

Operational Update

MCS Services Limited (ASX: MSG) (MCS) (the Company) is pleased to provide an update on operational matters.

South Australia

During April 2017 the Company opened an office in Adelaide to explore opportunities for expanding our security activities into South Australia.

A senior General Manager has relocated to Adelaide with a view to developing and expanding the business within South Australia and the Northern Territory.

The Company has applied for all the relevant licences to operate in South Australia.

Senior Staff Movements

The employment of Mr John Paul Boardman, Chief Operational Officer, ceased in April 2017.

During May 2017 the following two senior staff were recruited and commenced with the Company to further target growth opportunities:

Jeff Shearman: Business Development, Events, Stadia and Commercial

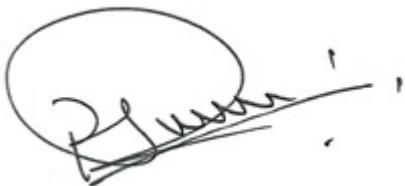
Jeff has a proven track record working in Events & Stadia operational management, and has developed an extensive business network within the sector.

Jay Hopkins: Business Development, Retail, Industrial, Marine and Defence

Jay has extensive experience and networks in the Retail Security and Industrial Security sectors, including from previous roles for a major national security company with Shopping Centre contracts and as State Operations Manager for a security provider.

Other

The Company continues to develop a number of avenues, in addition to the above, for future growth including through acquisitions, contract renewals, contract scope expansions, tendering and pipeline development.



Paul Simmons
Chief Executive Officer

About MCS Services

MCS Services provides security services at major commercial property sites and retail shopping centres throughout the Perth metropolitan area and regional country areas of Western Australia. These security services include mobile patrols and response vehicle services. In addition, MCS provides electronic security services including the design, supply, installation and commissioning of security alarms, CCTV, biometric and access control systems to commercial, industrial and domestic sectors.

For further information, please visit the MCS website www.mcssecurity.com.au