ASX Announcement

MGM Wireless Limited (ASX:MWR)

Tuesday 10 October, 2017

MGM Wireless Officially Expands Operations Into Hardware Products

Marked By Successful Launch of Spacetalk – An Innovative New Wearable Device for Children

Highlights

- MGM Wireless has officially expanded its operations into hardware products, building upon its strong track record delivering software services
- The move into hardware has been marked by the successful launch of MGM's first hardware product Spacetalk, an innovative new wearable device for children
- Spacetalk is the first Australian all-in-one 3G watch, GPS tracker and phone device and the first hardware product of a suite of Internet of Things (IoT) devices MGM plans to release
- Spacetalk allows parents to stay in constant communication with children and doesn't require connection to a phone and is designed to be used with the AllMyTribe family locator, child safety app and server platform
- The Spacetalk launch coincides with the upcoming Christmas shopping period over which MGM expects to generate significant revenue from sales of the product
- Spacetalk is specifically designed to operate in Australia on Telstra's NextG 3G mobile network and supports 2 critical mobile frequency bands that will ensure Australia wide reception, high call quality, GPS tracking and overall performance when compared to competitor products. Telstra's NextG network has been chosen for the superior coverage across Australia and call and data coverage will be comparable to existing mobile phones
- Spacetalk has been certified to meet all mandatory Australian regulatory compliance, standards and carries the Regulatory Compliance Mark (RCM)
- MGM will commence an investor roadshow from Wednesday, October 11, 2017 and hold its Annual General Meeting on November 30, 2017 in Sydney
- Spacetalk is now available for purchase at AllMyTribe website

Tuesday 10 October, 2017 - Technology company **MGM Wireless Limited (ASX:MWR)** ('MGM' or 'the Company') is delighted to officially expand its operations into hardware products with the successful launch of Spacetalk [Appendix 1 and 2], an innovative new wearable device for children. The launch builds upon MGM's strong track record delivering software services and represents an exciting new market opportunity for the Company.

Spacetalk is the first Australian all-in-one 3G watch, GPS tracker and phone device and the first hardware product of a suite of Internet of Things (IoT) devices MGM plans to release. The watch allows parents to stay in constant communication with children, doesn't need to be connected to a phone and has been developed to be used with the AllMyTribe family locator, child safety app and server platform.

MGM's Spacetalk launch follows three years of development, a successful round of fund raising completed in September 2017 for launch-related activities and precedes the Company's Investor Roadshow in October 2017 and Annual General Meeting (AGM) in November 2017.

High Quality and Specifically Built for Australian Networks and Conditions

Spacetalk has been specifically designed to operate on Telstra's NextG 3G mobile network on their unique 2 mobile frequency bands. This means the watch has excellent Australia wide phone and data connectivity – which is a feature watches made for other countries cannot achieve. This has resulted in Spacetalk achieving high quality reception and excellent GPS tracking accuracy, even in the lowest signal areas Australia wide. Spacetalk's overall performance quality is comparable to existing mobile phones.

Spacetalk has also been certified to meet all mandatory Australian regulatory compliance, standards and carries the Regulatory Compliance Mark (RCM). The watch has been extensively field tested under the most rugged conditions for child use.

MGM Wireless Moves Into Hardware With Spacetalk Launch

The launch of Spacetalk marks a momentous milestone for MGM as it expands into the world of hardware. It is the first of several Internet of Things (IoT) and wearable devices that are planned by the Company, which is leveraging its deep knowledge and experience of school communications and child safety to create revolutionary IoT devices for Australian families.

Spacetalk is a smartwatch developed by MGM's AllMyTribe division which allows parents and children to be in constant contact via two-way 3G communication. It is the first of its kind to be wholly developed in Australia and one of the first worldwide. The child can make or receive calls from a list of contacts parents choose in the AllMyTribe® smartphone app. If the child needs help, a special SOS alert function can be customised to call parents and other guardians. Parents can see their child's location on their smartphone and the AllMyTribe App features alerts so whenever children leave designated safe spaces such as school or home, parents are notified. A step counter tracks the wearers' physical activity. All data is hosted in Australia in highly secure data centres and protected by Australian Privacy and Data Security legislation so security is assured.

The company has timed the launch to coincide with the upcoming Christmas sales period and is expecting Spacetalk to generate significant revenue for the Company. Both the Android and iOS (Apple) Spacetalk apps are in their respective stores and are available for download now. MGM announced the first successful production run of Spacetalk last month [ASX Announcement: 20 September] and received its second shipment of inventory on October 5. Spacetalk is currently being sold on the AllMyTribe website and is expected to be available in bricks and mortar retail stores in time for Christmas sales.

Spacetalk Development | Funded With Existing Cash Reserves

Spacetalk is the culmination of almost 3 years of development by MGM to design and build a suitable hardware device for its AllMyTribe child safety, family welfare/IoT platform and has been fully funded by the Company's existing cash reserves, bolstered by solid results in MGM's school communications division. Spacetalk has been co-developed and extensively field tested in Australian conditions by MGM to produce a high quality, fashionable and robust smartwatch designed specifically for the needs and aspirations of children and parents. Combined with MGM's proven track record in school communication, Spacetalk is ideally positioned to help improve the safety of students and give parents greater peace of mind.

Completion of Entitlement Offer | Supporting Future Investment

MGM completed an Entitlement Offer last month [ASX Announcement: 29 September 2017], successfully raising approximately $290,000 which the Company is using for launch-related activities to promote sales of Spacetalk.

Investor Roadshow | Introducing Spacetalk Opportunity

MGM's CEO Mark Fortunatow will be in Sydney commencing October 11 and Melbourne in the week commencing October 16 to conduct investor roadshows.

Annual General Meeting | Shareholder Invitation

MGM is pleased to invite all shareholders to attend the Company's Annual General Meeting (AGM) on November 30 at 11:00AM. The event will be held at the Radisson Blu Plaza Hotel Sydney, 27 O'Çonnell Street, Sydney NSW 2000.

Co-Founder, Chairman & CEO Commentary

MGM Wireless Co-Founder, Chairman & CEO Mark Fortunatow: "The launch of Spacetalk represents a significant milestone in MGM's history as we move into the exciting hardware product space for the first time. I am delighted to announce the successful launch of Spacetalk, an innovative hardware device by MGM. We are immensely proud of the final product and the response we have received from retailers and testers.

Delivering such a sophisticated product is a tremendous achievement for any company and validation of all the time and money we have invested in its creation. We are thrilled to be making the transition into the IoT and wearables space, which we see as a promising and potentially significant source of revenue and value creation for our shareholders. I wish to thank all of MGM's employees, shareholders and contractors for making Spacetalk possible. We now look forward to the most exciting stage of all, the commencement of sales."

Appendix 1 and 2:





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Example of Spacetalk - MGM Wireless' innovative new wearable device for children

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About MGM Wireless

MGM Wireless Limited (ASX:MWR) is a technology company designing, developing and commercialising Internet of Things (IoT) devices for children, and software for school communication and student absence management. The Company's AllMyTribe division has developed a wearable device called Spacetalk which allows two-way 3G communication, GPS tracking and alerts parents whenever children leave designated safe spaces such as school or the home.

MGM Wireless built its track record with school communication solutions after creating the world's first SMS based Automated Student Absence Notification Solution. It is recognised as a global leader and pioneer in socially responsible and technology-enabled school communications. Used by over 1,100 schools and 1.6 million parents, the Company's multichannel school communication solutions empower schools to effectively communicate to parents and caregivers through SMS, mobile in-app and other means to improve student attendance and safety, help schools reduce operating costs and increase parent engagement.

MGM Wireless products include student absence notifications 'messageyou', absence analytics software 'Watchlists', school news and messaging app 'School Star', a content management and messaging platform for mobile school communication called Outreach+, and student attendance management solution 'RollMarker'.

To learn more please visit: www.mgmwireless.com