entered into a Lead Management Agreement with the Lead Manager pursuant to which the Lead Manager will act as manager to the Company in respect of the Public Offer. The role of the Lead Manager does not extend to underwriting.

In consideration for the Lead Manager's services, the Company will pay the Lead Manager:

- I. an offer management fee equal to 2% of the gross amount raised by under the Public Offer; and
- II. 14,000,000 Options exercisable at \$0.10 each on or before 7 November 2019 (subject to the receipt of any requisite Shareholder approvals and the receipt of a waiver of Listing Rule 1.1, condition 11 from ASX).

The Lead Manager may at any time by written notice to the Company immediately and without any cost or liability, terminate the Lead Manager Agreement on occurrence of specified events: including in relation to the Prospectus, ASX approval; ASIC action; the S&P/ASX 200 Index closing 15% or more below the level of that index on the trading day immediately prior to the date of the Lead Manager Agreement; an insolvency event; defects in information; any material adverse change occurs affecting the Company; a new circumstance occurs that would have been required to be included in this Prospectus; a material contract is breached or terminated; any significant change in the law; any warranties,

representations, or material terms of the Lead Manager Agreement are not met; significant changes to the Company's business, capital structure or constitution; adverse market or economic events; hostilities or terrorism; certain actions are taken against the Company or its Directors, officers or executives; or the timetable in the Prospectus is delayed by greater than 3 trading days.

The Company indemnifies the Joint Lead Manager (and its related bodies corporate and respective directors, officers, employees and Advisers) from and against all liabilities that those parties may sustain or incur in connection with Lead Manager Agreement.



DEEDS OF ACCESS, INDEMNITY AND INSURANCE

The Company has entered into deeds of access, indemnity and insurance with each of the Existing Directors (**Indemnity Deeds**). Upon the appointment of the Proposed Directors to the Board, the Company intends to also enter into Indemnity Deeds with the Proposed Directors.

Pursuant to these Indemnity Deeds, the Company indemnifies each Director to the extent permitted by the Corporations Act against any liability arising as a result of the Director acting as an officer of the Company. The Company will be required under the Indemnity Deeds to maintain insurance policies for the benefit of the relevant Director for the term of the appointment and for a period of (generally) seven years after the relevant Director's retirement or resignation.

The Indemnity Deeds also provide for the Director's right of access to Company records.



MEGASTAR MILLIONAIRE



Additional Information

Rights and liabilities attaching to Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.



At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(b) VOTING RIGHTS

Subject to any rights or restrictions, at general meetings:

- every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
- II. has one vote on a show of hands; and
- III. has one vote for every Share held, upon a poll.
- (c) DIVIDEND RIGHTS

Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. No dividend shall be payable except out of profits.

(d) VARIATION OF RIGHTS

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) TRANSFER OF SHARES

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) GENERAL MEETINGS

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

(9) UNMARKETABLE PARCELS

The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.

(h) RIGHTS ON WINDING UP

If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid-up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

11.2

Terms of Performance Shares

The terms of the Performance Shares to be issued to the MSM Shareholders under the MSM Shareholder Offer are as follows:



DEFINITIONS

Words with a capitalised letter in this Section 11.2 have the meaning given below, or otherwise as set out in Section 13:

Conversion Event means:

- I. the achievement of a Performance Hurdle set out in Section 11.2(d)(i); or
- II. the happening of any of the event/s set out in Section 11.2(d)(v).

Deal means to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, or otherwise deal with any right, title or interest, or agreement to do any of these actions.

Expiry Date means:

- I. in respect of the Class A Performance Hurdle, the date that is 3 years from the date of issue of Class A Performance Shares; and
- II. in respect of the Class B Performance Hurdle, the date that is 5 years from the date of issue of Class B Performance Shares.

Holder means a holder of Performance Shares.

MSM Platform means the website or websites associated with MSM's business.

Performance Hurdle means a performance hurdle set out in Section 11.2(d)(i) and

each of **Class A Performance Hurdle** and **Class B Performance Hurdle** have a corresponding meaning in relation to the relevant Performance Shares.

Performance Share means a performance share convertible into a Share upon achievement of the relevant Performance Hurdle, issued on the terms and conditions set out in the Terms, and each of **Class A Performance Share** and **Class B Performance Share** have a corresponding meaning in relation to the relevant Performance Hurdle applicable to each class.

Terms means these terms of issue which apply to the Performance Shares.

(b) INTERPRETATION

Grammatical variations of any words or phrases defined in Section 11.2(a) have a corresponding meaning.

- (c) PERFORMANCE SHARES
 - I. The Performance Shares are issued with the rights and on the terms set out in these Terms.
 - II. These Terms have been determined by the Directors in accordance with clause 2.2 of the Constitution.
 - III. These Terms prevail to the extent of any inconsistency with the Constitution.
 - IV. Once a Conversion Event occurs in respect of Performance Shares, that number of Performance Shares that are subject to the Conversion Event will no longer be governed by these Terms, but will be converted to one Share for each Performance Share and their terms will be varied so that they are subject to the same rights and terms as all other Shares.
- (d) CONVERSION
 - Subject to Sections 11.2(d)(iv) and 11.2(d)(v):
 - **A.** 50,000,000 Class A Performance Shares will convert into 50,000,000 Shares if the Company achieves \$5,000,000 in earnings before interest, tax, depreciation and amortisation **(EBITDA)** or the MSM Platform achieves a number of unique registered users of at least 1,000,000 as determined by Google Analytics; and
 - **B.** 50,000,000 Class B Performance Shares will convert into 50,000,000 Shares if the Company achieves \$15,000,000 in EBITDA or the MSM Platform achieves a number of unique registered users of at least 2,000,000 as determined by Google Analytics.
 - II. On the occurrence of a Conversion Event, the allocation of Shares issued will be on a pro rata basis to all Holders.
 - III. The Performance Hurdles must be met on or before the relevant Expiry Date.
 - IV. If a Performance Hurdle is not met by the relevant Expiry Date, the relevant Performance Shares held by each Holder will automatically consolidate into one Performance Share and will then convert into one Share for each Holder.
 - V. All Performance Shares on issue shall automatically convert into Shares on a one-for-one basis up to a maximum number that is equal to 10% of the Company's issued capital (as at the date of any of the following events) upon the happening of any of the following events:
 - **A.** the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or
 - B. the announcement by the Company that Shareholders have at a Court-

convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either:

- 1. cancelled; or
- 2. transferred to a third party; and
- 3. the Court, by order, approves the proposed scheme of arrangement.
- VI. The Company will ensure the allocation of Shares issued under Section 11.2(d) (v) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Shares and all remaining Performance Shares held by each Holder will automatically consolidate into one Performance Share and will then convert into one Share.
- (e) VOTING RIGHTS

Each Holder shall have the right to receive notice of and attend but not to vote at any meeting of Shareholders.

The Performance Shares shall not have any right to receive dividends (whether cash or non-cash) from the profits of the Company at any time.

(g) DEALINGS

A Holder must not Deal with the Performance Shares.

- (h) ACCESS TO DOCUMENTS AND INFORMATION

 A Holder has the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders, and a right to attend a meeting of Shareholders.
- (i) OTHER TERMS AND CONDITIONS
 - I. A Holder will not be entitled to a return on capital, whether in a winding up, upon reduction of capital or otherwise.
 - II. A Holder will not be entitled to participate in the surplus profit or assets of the Company upon a winding up.
 - III. There are no participating rights or entitlements inherent in the Performance Shares and Holders will not be entitled to participate in new issues (such as bonus issues) or pro-rata issues of capital to Shareholders.
 - IV. The Company will issue each Holder with a new holding statement for Shares issued upon conversion of Performance Shares as soon as practicable following the conversion of Performance Shares.
 - V. The Performance Shares will be unquoted.
 - VI. All Shares issued upon conversion will rank equally in all respects with thenissued Shares. The Company must, within the time period required by the Listing Rules, apply to ASX for quotation of the Shares on ASX.
 - VII. A Performance Share does not give the Holder any other rights other than those expressly provided by these Terms and those provided at law where such rights cannot be excluded.
 - VIII. The terms of the Performance Shares may be amended as necessary by the Directors in order to comply with the Listing Rules or any directions of ASX regarding the Terms.

Terms of Options

The terms of the Options to be issued to the MSM Optionholders under the MSM Optionholder Offer and the MSM Noteholders under the MSM Noteholder Offer are as follows:

- each Option entitles the holder, when exercised, to 1 Share;
- the Options are exercisable at any time on or before 7 November 2019;
- the exercise price of the Options is \$0.10 each;
- subject to the Corporations Act, the Constitution and the Listing Rules, the Options are fully transferable;
- the Options are exercisable by delivering to the registered office of the Company a notice in writing (Notice of Exercise) stating the intention of the Option holder to exercise a specified number of Options, accompanied by an Option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the Options held does not affect the holder's right to exercise the balance of any Options remaining;
- after an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the subscription monies due:
 - I. issue the Shares;
 - II. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - III. do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX by no later than 5 Business Days after the date of exercise of the Option;
- all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company does not intend to seek quotation of the Options;
- there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of Options to Shareholders during the currency of the Options. However, the Company will ensure that, for the purpose of determining entitlements to any issue, Optionholders will be notified of the proposed issue at least 4 Business Days before the record date of any proposed issue. This will give Optionholders the opportunity to exercise the options prior to the date for determining entitlements to participate in any such issue;
- in the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Option holder will be varied in accordance with the Listing Rules; and
- there will be no change to the exercise price of the Options in the event the Company makes a pro rata rights issue of Securities.

Summary of the Company's Performance Rights Plan

The Minerals Corporation Limited Plan **(Plan)** was approved by Shareholders at the Company's general meeting held on 12 April 2013. An overview of the terms and conditions of the Plan is below:

- Eligible Participants: The eligible participants under the Plan are employees (including Directors) of the Company and its subsidiaries (Eligible Employees).
- In accordance with the Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan and be granted Performance Rights.
- Limits on entitlements: An offer of Performance Rights may only be made under the Plan if the number of Shares that may be acquired on exercise of those Performance Rights, when aggregated with:
 - the number of Shares which would be issued if each outstanding offer, right or option to acquire unissued Shares, being an offer made or right or option acquired pursuant to the Plan or any other incentive schemes, were to be accepted or exercised (as the case may be); or
 - II. the number of Shares issued during the previous 5 years pursuant to the Plan or any other incentive schemes,

does not exceed 5% of the total number of issued Shares as at the time of the offer (or such other maximum permitted under any ASIC class order providing relief from the disclosure regime of the Corporations Act).

- Individual limits: The Plan does not set out a maximum number of Shares that may be made issuable to any one person or company.
- Consideration payable: Performance Rights will be issued for no cash consideration and no amount will be payable upon exercise thereof.
- Offer and performance conditions: The Performance Rights issued under the Plan to Eligible Employees may be subject to performance conditions, determined by the Board from time to time and expressed in a written offer letter (Offer) made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The performance conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant and/or by the Company (iii) a vesting period following satisfaction of performance conditions before the Performance Rights vest, or (iv) such other performance conditions as the Board may determine and set out in the Offer. The Board in its absolute discretion determines whether performance conditions have been met.
- Milestone date, expiry date & lapse: Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specify in the Offer. The Board is not permitted to extend an expiry date without Shareholder approval.

The performance conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the Offer. The Board shall have discretion to extend a milestone date where the Board (in its sole discretion) considers that unforeseen circumstances or events have caused a delay in achieving the performance condition by the milestone date. The Board shall not be permitted to extend the milestone date beyond the expiry date of the Performance Rights.

If a performance condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Rights will lapse. A Performance Right will also lapse if the Board determines the participant ceases to be an Eligible Employee for the purposes of the Plan for any reason (other than as a result of retirement, disability, bona fide redundancy or death).

- Retirement, disability, redundancy or death: Under the Plan, upon the retirement, total and permanent disability, bona fide redundancy or death of a participant, the Board shall determine, in its discretion, whether those Performance Rights which have not satisfied the performance condition but have not lapsed, shall in whole or in part be deemed to have become vested Performance Rights or be deemed to have lapsed.
- Forfeiture: If a participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, the Board will have the discretion to deem any Performance Rights to have lapsed and deem any Performance Rights that have become Shares to be forfeited. In the event the underlying Shares have been sold by the participant, the participant will be required to pay all or part of the net proceeds of that sale to the Company.
- Assignment: Without prior approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.
- Takeover bid or change of control: All Performance Rights automatically vest in the event of:
 - a Court ordering a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and the Shareholders approve the proposed compromise or arrangement at such meeting;
 - II. a takeover bid (as defined in the Corporations Act) is announced, has become unconditional and the person making the takeover bid has a relevant interest in 50% or more of the Shares in the Company; or
 - III. any person acquires a relevant interest in 50.1% or more Shares in the Company by any other means.
- Alteration in share capital: Appropriate adjustments will be made to the number of Performance Rights in accordance with the Listing Rules in the event of a reconstruction of the share capital of the Company, such as a share consolidation, share split or other reduction of capital.
- Pro rata issue of securities: If, during the term of any Performance Rights, the Company makes a pro rata issue of Securities to the Company's Shareholders by way of a rights issue, the holder thereof will only be entitled to participate in the

issue if the holder's Performance Rights have been exercised in accordance with their terms prior to the record date for determining entitlements under the issue.

A holder will not be entitled to any adjustment to the number of Shares he or she is entitled to under any Performance Rights or adjustment to any Performance Condition which is based, in whole or in part, upon the Company's Share price, as a result of the Company undertaking a pro rata issue.

- Bonus issue: If, during the term of any Performance Rights, the Company completes a bonus issue, the number of Shares each Performance Rights holder is then entitled to, shall be increased by that number of securities which the holder would have been issued if the Performance Rights then held by the holder were exercised immediately prior to the record date for the bonus issue.
- Participation in other opportunities: There are no participation rights or entitlements inherent in the Performance Rights though the Company will use its reasonable endeavours to ensure that each holder is given an opportunity to participate on the same basis as if his or her Performance Rights had been exercised.
- Termination, suspension or amendment: The Board may terminate, suspend or amend the Plan at any time subject to any resolution of the Company required by the Listing Rules.

11.5

Substantial Shareholders

As at the date of this Prospectus, the following Shareholders hold 5% or more of the total number of Shares on issue:

	SHAREHOLDER	EXISTING SHARES	%	% SHARES POST- TRANSACTION
1.	1. N&J Mitchell Holdings Pty Ltd, Croesus Mining Pty Ltd, Ascent Capital Holdings Pty Ltd and Linda Steinepreis	5,101,449	11.61%	1.87%
2.	2. Stephen Dobson	3,935,293	8.96%	1.44%
3.	3. Oakhurst Enterprises Pty Ltd and Gary Steinepreis	2,544,196	5.79%	0.9%

Note: The table above assumes that the Performance Shares issued under this Prospectus will not convert into Shares.

On completion of the MSM Acquisition, no Shareholders are expected to hold 5% or more of the total number of Shares on issue.

Interests of experts and advisers



Other than as set out below or elsewhere in this Prospectus, no persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- **I.** the formation or promotion of the Company;
- II. property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- III. the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) LEGAL ADVISERS

Bellanhouse Legal has acted as the Australian solicitors to the Company in relation to the Offers, the MSM Acquisition, the General Meeting and various other matters. The Company estimates it will pay Bellanhouse Legal \$80,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. In addition, Bellanhouse Legal has performed other legal work for the Company. During the 24 months preceding lodgement of this Prospectus with ASIC, Bellanhouse Legal invoiced fees in the amount of \$62,960 (excluding GST).

(c) LEAD MANAGER

CPS has acted as Lead Manager for the Public Offer to the Company. Fees are paid or payable to CPS in accordance with the Lead Manager Agreement summarised at Section 10.4(e). The Company estimates it has and will pay CPS a total of \$420,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, CPS has not received any fees from the Company.

(d) INVESTIGATING ACCOUNTANTS

BDO Corporate Finance (WA) Pty Ltd has acted as the Investigating Accountant and has prepared the Investigating Accountant's Report, which is included at Section 8. The Company estimates it has and will pay BDO Corporate Finance (WA) Pty Ltd a total of \$6,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO Corporate Finance (WA) Pty Ltd has received fees from the Company in the amount of \$18,147.90 (excluding GST).

(e) AUDITOR

BDO Audit (WA) Pty Ltd has been appointed as Auditor of the Company for which it will be paid usual commercial rates. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO Audit (WA) Pty Ltd has received fees from the Company in the amount of \$49,411.22 (excluding GST).



UNITED STATES INTELLECTUAL PROPERTY EXPERT

Fitzpatrick PC has prepared the Intellectual Property Expert's Report which is included at Section 6. Total fees payable to Fitzpatrick PC for work done in relation to this Prospectus are approximately \$10,000 (excluding GST). During the 24 months preceding lodgement of this Prospectus, Fitzpatrick PC has not received any fees from the Company.

11.7

Consents

Each of the parties referred to below:

- does not make the Offers;
- does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

Bellanhouse Legal has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Australian legal adviser to the Company in the form and context in which it is named.

BDO Corporate Finance (WA) Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

BDO Audit (WA) Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named and references to its audit reports in the text of this Prospectus.

CPS has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Lead Manager to the Public Offer in the form and context in which it is named, together with all references to it in this Prospectus. CPS has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the references to it. CPS has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Advanced Share Registry Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Share Registry to the Company in the form and context in which it is named. Advanced Share Registry Ltd has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry.

Fitzpatrick PC has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the United States Intellectual Property Expert to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the United States Intellectual Property Expert's Report in the form and context in which it is included.

Each of ToneDen, ROAR and Digital Riot has provided their consent to be named in the Prospectus as strategic partners of MSM, in the form and context disclosed.

In accordance with ASIC Class Order [CO 13/523] and ASIC Regulatory Guide 55, consents have not been obtained in respect of statements that are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

11.8

Expenses of the Offers

The expenses of the Offers (excluding GST) are estimated to be approximately \$623,020 and are expected to be applied towards the items set out in the table below.

ITEMS OF EXPENDITURE	AMOUNT
Capital raising fees	\$420,000
Legal fees	\$80,000
Accounting and Independent Accountant's Report	\$6,000
ASIC fees	\$ 2,320
ASX fees	\$71,386
United States Intellectual Property Expert	\$10,000
Other expenses	\$33,314
Total estimated expenses	\$623,020

11.9

Continuous disclosure obligations

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

11.10

Litigation

To the knowledge of the Directors, the Company is not involved in any litigation that is material for the purposes of this Prospectus. The Directors are not aware of any circumstances that might reasonably be expected to give rise to such litigation.

The Company has been served with a Statement of Claim in respect of loans allegedly owed by the Company to the plaintiff. It is alleged in the Statement of Claim that unsecured loans were advanced by the plaintiff to the Company over the period from 14 September 2009 to 6 April 2010. A deed of administration in relation to the Company was executed on 6 October 2010 and wholly effectuated on 19 April 2011. The Company intends on defending this claim, which is considered by the Board to be entirely without merit.





Directors' Authorisation

Directors' Authorisation

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Existing Director and Proposed Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company.

Matthew Foy

Director & Company Secretary 2 November 2015



Definitions

Application Form means the Public Offer Application Form, MSM Shareholder Offer Application Form, MSM Noteholder Application Form and/or MSM Optionholder Application Form, as the context requires.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer Price per Share pursuant to the Public Offer. No application monies will be payable pursuant to the Secondary Offers.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement and operating rules of ASX Settlement.

Board means the board of Directors.

Business Day means Monday to Friday except for any day that ASX declares is not a business day.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the date that the Offers close which is 5.00pm (WST) on 27 November 2015 or such other time and date as the Board determines.

Company means MSM Corporation International Limited (formerly Minerals Corporation Limited) (ACN 002 529 160).

Constitution means the constitution of the Company.

Contest means an global online talent search contest being developed by MSM which is proposed to be conducted through the Megastar Millionaire Platform.

Contestants means contestants in a Contest.

Corporations Act means the *Corporations Act 2001* (Cth).

CPS means CPS Capital Group Pty Ltd (ACN 088 055 636).

Digital Riot means Digital Riot Media, LLC..

Director means a director of the Company.

Executive Shares means the 12,500,000 Shares to be issued to Mr Doug Barry (or his nominee) in satisfaction of contractual obligations under Mr Barry's services agreement with MSM US.

Existing Directors means Mr Nicholas Ong, Dr Andrew Tunks and Mr Matthew Foy, further details of whom are provided at Section 9.2.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

Fans means registered fans of the Megastar Millionaire Platform.

General Meeting means the general meeting of Shareholders held on 7 October 2015.

Investigating Accountant means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

ISP means internet service provider.

Lead Manager means CPS.

Listing Rules means the listing rules of ASX.

Major MSM Shareholders means Webstar Group International Pty Ltd (ACN 168 915 115), Tranaj Nominees Pty Ltd (ACN 137 521 843), Mr Adam Geoffrey Wellisch, Mr Dion Matthew Sullivan and Mr Douglas C. Barry as trustee for the Douglas C. Barry Trust.

Megastar Millionaire Platform means the proposed software platform being developed by MSM across which the Contests are proposed to be operated.

Merged Group means the Company and its subsidiaries after completion of the MSM Acquisition, including without limitation MSM.

Milestone means the milestones for the conversion of the Performance Shares into Shares, as set out in Section 11.2.

Minority MSM Shareholders means each of the MSM Shareholders that are not Major MSM Shareholders.

MSM Acquisition means the acquisition of MSM by the Company in accordance with the Share Sale Agreement.

MSM Board means the board of directors of MSM as at the date of this Prospectus.

MSM Group means MSM and each of its subsidiaries.

MSM Noteholder Offer Application Form means the Application Form in respect of the MSM Noteholder Offer attached to and forming part of this Prospectus at Section 16.

MSM Noteholder Offer means the offer of 25,000,000 Shares and 25,000,000 Options to the MSM Noteholders under this Prospectus.

MSM Noteholders means the existing holders of all of the convertible notes of MSM.

MSM Optionholder Offer Application Form means the Application Form in respect of the MSM Optionholder Offer attached to and forming part of this Prospectus at Section 17.

MSM Optionholder Offer means the offer of 18,000,000 Options to the MSM Optionholders under this Prospectus.

MSM Optionholders means the existing holders of all of the options of MSM.

MSM or Megastar Millionaire means Megastar Millionaire Pty Ltd (ACN 601 196 392).

MSM Shareholder Offer Application Form means the Application Form in respect of the MSM Shareholder Offer attached to and forming part of this Prospectus at Section 15.

MSM Shareholder Offer means the offer of 75,000,000 Shares and 100,000,000 Performance

Shares to the MSM Shareholders under this Prospectus.

MSM Shareholders means the existing holders of all the issued shares of MSM.

MSM US Advisory Board means the advisory board comprised of United States-based members with the responsibilities described in Section 3.4(g).

MSM US means MSM Music Inc., a wholly owned subsidiary of MSM incorporated in Delaware, United States.

Offer Price means \$0.06 per Share under the Public Offer.

Offers means the Public Offer and the Secondary Offers.

Opening Date means the Public Offer Opening Date or the Secondary Offers Opening Date, as applicable.

Options means options to acquire Shares.

Performance Rights means a performance right which entitles the holder to subscribe for one Share.

Performance Shares means the 100,000,000 performance shares in the Company, having the terms set out in Section 11.2, offered to the MSM Shareholders pursuant to the MSM Shareholder Offer.

Proposed Directors means Mr Adam Wellisch and Mr Dion Sullivan, further details of whom are provided at Section 9.3. Mr Matthew Foy, an Existing Director, is intended to remain on the Board following completion of the MSM Acquisition.

Prospectus means this prospectus dated 2 November 2015.

Public Offer Application Form means the Application Form in respect of the Public Offer attached to and forming part of this Prospectus at Section 14.

Public Offer means the public offer of 116,666,667 Shares at the Offer Price pursuant to this Prospectus to raise \$7,000,000 before costs.

Public Offer Opening Date means the first date for receipt of completed Application Forms under the Public Offer which is 2 November 2015.

ROAR means ROAR, LLC..

Secondary Offers means the MSM Shareholder Offer, MSM Noteholder Offer and the MSM Optionholder Offer.

Secondary Offers Opening Date means the first date for receipt of completed Application Forms under the Secondary Offers, which is 9 November 2015.

Section means a section of this Prospectus.

Securities means Shares, Options and/or Performance Shares.

Share means a fully paid ordinary share in capital of the Company.

Share Registry means Advanced Share Registry Ltd (ACN 127 175 946).

Share Sale Agreement means the Share Sale Agreement dated 4 September 2015 between the Company and the Major MSM Shareholders.

Shareholder means a holder of one or more Shares.

ToneDen means ToneDen, Inc..

United States means the United States of America.

WST means Western Standard Time, being the time in Perth, Western Australia.





Public Offer Application Form

PUBLIC SHARE OFFER APPLICATION FORM

This is an Application Form for Shares in MSM CORPORATION INTERNATIONAL LIMITED (Company) and relates to the offer of 116,666,667 Shares in the Company at \$0.06 per Share pursuant to the Prospectus dated 30 October 2015 (Prospectus). The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. This Application Form and your cheque must be received by the registry, Advanced Share Registry by the Closing Date in the Prospectus. A person who gives another person access to this Application Form must at the same time give the other person access to the Prospectus, and any supplementary prospectus (if applicable). The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Shares. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser.

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Company and be bound by the Constitution of the Company; and

I/we have received personally a copy of the Prospectus accompanying the Application Form, before applying for Shares. (b)

INSTRUCTIONS FOR COMPLETION OF THIS APPLICATION FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM

Please complete all relevant sections of this Application Form using BLOCK LETTERS

The below instructions are cross-referenced to each section of the Application Form.

1 Number of Shares

Insert the number of Shares you wish to apply for in section 1. Your application must be for a minimum of 8,334 Shares and in multiples of 8,334 Shares thereafter.

2 Payment Amount

Enter into section 2 the total amount payable. Multiply the number of Shares applied for by \$0.06 – the application price per Share.

3 Name(s) in which the Shares are to be registered

Note that ONLY legal entities can hold Shares. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Trusts	Mr John Richard Sample	John Sample Family Trust
	<sample a="" c="" family=""></sample>	
Superannuation Funds	Mr John Sample & Mrs Anne Sample	John & Anne Superannuation Fund
	<sample a="" c="" family="" super=""></sample>	
Partnerships	Mr John Sample &	John Sample & Son
	Mr Richard Sample	
	<sample &="" a="" c="" son=""></sample>	
Clubs/Unincorporated Bodies	Mr John Sample	Food Help Club
	< Food Help Club A/C>	
Deceased Estates	Mr John Sample	Anne Sample (Deceased)
	<estate a="" anne="" c="" late="" sample=""></estate>	

4 Postal Address

Enter into section 4 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown. Annual reports will be made available online when they are released. Should you wish to receive a hard copy of the annual report you must notify the Share Registry. You can notify any change to your communication preferences by visiting the registry website – www.advancedshare.com.au

5 CHESS Holders

If you are sponsored by a stockbroker or other participant and you wish to have your allocation directed into your HIN, please complete the details in section 5.

6 Email Address

Our company annual report and company information will be available at www.mineralscorp.com.au. You may elect to receive all communications despatched by MSM CORPORATION INTERNATIONAL LTD electronically (where legally permissible) such as a notice of meeting, proxy form and annual report via email.

7 TFN/ABN/Exemption

If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in section 7. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

8 Cheque Details

Cheques must be drawn on an Australian branch of a financial institutional in Australian currency, made payable to MSM CORPORATION INTERNATIONAL LTD and crossed "**Not Negotiable**". Please complete the relevant details in section 8.

9 Contact Details

Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

10 Declaration

Before completing the Application Form the Applicant(s) should read the Prospectus in full. By lodging the Application Form, the Applicant(s) agrees that this Application is for Shares in the Company upon and subject to the terms of the Prospectus, agrees to take any number of Shares equal to or less than the number of Shares indicated in Section 1 that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign this Application Form.

Privacy – Please refer to Section 2.14 of the Prospectus for details about the collection, holding and use of your personal information. If you do not provide the information required on this Application Form, the Company may not be able to accept or process your Application.

HOW TO LODGE YOUR APPLICATION FORM Mail or deliver your completed Application Form with your cheque to the following address.

Mailing Address

MSM CORPORATION INTERNATIONAL LIMITED C/- Advanced Share Registry PO Box 1156 Nedlands, WA 6909





MSM Shareholder Offer Application Form

MSM CORPORATION INTERNATIONAL LIMITED

MSM SHAREHOLDER APPLICATION FORM

This is an Application Form for Shares and Performance Shares in MSM CORPORATION INTERNATIONAL LIMITED ("Company") and relates to the "MSM Shareholder Offer" made pursuant to the Prospectus of the Company dated 30 October 2015.

This Application Form must be received by Advanced Share Registry by the Closing Date. A person who gives another person access to this Application Form must at the same time give the other person access to the Prospectus, and any supplementary prospectus (if applicable). The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Securities. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser.

Capitalised terms not expressly defined in this Application Form have the meaning given in the Prospectus.

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INSTRUCTIONS FOR COMPLETION OF THIS APPLICATION FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM

Please complete all relevant sections of this Application Form using BLOCK LETTERS

The below instructions are cross-referenced to each section of the Application Form.

1 Number of Securities

Insert the number of Securities you wish to apply for in section 1.

2 Name(s) in which the Securities are to be registered

Note that ONLY legal entities can hold Securities. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Trusts	Mr John Richard Sample	John Sample Family Trust
	<sample a="" c="" family=""></sample>	
Superannuation Funds	Mr John Sample & Mrs Anne Sample	John & Anne Superannuation Fund
	<sample a="" c="" family="" super=""></sample>	
Partnerships	Mr John Sample &	John Sample & Son
	Mr Richard Sample	
	<sample &="" a="" c="" son=""></sample>	
Clubs/Unincorporated Bodies	Mr John Sample	Food Help Club
	< Food Help Club A/C>	
Deceased Estates	Mr John Sample	Anne Sample (Deceased)
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3 Postal Address

Enter into section 3 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown. Annual reports will be made available online when they are released. Should you wish to receive a hard copy of the annual report you must notify the Share Registry. You can notify any change to your communication preferences by visiting the registry website – www.advancedshare.com.au

4 CHESS Holders

If you are sponsored by a stockbroker or other participant and you wish to have your allocation directed into your HIN, please complete the details in section 4.

5 Email Address

Our company annual report and company information will be available at www.mineralscorp.com.au. You may elect to receive all communications despatched by MSM CORPORATION INTERNATIONAL LTD electronically (where legally permissible) such as a notice of meeting, proxy form and annual report via email.

6 TFN/ABN/Exemption

If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in section 6. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

7 Contact Details

Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

8 Declaration

Before completing the Application Form the Applicant(s) should read the Prospectus in full. By lodging the Application Form, the Applicant(s) agrees that this Application is for Securities in the Company upon and subject to the terms of the Prospectus, agrees to take any number of Securities equal to or less than the number of Securities indicated in Section 1 that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign this Application Form.

Privacy – Please refer to Section 2.14 of the Prospectus for details about the collection, holding and use of your personal information. If you do not provide the information required on this Application Form, the Company may not be able to accept or process your Application.

HOW TO LODGE YOUR APPLICATION FORM Mail or deliver your completed Application Form to the following address.

Mailing Address

MSM CORPORATION INTERNATIONAL LIMITED C/- Advanced Share Registry PO Box 1156 Nedlands, WA 6909





MSM Noteholder Offer Application Form

MSM CORPORATION INTERNATIONAL LIMITED

MSM NOTEHOLDER APPLICATION FORM

This is an Application Form for Shares and Options in MSM CORPORATION INTERNATIONAL LIMITED ("Company") and relates to the "MSM Noteholder Offer" made pursuant to the Prospectus of the Company dated 30 October 2015.

This Application Form must be received by Advanced Share Registry by the Closing Date. A person who gives another person access to this Application Form must at the same time give the other person access to the Prospectus, and any supplementary prospectus (if applicable). The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Securities. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser.

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CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Trusts	Mr John Richard Sample	John Sample Family Trust
	<sample a="" c="" family=""></sample>	
Superannuation Funds	Mr John Sample & Mrs Anne Sample	John & Anne Superannuation Fund
	<sample a="" c="" family="" super=""></sample>	
Partnerships	Mr John Sample &	John Sample & Son
	Mr Richard Sample	
	<sample &="" a="" c="" son=""></sample>	
Clubs/Unincorporated Bodies	Mr John Sample	Food Help Club
	< Food Help Club A/C>	
Deceased Estates	Mr John Sample	Anne Sample (Deceased)
	<estate a="" anne="" c="" late="" sample=""></estate>	

3 Postal Address

Enter into section 3 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown. Annual reports will be made available online when they are released. Should you wish to receive a hard copy of the annual report you must notify the Share Registry. You can notify any change to your communication preferences by visiting the registry website – www.advancedshare.com.au

4 CHESS Holders

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5 Email Address

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6 TFN/ABN/Exemption

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Mailing Address

MSM CORPORATION INTERNATIONAL LIMITED C/- Advanced Share Registry PO Box 1156 Nedlands, WA 6909





MSM Optionholder Offer Application Form

MSM CORPORATION INTERNATIONAL LIMITED

MSM OPTIONHOLDER APPLICATION FORM

This is an Application Form for Options in MSM CORPORATION INTERNATIONAL LIMITED ("Company") and relates to the "MSM Optionholder Offer" made pursuant to the Prospectus of the Company dated 30 October 2015.

This Application Form must be received by Advanced Share Registry by the Closing Date. A person who gives another person access to this Application Form must at the same time give the other person access to the Prospectus, and any supplementary prospectus (if applicable). The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Securities. If you are in doubt as to

how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. Capitalised terms not expressly defined in this Application Form have the meaning given in the Prospectus. Number of Options you are applying for Write the name(s) you wish to register the Securities in (see reverse for instructions) Name of Applicant 1 Name of Applicant 2 or < Account Designation> Name of Applicant 3 or < Account Designation> Write your postal address here – to be registered against your holding Number/Street Suburb/Town State Postcode CHESS Participants only - Holder Identification Number (HIN) Note: if the name and address details in sections 2 & 3 above do not match exactly with your reaistration details held at CHESS, any Shares issued as a result of Χ your Application will be held on the Issuer Sponsored subregister. Email Address (see reverse of form - this is for all communications legally permissible and despatched by the Company) 6 TFN/ABN/Exemption Code Applicant 1 Applicant #2 Applicant #3 If NOT an individual TFN/ABN, please note the type in the box C = Company; P = Partnership; T = Trust; S = Super Fund 7 CONTACT DETAILS Please use details where we can contact you between the hours of 9:00am and 5:00pm should we need to speak to you about your application. Telephone Number Contact Name (PRINT)

DECLARATION 8

Return of the Application Form will constitute your offer to subscribe for Securities in the Company. I/We declare that:

- this Application is completed according to the declaration/appropriate statements on the reverse of this form and I/we agree to become members of the (a) Company and be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of the Prospectus accompanying the Application Form, before applying for Securities.

INSTRUCTIONS FOR COMPLETION OF THIS APPLICATION FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM

 ${\it Please complete all relevant sections of this Application Form using BLOCK LETTERS}$

The below instructions are cross-referenced to each section of the Application Form.

1 Number of Securities

Insert the number of Securities you wish to apply for in section 1.

2 Name(s) in which the Securities are to be registered

Note that ONLY legal entities can hold Securities. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Trusts	Mr John Richard Sample	John Sample Family Trust
	<sample a="" c="" family=""></sample>	
Superannuation Funds	Mr John Sample & Mrs Anne Sample	John & Anne Superannuation Fund
	<sample a="" c="" family="" super=""></sample>	
Partnerships	Mr John Sample &	John Sample & Son
	Mr Richard Sample	
	<sample &="" a="" c="" son=""></sample>	
Clubs/Unincorporated Bodies	Mr John Sample	Food Help Club
	< Food Help Club A/C>	
Deceased Estates	Mr John Sample	Anne Sample (Deceased)
	<estate a="" anne="" c="" late="" sample=""></estate>	

3 Postal Address

Enter into section 3 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown. Annual reports will be made available online when they are released. Should you wish to receive a hard copy of the annual report you must notify the Share Registry. You can notify any change to your communication preferences by visiting the registry website – www.advancedshare.com.au

4 CHESS Holders

If you are sponsored by a stockbroker or other participant and you wish to have your allocation directed into your HIN, please complete the details in section 4.

5 Email Address

Our company annual report and company information will be available at www.mineralscorp.com.au. You may elect to receive all communications despatched by MSM CORPORATION INTERNATIONAL LTD electronically (where legally permissible) such as a notice of meeting, proxy form and annual report via email.

6 TFN/ABN/Exemption

If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in section 6. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

7 Contact Details

Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

8 Declaration

Before completing the Application Form the Applicant(s) should read the Prospectus in full. By lodging the Application Form, the Applicant(s) agrees that this Application is for Securities in the Company upon and subject to the terms of the Prospectus, agrees to take any number of Securities equal to or less than the number of Securities indicated in Section 1 that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign this Application Form.

Privacy – Please refer to Section 2.14 of the Prospectus for details about the collection, holding and use of your personal information. If you do not provide the information required on this Application Form, the Company may not be able to accept or process your Application.

HOW TO LODGE YOUR APPLICATION FORM Mail or deliver your completed Application Form to the following address.

Mailing Address

MSM CORPORATION INTERNATIONAL LIMITED C/- Advanced Share Registry PO Box 1156 Nedlands, WA 6909

