



**MSM Corporation International Ltd**  
ACN 002 529 160

## **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at  
BDO Offices, Sydney, Level 11, 1 Margaret Street, Sydney,  
NSW 2000 on Tuesday, 29 November 2016 at 10.00am (EDST)**

*The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (03) 9015 4036.*

**Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice**

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# MSM CORPORATION INTERNATIONAL LTD

ACN 002 529 160

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of MSM Corporation International Ltd (**Company**) will be held at BDO Offices, Sydney, Level 11, 1 Margaret Street, Sydney, NSW 2000 on Tuesday, 29 November 2016 at 10.00AM (EDST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 27 November 2016 at 10.00AM (EDST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

## AGENDA

### Ordinary business

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#### 1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2016, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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#### 2. Resolution 1 - Remuneration Report

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That the Remuneration Report be adopted by Shareholders on the terms and conditions in the Explanatory Memorandum."*

##### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or

- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

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### **3. Resolution 2 - Re-election of Director - Ms Sophie McGill**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That Ms Sophie McGill, who retires in accordance with clause 13.4 of the Constitution and Listing Rule 14.4 and being eligible, offers herself for re-election, be re-elected as a Director."*

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### **4. Resolution 3 - Re-election of Director - Mr Mark Clements**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That Mr Mark Clements, who retires in accordance with clause 13.4 of the Constitution and Listing Rule 14.4 and being eligible, offers himself for re-election, be re-elected as a Director."*

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### **5. Resolution 4 - Re-election of Director - Mr Adam Wellisch**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That Mr Adam Wellisch, who retires in accordance with clause 13.2 of the Constitution and Listing Rule 14.4 and being eligible, offers himself for re-election, be re-elected as a Director."*

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### **6. Resolution 5 - Ratification of issue of Placement Shares**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 17,435,715 Shares at \$0.28 per Share on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by any person who participated in the issue and any associates of those persons.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 7. Resolution 6 - Ratification of issue of Advisor Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 Options to EAS Advisors LLC (or its nominees) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by EAS Advisors LLC (or its nominees) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 8. Resolution 7 - Approval of issue of Incentive Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 2,000,000 Options exercisable at \$0.125 each on or before 18 March 2020, to Ms Sophie McGill (or her nominee) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Ms Sophie McGill (or her nominee) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 9. Resolution 8 - Approval of Stock Incentive Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That for the purposes of Listing Rule 7.2, Exception 9, and for all other purposes, Shareholders approve the adoption of the option incentive scheme of the Company known as the "MSM Corporation International Limited Stock Incentive Plan" and the issue of securities under that plan, on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## **10. Resolution 9 - Approval of 10% Placement Facility**

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

*"That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## **11. Resolution 10 - Approval of issue of Performance Rights to Dion Sullivan**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That pursuant to and in accordance with section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 2,400,000 Performance Rights to Mr Dion Sullivan (or his nominee) pursuant to the Performance Rights Plan and on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Dion Sullivan (or his nominee) and any other Director who is eligible to participate in the Performance Rights Plan and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## **12. Resolution 11 - Approval of issue of Performance Rights to Sophie McGill**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That pursuant to and in accordance with section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 1,200,000 Performance Rights to Ms Sophie McGill (or her nominee) pursuant to the Performance Rights Plan and on the terms and conditions in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Sophie McGill (or her nominee) and any other Director who is eligible to participate in the Performance Rights Plan and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## **13. Resolution 12 - Approval of issue of Performance Rights to Adam Wellisch**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That pursuant to and in accordance with section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 1,200,000 Performance Rights to Mr Adam Wellisch (or his nominee) pursuant to the Performance Rights Plan and on the terms and conditions in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Adam Wellisch (or his nominee) and any other Director who is eligible to participate in the Performance Rights Plan and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## **14. Resolution 13 - Approval of issue of Performance Rights to Mark Clements**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That pursuant to and in accordance with section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 1,200,000 Performance Rights to Mr Mark Clements (or his nominee) pursuant to the Performance Rights Plan and on the terms and conditions in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Mark Clements (or his nominee) and any other Director who is eligible to participate in the Performance Rights Plan and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**BY ORDER OF THE BOARD**

**Mr Mark Clements**  
**Director & Company Secretary**  
**Dated: 20 October 2016**

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# MSM CORPORATION INTERNATIONAL LTD

ACN 002 529 160

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at BDO Offices, Sydney, Level 11, 1 Margaret Street, Sydney, NSW, 2000 on Tuesday, 29 November 2016 at 10.00am EDST (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 - Remuneration Report
Section 5	Resolutions 2 and 3 - Re-election of Directors - Ms Sophie McGill and Mr Mark Clements
Section 6	Resolution 4 - Re-election of Director - Mr Adam Wellisch
Section 7	Resolution 5 - Ratification of issue of Placement Shares
Section 8	Resolution 6 - Approval of issue of Advisor Options
Section 9	Resolution 7 - Approval of issue of Incentive Options
Section 10	Resolution 8 - Approval of Stock Incentive Plan
Section 11	Resolution 9 - Approval of 10% Placement Facility
Section 12	Resolutions 10 to 13 - Approval of issue of Performance Rights
Schedule 1	Definitions
Schedule 2	Terms and conditions of Advisor Options
Schedule 3	Terms and conditions of Incentive Options
Schedule 4	Summary of Stock Incentive Plan

A Proxy Form is located at the end of the Explanatory Memorandum.

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## 2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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## 3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2016.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.asx.com.au](http://www.asx.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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## 4. Resolution 1 - Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Part 2G.2, Division 9 of the Corporations Act provides Shareholders with the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2015 annual general meeting. If the Remuneration Report receives a Strike at this Meeting (2016 annual general meeting), Shareholders should be aware that if a second Strike is received at the 2017 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even

though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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## **5. Resolutions 2 and 3 - Re-election of Directors - Ms Sophie McGill and Mr Mark Clements**

### **5.1 General**

Clause 13.4 of the Constitution gives the Directors authority to appoint other Directors.

Ms Sophie McGill was appointed by the Directors as a Director on 26 April 2016.

Mr Mark Clements was appointed by the Directors as a Director on 12 January 2016.

Clause 13.4 of the Constitution states that any Director appointed in accordance with that clause must retire at the next general meeting and is eligible for re-election. In addition, Listing Rule 14.4 provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

Accordingly, Ms McGill and Mr Clements each resign as a Director at this annual general meeting and being eligible seek approval to be re-elected as a Director.

### **5.2 Ms Sophie McGill**

Ms Sophie McGill is an Executive Director of the Company.

Ms McGill joins the Company with extensive experience and networks across the Australian media industry. Since 2009, Sophie has been a Partner at Media Venture Partners, a media strategy and investment business, providing advisory services and funding to producers and distributors in the entertainment sector. Their collective premium business interests specialised in blue-chip documentary, premium light entertainment, talent management and digital disruption.

In addition, Ms McGill's previous role was as Chief Operating Officer of Marquee Studios, a digital production and talent studio that helps brands build and engage an audience. At Marquee Studios, she worked with a number of well-known brands including Twitter, Rimmel London, UBK, Dolly, Coca Cola, Spotify and Mirvac. Marquee are responsible for the tween media sensation Amplify Live, which tours global digital influencers around Australia in a stage show - trending globally and achieving a top spot in Australia's music trending charts.

Other previous experience includes roles at Southern Star and its parent company, Endemol UK, one of the UK's largest independent production companies. At Endemol she was responsible for delivering digital and commercial brand extensions of popular programs, including Big Brother, The Match and Deal or No Deal to a variety of digital platforms, including mobile and the web. She also led the creation of unique multi-platform content including UK firsts, 24/7 live 3G streaming and 'mobi-sodes'.

As an Executive Director, Ms McGill is not regarded as an independent Director due to her executive role with the Company.

### **5.3 Mr Mark Clements**

Mr Mark Clements is a Non-Executive Director of the Company and the Company Secretary.

Mr Clements has a Bachelor of Commerce degree and is a Fellow of the Institute of Chartered Accountants and a member of both the Australian Institute Company Directors and the Governance Institute of Australia. Mr Clements currently holds the position of Company Secretary of a number of publicly listed companies and is Chairman of MOD Resources Limited (ASX:MOD). Mr Clements has experience in corporate finance, accounting and administration, capital raising and ASX Compliance and regulatory requirements.

The Board has considered Mr Clements' independence and considers that he is not an independent Director due to his executive role with the Company.

### **5.4 Board recommendations**

The Board (excluding Ms McGill) recommends that Shareholders vote in favour of Resolution 2.

The Board (excluding Mr Clements) recommends that Shareholders vote in favour of Resolution 3.

Resolutions 2 and 3 are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 2 and 3.

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## **6. Resolution 4 - Re-election of Director - Mr Adam Wellisch**

Listing Rule 14.4 and clause 13.2 of the Constitution require that one third of the Directors (excluding the Managing Director, Directors retiring in accordance with clause 13.4 and alternate Directors) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third).

Clause 13.2 of the Constitution provides that a Director who retires in accordance with that clause is eligible for re-election.

The Company currently has four Directors. One of these Directors, Mr Dion Sullivan, is the Managing Director. Another two Directors, Ms Sophie McGill and Mr Mark Clements, are retiring in accordance with clause 13.2 of the Constitution. Accordingly, the remaining Director, Mr Adam Wellisch, must retire.

Pursuant to these provisions, Mr Wellisch will retire by rotation and, being eligible, will seek re-election.

Mr Wellisch's appointment as a Director became effective on 29 December 2015, following the Company's acquisition of Megastar Millionaire Pty Ltd. Mr Wellisch was last elected by Shareholders at the general meeting held on 7 October 2015.

Mr Wellisch has over 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.

The Board has considered Mr Wellisch's independence and considers that he is not an independent Director.

The Board (excluding Mr Wellisch) recommends that Shareholders vote in favour of Resolution 4.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

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## **7. Resolution 5 - Ratification of issue of Placement Shares**

### **7.1 Background**

On 14 September 2016, the Company announced that it had agreed to issue 17,435,715 Shares at \$0.28 per Share (**Placement Shares**) to strategic investors (**Placement**). The issue of the Placement Shares raised approximately \$4,882,000 (before costs).

### **7.2 Listing Rule 7.1**

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

### **7.3 Listing Rule 7.4**

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **7.4 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) a total of 17,435,715 Placement Shares were issued;
- (b) the Placement Shares were issued at \$0.28 per Share;

- (c) the Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Placement Shares were issued to sophisticated or professional investors, none of whom are a related party of the Company;
- (e) the proceeds from the issue of the Placement Shares will be used to accelerate the delivery, enhance the user experience and expand the marketing program of the Megastar Millionaire Platform, as well as for working capital and corporate administration; and
- (f) a voting exclusion statement is included in the Notice.

## **7.5 Board recommendations**

The Board recommends that Shareholders vote in favour of Resolution 5.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

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## **8. Resolution 6 - Ratification of issue of Advisor Options**

### **8.1 General**

On 15 September 2016, the Company announced that it had engaged leading US-based advisor firm, EAS Advisors LLC (**Advisor**) to provide equity capital market services and assist the Company with building its investor profile in the US, with a view to introducing appropriate US investors and strategic partners to the Company over the coming months.

Pursuant to the Company's agreement with the Advisor, the Company issued the Advisor (or its nominee) with 6,000,000 Options as partial consideration for the Advisor's services (**Advisor Options**).

### **8.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is contained in Section 7.2.

### **8.3 Listing Rule 7.4**

A summary of Listing Rule 7.4 is contained in Section 7.3.

The effect of Resolution 6 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **8.4 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Advisor Options:

- (a) a total of 6,000,000 Advisor Options were issued;
- (b) the Advisor Options were issued in consideration for services and therefore were be issued at an issue price of nil;
- (c) the Advisor Options are exercisable as follows, and otherwise on the terms and conditions set out in Schedule 2:

Number of Options	Exercise Price	Vesting Date	Expiry Date
1,500,000	\$0.35	19 March 2017	19 September 2018
1,500,000	\$0.40	19 March 2017	19 September 2019
1,500,000	\$0.45	19 March 2017	19 September 2019
1,500,000	\$0.55	19 March 2017	19 September 2019

- (d) the Advisor Options were issued to the Advisor or its nominees;
- (e) there were no proceeds from the issue of the Advisor Options as they were issued in consideration for services; and
- (f) a voting exclusion statement is included in the Notice.

## 8.5 Board recommendations

The Board recommends that Shareholders vote in favour of Resolution 6.

Resolution 6 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

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## 9. Resolution 7 - Approval of issue of Incentive Options

### 9.1 General

On 26 April 2016 the Company announced the appointment of Ms Sophie McGill as an Executive Director.

As part of Ms McGill's remuneration package, the Company agreed to issue Ms McGill (or her nominee) with 2,000,000 Options, exercisable at \$0.125 each on or before 18 March 2020 (**Incentive Options**). The closing price of the Company's Shares on the ASX on the last trading day prior to the date of the announcement of Ms McGill's appointment was \$0.13.

The Company is a small technology company. The Company's funds are allocated to specific development activities. The Board has elected to issue the Incentive Options to Ms McGill as a key component of her remuneration in order to retain her services and to provide incentive linked to the performance of the Company.

The Incentive Options are subject to the following vesting conditions requiring Ms McGill's continued engagement by the Company:

Number of Options	Vesting Date
333,334	26 October 2016
333,334	26 April 2017
333,334	26 October 2017
333,334	26 April 2018
333,334	26 October 2018
333,330	26 April 2019

## 9.2 Listing Rule 10.11

In accordance with Listing Rule 10.11, the Company must not issue Equity Securities to a related party of the Company unless it obtains Shareholder approval.

Ms McGill is a related party of the Company by virtue of her position as a Director.

The effect of passing Resolution 7 will be to allow the Company to issue the Incentive Options to Ms McGill (or her nominee) in accordance with Listing Rule 10.11.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

## 9.3 Chapter 2E

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Incentive Options to Ms McGill constitutes giving a financial benefit to a related party by virtue of Ms McGill's position as a Director.

The Board has considered the application of Chapter 2E of the Corporations Act and has resolved that the arm's length exception provided by Section 210 of the Corporations Act is relevant in the circumstances as the Company agreed to issue the Incentive Options as part of Ms McGill's initial engagement agreement with the Company. Accordingly, the Company will not seek approval for the issue of the Incentive Options pursuant to Section 208 of the Corporations Act.

#### **9.4 Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Incentive Options:

- (a) the Incentive Options will be issued to Ms McGill (or her nominee);
- (b) the maximum number of Incentive Options to be issued is 2,000,000;
- (c) the Incentive Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Incentive Options will have an issue price of nil as they are being issued as part of Ms McGill's remuneration package;
- (e) the Incentive Options will, subject to the satisfaction of vesting conditions, be exercisable at exercisable at \$0.125 each on or before 18 March 2020 and otherwise on the terms and conditions in Schedule 3;
- (f) no funds will be raised by the issue of the Incentive Options; and
- (g) a voting exclusion statement is included in the Notice.

#### **9.5 Board recommendation**

The Board (excluding Ms McGill) recommends that Shareholders vote in favour of Resolution 7.

Resolution 7 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 7.

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## **10. Resolution 8 - Approval of Stock Incentive Plan**

### **10.1 General**

The Board recognises the need to adequately incentivise and remunerate staff, but is keen to ensure that the Company's cash reserves are invested in development, distribution and marketing efforts to the extent possible. As such, predominantly equity based incentives continue to provide the best and most viable means for the Company to recognise and reward performance.

The key foundations of an entity's incentive program are designed to:

- (a) align employee incentives with Shareholders' interests;
- (b) encourage broad-based share ownership by employees; and
- (c) assist employee attraction and retention.

## 10.2 Listing Rule 7.2

Listing Rule 7.1 prohibits an entity from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. However, Listing Rule 7.2 Exception 9(b) provides that Listing Rule 7.1 does not apply in relation to, among other things, an issue under an employee incentive scheme if within 3 years before the date of the issue the holders of the entity's ordinary securities approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

The Listing Rules define "employee incentive scheme" as:

- (a) a scheme for the issue or acquisition of equity securities in an entity to be held by, or for the benefit of, participating employees or non-executive directors of the entity or a related entity; or
- (b) a scheme which, in ASX's opinion, is an employee incentive scheme.

The Stock Incentive Plan is an employee incentive scheme for the purposes of the Listing Rules.

If Resolution 8 is passed, Equity Securities issued under the Stock Incentive Plan during the next 3 years will be excluded in determining the 15% limit under Listing Rule 7.1. This would assist the Company should it require additional fundraising flexibility.

The following information is provided for the purposes of Listing Rule 7.2 Exception 9(b):

- (c) a summary of the terms of the Stock Incentive Plan is outlined in Schedule 4 and the Company Secretary will provide Shareholders with a copy of the Stock Incentive Plan free of charge on request;
- (d) no Equity Securities have been issued under the Stock Incentive Plan; and
- (e) a voting exclusion statement is included in the Notice.

## 10.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 8.

Resolution 8 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 8.

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## 11. Resolution 9 - Approval of 10% Placement Facility

### 11.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Based on the ASX closing price on 12 October 2016, the Company has a market capitalisation of approximately \$76 million. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c) below).

## 11.2 Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one quoted classes of Equity Securities, Shares.

### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;

- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

*D* is 10%

*E* is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 304,403,872 Shares and has capacity to issue:

- (i) 13,442,841 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 9 30,430,387 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rules 7.1 and 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c)).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or

- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

### 11.3 Listing Rule 7.1A

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

### 11.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares). There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.
- (d) The table also shows:
  - (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue

may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price (\$0.250 as at 12 October 2016).

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.125 50% decrease in Issue Price	\$0.250 Issue Price	\$0.500 100% increase in Issue Price
<b>Current Variable A</b> 304,403,872 Shares	<b>10% Voting Dilution</b>	30,440,387 Shares	30,440,387 Shares	30,440,387 Shares
	<b>Funds raised</b>	\$3,805,048	\$7,610,096	\$15,220,194
<b>50% increase in current Variable A</b> 456,605,808 Shares	<b>10% Voting Dilution</b>	45,660,581 Shares	45,660,581 Shares	45,660,581 Shares
	<b>Funds raised</b>	\$5,707,573	\$11,415,145	\$22,830,290
<b>100% increase in current Variable A</b> 608,807,744 Shares	<b>10% Voting Dilution</b>	60,880,774 Shares	60,880,774 Shares	60,880,774 Shares
	<b>Funds raised</b>	\$7,610,097	\$15,220,194	\$30,440,387

The above table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (vii) The issue price is \$0.250, being the closing price of the Shares on ASX on 12 October 2016.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period.
- (f) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) non-cash consideration for the acquisition of services, assets, businesses or investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of services, assets, businesses or investments (including expenses associated with such acquisition such due diligence costs and external advisors) and working capital requirements.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (j) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 26 November 2015. In the 12 months preceding the date of the 2015 Annual General Meeting and as at the date of this Notice, the Company has issued 428,740,460 Equity Securities and this represents 564.44% of the total number of Equity Securities on issue at the commencement of that 12 month period. The Company notes that this includes the Equity Securities issued as part of the acquisition of Megastar Millionaire Pty Ltd and the associated capital raising.

The Company did not issue any Shares pursuant to Listing Rule 7.1A during the year.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of this Meeting are in Schedule 5.

- (k) A voting exclusion statement is included in the Notice.
- (l) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## **11.5 Board recommendations**

The Board recommends that Shareholders vote in favour of Resolution 9.

Resolution 9 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 9.

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## **12. Resolutions 10 to 13 - Approval of issue of Performance Rights**

### **12.1 General**

The Company has agreed, subject to obtaining Shareholder approval pursuant to Resolutions 10 to 13, to issue a total of 6,000,000 Performance Rights to its Directors as follows:

- (a) 2,400,000 Performance Rights to Dion Sullivan (or his nominee);
- (b) 1,200,000 Performance Rights to Sophie McGill (or her nominee);
- (c) 1,200,000 Performance Rights to Adam Wellisch (or his nominee); and
- (d) 1,200,000 Performance Rights to Mark Clements (or his nominee).

The Company has considered the remuneration structures of ASX listed companies with a similar pathway to development to determine a suitable quantum and structure of an incentive based remuneration plan for management and executive and non-executive members of the Board. As a result of this review the Company

believes that the issue of the Performance Rights is a fair and reasonable incentive based remuneration package.

## 12.2 Summary of material terms of Performance Rights

The Company's Performance Rights Plan was last approved by Shareholders at its general meeting held on 12 April 2013, and is summarised in its Prospectus dated 2 November 2015.

Each Performance Right will convert into one Share subject to the satisfaction of certain milestones, based on the market capitalisation of the Company (**Milestones**). The Milestones are summarised in the table below:

	Milestone			TOTAL
	Market capitalisation of \$120 million	Market capitalisation of \$180 million	Market capitalisation of \$250 million	
Dion Sullivan	800,000	800,000	800,000	2,400,000
Sophie McGill	400,000	400,000	400,000	1,200,000
Adam Wellisch	400,000	400,000	400,000	1,200,000
Mark Clements	400,000	400,000	400,000	1,200,000
<b>TOTAL</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>6,000,000</b>

A Milestone will be satisfied if the Company has had the relevant market capitalisation for a period of 30 consecutive calendar days.

The expiry date for each of the Performance Rights will be 5 years from the date of issue.

In the event that a Milestone is not met by the expiry date, or a Director ceases to be engaged by the Company when a Milestone is met, the respective Performance Rights will not vest and as a result, no new Shares will be issued.

There is nil consideration payable upon the vesting of a Performance Right.

In accordance with the terms of the Performance Rights Plan, all Performance Rights will automatically vest upon a takeover bid or other change of control event

## 12.3 Chapter 2E of the Corporations Act

For a public company to give a financial benefit to a related party of the public company, the public company must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Performance Rights constitutes giving a financial benefit and each of the Directors are related parties of the Company by virtue of being Directors.

The Board has considered the application of Chapter 2E of the Corporations Act and has resolved that the reasonable remuneration exception provided by section 211 of the Corporations Act is relevant in the circumstances and accordingly, the Company will not seek approval for the issue of the Performance Rights pursuant to section 208 of the Corporations Act.

## **12.4 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition:

- (a) a director of the company;
- (b) an associate of a director; or
- (c) a person whose relationship with the company or a person referred to in (a) or (b) above is, in ASX's opinion, such that approval should be obtained.

Resolutions 10 to 13 seeks Shareholder approval for the grant of the Performance Rights to the Directors (or their respective nominees). Shareholder approval is required under Listing Rule 10.14 because the recipients of the Performance Rights are Directors and the Performance Rights will be granted under an employee incentive scheme.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required, and the issue of the Performance Rights will not be included in the 15% calculation for the purposes of Listing Rule 7.1.

## **12.5 Specific information required by Listing Rule 10.15**

Listing Rule 10.15 requires that the following information be provided to Shareholders in relation to the issue of the Performance Rights:

- (a) the Performance Rights will be granted to each of the following Directors or their respective nominees:
  - (i) Dion Sullivan
  - (ii) Sophie McGill
  - (iii) Adam Wellisch
  - (iv) Mark Clements
- (b) the maximum number of Performance Rights will be 6,000,000, in the allocation specified in Section 12.1;

- (c) the Performance Rights will be granted as an employee incentive and will be granted for nil cash consideration;
- (d) no persons named in Listing Rule 10.14 have received Equity Securities under the Performance Rights Plan since it was approved on 12 April 2013;
- (e) subject to the requirements of the Listing Rules and the determination of the Board, the Directors (currently being Dion Sullivan, Sophie McGill, Adam Wellisch, and Mark Clements) and their respective nominees and associates are entitled to participate in the Performance Rights Plan;
- (f) there is no loan associated with the issue of the Performance Rights;
- (g) the Company will issue the Performance Rights no later than 12 months after the date of the Meeting or such longer period of time as ASX may in its discretion allow; and
- (h) a voting exclusion statement is included in the Notice.

## **12.6 Board recommendation**

The Board (excluding Dion Sullivan) recommends that Shareholders vote in favour of Resolution 10.

The Board (excluding Sophie McGill) recommends that Shareholders vote in favour of Resolution 11.

The Board (excluding Adam Wellisch) recommends that Shareholders vote in favour of Resolution 12.

The Board (excluding Mark Clements) recommends that Shareholders vote in favour of Resolution 13.

Resolutions 10 to 13 are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 10 to 13.

## Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**10% Placement Facility** has the meaning given in Section 11.1.

**10% Placement Period** has the meaning given in Section 11.2(f).

**Advisor Options** has the meaning given in Section 8.1.

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2016.

**ASX** means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Chairman** means the person appointed to chair the Meeting of the Company convened by the Notice.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means MSM Corporation International Ltd (ACN 002 529 160).

**Constitution** means the constitution of the Company as at the date of the Meeting.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**EDST** means Eastern Daylight Saving Time, being the time in Sydney, New South Wales.

**Equity Security** has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Incentive Options** has the meaning given in Section 9.1.

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of annual general meeting.

**Option** means an option to acquire a Share.

**Performance Rights** means a performance right which entitles the holder to subscribe for one Share.

**Performance Rights Plan** means the performance rights plan approved by Shareholders at a meeting held on 12 April 2013. The terms and conditions of the performance rights plan are summarised in the Company's Prospectus dated 2 November 2015.

**Placement** has the meaning given in Section 7.1.

**Placement Shares** has the meaning given in Section 7.1.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**Trading Day** has the meaning given in the Listing Rules.

**VWAP** means volume weighted average price.

**WST** means Western Standard Time being the time in Perth, Western Australia.

## Schedule 2 - Terms and Conditions of Advisor Options

The following terms and conditions apply to the Advisor Options:

### 1. Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

### 2. Exercise Price, Expiry Date and Vesting Condition

The exercise price (**Exercise Price**) and expiry date (**Expiry Date**) of the Options are set out below.

The Options are subject to the continued engagement of the Advisor by the Company at all times until the relevant vesting date (**Vesting Date**).

Number of Options	Exercise Price	Vesting Date	Expiry Date
1,500,000	\$0.35	19 March 2017	19 September 2018
1,500,000	\$0.40	19 March 2017	19 September 2019
1,500,000	\$0.45	19 March 2017	19 September 2019
1,500,000	\$0.55	19 March 2017	19 September 2019

### 3. Exercise period

An Option is exercisable if both the following conditions are satisfied:

- (a) The Option has vested in accordance with clause 2 at the time of exercising the Option; and
- (b) the Option is exercised on or before 5:00pm WST on the Expiry Date.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 4. Notice of Exercise

The Options may be exercised by notice in writing to the Company Secretary of the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

### 5. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

**6. Quotation of Shares on exercise**

Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.

**7. Timing of issue of Shares**

Within 15 Trading Days after the later of the following:

- (a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (a) issue the Shares pursuant to the exercise of the Options;
- (b) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

**8. Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**9. Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities (or a share split or similar recapitalisation) to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

**10. Adjustment for Share consolidations**

If the Company undertakes a consolidation of Shares:

- (a) the number of Shares which must be issued on the exercise of an Option will be reduced by multiplying it by the ratio of the number of Shares in issue immediately after the share consolidation to the number of Shares in issue immediately before the share consolidation; and
- (b) no change will be made to the Exercise Price.

**11. Adjustment for entitlements issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

**12. Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

**13. Quotation of the Options**

The Options will be unquoted.

**14. Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registry.

### Schedule 3 - Terms and Conditions of Incentive Options

The following terms and conditions apply to the Incentive Options:

**1. Entitlement**

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

**2. Exercise Price, Expiry Date and Vesting Condition**

The exercise price of the Options is \$0.125 each (**Exercise Price**).

The expiry date of the Options is 18 March 2020 (**Expiry Date**).

The Options are subject to the continued engagement of Ms Sophie McGill by the Company as set out below:

Number of Options	Vesting Date
333,334	26 October 2016
333,334	26 April 2017
333,334	26 October 2017
333,334	26 April 2018
333,334	26 October 2018
333,330	26 April 2019

**3. Exercise period**

An Option is exercisable if both the following conditions are satisfied:

- (a) The Option has vested in accordance with clause 2 at the time of exercising the Option; and
- (b) the Option is exercised on or before 5:00pm WST on the Expiry Date.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**4. Notice of Exercise**

The Options may be exercised by notice in writing to the Company Secretary of the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

**5. Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

**6. Quotation of Shares on exercise**

Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.

**7. Timing of issue of Shares**

Within 15 Trading Days after the later of the following:

- (a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (c) issue the Shares pursuant to the exercise of the Options;
- (d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (e) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

**8. Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**9. Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities (or a share split or similar recapitalisation) to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

**10. Adjustment for Share consolidations**

If the Company undertakes a consolidation of Shares:

- (a) the number of Shares which must be issued on the exercise of an Option will be reduced by multiplying it by the ratio of the number of Shares in issue immediately after the share consolidation to the number of Shares in issue immediately before the share consolidation; and
- (b) no change will be made to the Exercise Price.

**11. Adjustment for entitlements issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

**12. Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

**13. Quotation of the Options**

The Options will be unquoted.

**14. Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registry.

## **Schedule 4 - Summary of Stock Incentive Plan**

The material terms and conditions of the Stock Incentive Plan are as follows:

### **1. Purpose**

The Stock Incentive Plan is intended primarily to recognise the contributions made to the Company by employees of its US subsidiary, MSM Music Inc.

The Stock Incentive Plan may also be used to make grants to employees, directors, consultants and advisors of the Company or any of its affiliate entities.

The intention of the Stock Incentive Plan is to provide the participants with additional incentive to devote themselves to the future success of the Company, to improve the ability of the Company to attract, retain, and motivate individuals upon whom the Company's sustained growth and financial success depend, by providing such persons with an opportunity to acquire or increase their proprietary interest in the Company.

### **2. Participation**

The Board may grant:

- (a) Options under the Plan (**Stock Options**); or
- (b) Shares under the Plan (**Restricted Stock**)

(together, **Plan Securities**), to any employees, directors, consultants or advisors of the Company or any of its affiliate entities (**Eligible Participant**). Plan Securities may be granted at any time during the term of the Stock Incentive Plan.

### **3. Maximum number of Shares**

The aggregate maximum number of Shares in respect of which Plan Securities may be issued is 5% of the total issued Shares. If a Plan Security lapses without having converted into an ordinary Share, such Plan Security will not count towards the 5% aggregate.

### **4. Term**

The term of the Plan is 3 years, commencing on the date of approval of the Plan by the Board, unless the Board resolves to terminate the Plan earlier. No new Plan Securities may be issued pursuant to the Stock Incentive Plan after this date.

### **5. Terms and conditions of Plan Securities**

The conversion ratio, exercise price, expiry date, vesting conditions, and any other applicable terms and conditions for Plan Securities will be as determined by the Board prior to the issue of the relevant Plan Securities. Such terms and conditions must be consistent with the terms and conditions of the Stock Incentive Plan.

### **6. Exercise price**

Subject to the below, the exercise price for all Stock Options that are considered "incentive stock options" (**ISOs**) within the meaning of section 422(b) of the US

Internal Revenue Code 1986, as amended, must be at least equal to the last reported sale price per Share on the date before the Option is granted.

If an ISO is granted to a person who then holds a voting power of 10% or more of the Company, then the exercise price must be at least 10% higher than the last reported sale price per Share on the date before the Option is granted.

## **7. Expiry date**

Stock Options will automatically lapse upon the earlier to occur of:

- (a) the date specified in the terms and conditions of the Stock Options, which must not exceed:
  - (i) 10 years, in the case of an ISO; or
  - (ii) 5 years in the case of an ISO holder who has a voting power of 10% or more of the Company at the time of grant.
- (b) expiry of 60 days from the date the holder's employment or service with the Company or its affiliate terminates for any reason other than disability, death or a change of control event;
- (c) six months from the date of the holder's employment or service with the Company or its affiliate terminates due to the holder's disability or death;
- (d) a finding by the Company that the holder has committed a serious and material breach or neglect of the holder's responsibility to the Company, wilful violation or disregard of standards of conduct established by law, committed fraud, wilful misconduct or other dishonesty, or similar matters; or
- (e) the occurrence of a change of control event, if so determined by the Board.

## **8. Change of control**

A "change of control event" will be deemed to occur if one person and its associates acquires more than 40% of the Shares on issue, or if all or substantially all of the Company's assets are sold to an unrelated party.

Upon the occurrence of a change of control event, all vesting conditions attaching to Plan Securities will be deemed to have been satisfied, and the Company may, amongst other things, require that all outstanding Stock Options be exercised or will lapse.

## **9. Amendments**

Subject to the below, the Board may amend the Plan from time.

The Board may not:

- (a) change the class of individuals eligible to receive an ISO;
- (b) increase the maximum number of Shares as to which Plan Securities may be granted, or
- (c) make any other change or amendment as to which Shareholder approval is required pursuant to the Listing Rules.

## Schedule 5 - Issues of Equity Securities since 26 November 2015

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
29/12/2015	116,666,667	Shares <sup>1</sup>	Participants in the Prospectus dated 2 November 2015	Issue price of \$0.06 per Share, representing no discount to the market price (\$0.06) at the date of issue	<p><b>Consideration:</b> Cash \$7,000,000</p> <p><b>Funds spent to date:</b> \$4,032,000 has been spent as at the date of this Notice.</p> <p><b>Use of funds spent to date:</b> The funds have been applied in a manner consistent with the disclosures in the Prospectus, namely, in technology and development of the Megastar Millionaire Platform, sales and marketing, strategic acquisitions and investments, payment of the costs associated with the re-compliance, and working capital and corporate administration (together, <b>Use of Funds</b>).</p> <p><b>Proposed use of remaining funds:</b> The remaining \$2,968,000 is intended to be applied in the same manner as the Use of Funds.<sup>2</sup></p>
29/12/2015	75,000,000	Shares <sup>1</sup>	Shareholders of Megastar Millionaire Pty Ltd or their nominees	Nil	<p>Issued as consideration for the shares of Megastar Millionaire Pty Ltd.</p> <p><b>Current value:</b> \$18,750,000<sup>3</sup></p>
29/12/2015	14,235,836	Shares <sup>1</sup>	MSM Advisory Board Members or their nominees	Nil	<p>Issued as consideration for MSM Advisory Board services and executive shares.</p>

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
					<b>Current value:</b> \$3,558,959 <sup>3</sup>
29/12/2015	25,000,000	Shares <sup>1</sup>	Convertible Noteholders of Megastar Millionaire Pty Ltd or their nominees	Nil	Issued as consideration for the convertible notes of Megastar Millionaire Pty Ltd. <b>Current value:</b> \$6,250,000 <sup>3</sup>
29/12/2015	43,000,000	Unquoted Options <sup>4</sup>	Optionholders and Convertible Noteholders of Megastar Millionaire Pty Ltd or their nominees	Nil	Issued as consideration for the options and convertible notes of Megastar Millionaire Pty Ltd. <b>Current value:</b> \$7,822,040 <sup>5</sup>
29/12/2015	14,000,000	Unquoted Options <sup>4</sup>	CPS Capital Group Pty Ltd or its nominees	Nil	Issued as consideration for lead manager services in respect of the re-compliance. <b>Current value:</b> \$2,546,711 <sup>5</sup>
29/12/2015	50,000,000	Class A Performance Shares <sup>6</sup>	Shareholders of Megastar Millionaire Pty Ltd or their nominees	Nil	Issued as consideration for the shares of Megastar Millionaire Pty Ltd. <b>Current value:</b> \$2,335,265 <sup>7</sup>
29/12/2015	50,000,000	Class B Performance Shares <sup>8</sup>	Shareholders of Megastar Millionaire Pty Ltd or their nominees	Nil	Issued as consideration for the shares of Megastar Millionaire Pty Ltd. <b>Current value:</b> \$2,335,265 <sup>7</sup>
29/12/2015	97	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10, representing a premium to the market price at the date of issue (\$0.06)	<b>Consideration:</b> Cash \$9.70 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
19/05/2016	574,803	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 16.7% to the market price at the date of issue (\$0.12)	<b>Consideration:</b> Cash \$57,480 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
16/05/2016	900,000	Unquoted Options <sup>9</sup>	MSM Advisory Board or their nominees	Nil	Issued as consideration for MSM Advisory Board services. <b>Current value:</b> \$149,422 <sup>5</sup>
3/06/2016	45,445	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 23.1% to the market price at the date of issue (\$0.13)	<b>Consideration:</b> Cash \$4,545 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
16/06/2016	68,122	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 28.6% to the market price at the date of issue (\$0.14)	<b>Consideration:</b> Cash \$6,812 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
29/06/2016	666,667	Shares <sup>1</sup>	Online investor relations services provider or its nominees	Nil	<b>Consideration:</b> Services provided to the Company. <b>Current value:</b> \$166,667 <sup>3</sup>
30/06/2016	606,061	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 16.7% to the market price at the date of issue (\$0.12)	<b>Consideration:</b> Cash \$60,606 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
2/08/2016	3,386,772	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar	Issue price of \$0.10 per Share representing a discount of 41.2% to the market price	<b>Consideration:</b> Cash \$338,677 <b>Funds spent to date:</b> 100% of the consideration has been spent in

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
			Millionaire Pty Ltd	at the date of issue (\$0.17)	accordance with the Use of Funds.
3/08/2016	1,084,641	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 37.5% to the market price at the date of issue (\$0.16)	<b>Consideration:</b> Cash \$108,464 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
11/08/2016	2,583,635	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 58.3% to the market price at the date of issue (\$0.24)	<b>Consideration:</b> Cash \$258,364 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
23/08/2016	1,094,133	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 56.5% to the market price at the date of issue (\$0.23)	<b>Consideration:</b> Cash \$109,413 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
9/09/2016	684,196	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 70.6% to the market price at the date of issue (\$0.34)	<b>Consideration:</b> Cash \$68,420 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
16/09/2016	1,107,670	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 69.70% to the market price at the date of issue (\$0.33)	<b>Consideration:</b> Cash \$110,767 <b>Funds spent to date:</b> 100% of the consideration has been spent in accordance with the Use of Funds.
20/09/2016	17,435,715	Shares <sup>1</sup>	Participants in the Placement	Issue price of \$0.28 per Share representing a discount of 17.65% to the market price at the date of issue (\$0.34)	<b>Consideration:</b> Cash \$4,882,000 <b>Funds spent to date:</b> Nil. <b>Use of funds:</b> Accelerate the delivery, enhance the user experience

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
					and expand the marketing program of the Megastar Millionaire Platform, as well as for working capital and corporate administration.
20/09/2016	4,500,000	Unquoted Options <sup>10</sup>	Participants in the Placement	Nil	Issued pursuant to completion of the Placement.  <b>Current value:</b> \$374,604 <sup>5</sup>
20/09/2016	1,500,000	Unquoted Options <sup>10</sup>	EAS Advisors LLC (or its nominees)	Nil	Issued as consideration for services by EAS Advisors LLC  <b>Current value:</b> \$124,425 <sup>5</sup>
20/09/2016	1,500,000	Unquoted Options <sup>11</sup>	EAS Advisors LLC (or its nominees)	Nil	Issued as consideration for services by EAS Advisors LLC  <b>Current value:</b> \$149,242 <sup>5</sup>
20/09/2016	1,500,000	Unquoted Options <sup>12</sup>	EAS Advisors LLC (or its nominees)	Nil	Issued as consideration for services by EAS Advisors LLC  <b>Current value:</b> \$138,462 <sup>5</sup>
20/09/2016	1,500,000	Unquoted Options <sup>13</sup>	EAS Advisors LLC (or its nominees)	Nil	Issued as consideration for services by EAS Advisors LLC  <b>Current value:</b> \$120,615 <sup>5</sup>
14/10/2016	100,000	Shares <sup>1</sup>	Optionholders who were issued Options prior to the acquisition of Megastar Millionaire Pty Ltd	Issue price of \$0.10 per Share representing a discount of 59.18% to the market price at the date of issue (\$0.25)	<b>Consideration:</b> Cash \$10,000 <b>Funds spent to date:</b> Nil. <b>Use of funds:</b> Accelerate the delivery, enhance the user experience and expand the marketing program of the Megastar Millionaire Platform, as well as

Date of Issue	Number of Securities	Type of Security	Recipient of Securities	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice <sup>1</sup>
					for working capital and corporate administration.

- (1) Shares are fully paid ordinary shares in the Company ranking equally in all respect with the existing issued Shares in the Company.
- (2) This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
- (3) The current value is based on the closing price of the Shares on 12 October 2016 (\$0.250).
- (4) Options exercisable at \$0.10 each on or before 7 November 2019.
- (5) The current value is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
- (6) Performance Shares which vest on the Company achieving \$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, on or before 29 December 2018.
- (7) The value associated with these Performance Shares has been incorporated into the acquisition share based payment expense of \$2,335,265 recognised in the statement of profit or loss and other comprehensive income in the audited financial statements for the year ended 30 June 2016 in relation to the acquisition of Megastar Millionaire Pty Ltd.
- (8) Performance Shares which vest on the Company achieving \$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, on or before 29 December 2020.
- (9) Options exercisable at \$0.15 each on or before 18 March 2020, subject to vesting conditions.
- (10) Options exercisable at \$0.35 each on or before 19 September 2018, subject to vesting conditions.
- (11) Options exercisable at \$0.40 each on or before 19 September 2019, subject to vesting conditions.
- (12) Options exercisable at \$0.45 each on or before 19 September 2019, subject to vesting conditions.
- (13) Options exercisable at \$0.55 each on or before 19 September 2019, subject to vesting conditions.

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## MSM CORPORATION INTERNATIONAL LTD

ACN 002 529 160

## PROXY FORM

The Company Secretary  
MSM Corporation International Limited

**By delivery:**  
110 Stirling Highway  
Nedlands WA 6009

**By post:**  
PO Box 1156  
Nedlands WA 6909

**By facsimile:**  
+ 61 8 9262 3723

**By Online Vote:**  
www.advancedshare.com.au

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark ☒ to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

#### STEP 1 - APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being Shareholder/s of the Company hereby appoint:

**The Chairman of the Meeting**  
(mark box) ☐

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at BDO Offices, Sydney, Level 11, 1 Margaret Street, Sydney, NSW 2000 on Tuesday, 29 November 2016 at 10.00am (EDST) and at any adjournment or postponement of that Meeting.

#### Authority for Chair to vote undirected proxies on remuneration related resolutions

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 7 and 10 to 13 (inclusive) (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7 and 10 to 13 (inclusive) are connected directly or indirectly with the remuneration of a member of the Key Management Personnel which includes the Chair.

#### Chair's voting intentions in relation to undirected proxies

The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intentions on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

#### STEP 2 - INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Remuneration Report			
Resolution 2	Re-election of Director - Ms Sophie McGill			
Resolution 3	Re-election of Director - Mr Mark Clements			
Resolution 4	Re-election of Director - Mr Adam Wellisch			
Resolution 5	Ratification of issue of Placement Shares			
Resolution 6	Ratification of issue of Advisor Options			
Resolution 7	Approval of issue of Incentive Options			
Resolution 8	Approval of Stock Incentive Plan			
Resolution 9	Approval of 10% Placement Facility			
Resolution 10	Approval of issue of Performance Rights to Dion Sullivan			
Resolution 11	Approval of issue of Performance Rights to Sophie McGill			
Resolution 12	Approval of issue of Performance Rights to Adam Wellisch			
Resolution 13	Approval of issue of Performance Rights to Mark Clements			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

\* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

**The Chairman of the Meeting intends to vote all available proxies in favour of each Resolution.**

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

<sup>1</sup>Insert name and address of Shareholder

<sup>2</sup>Insert name and address of proxy

\*Omit if not applicable

**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by the Company's share registry not less than 48 hours before the time of commencement of the Meeting by:

**Mail:** PO Box 1156, Nedlands, 6909, Western Australia

**Hand Delivery:** 110 Stirling Hwy, Nedlands, Western Australia, 6009

**Facsimile +** 61 8 9262 3723

**Online:** [www.advancedshare.com.au](http://www.advancedshare.com.au)

**Email** [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)