ASX Market Announcements
ASX Limited
20 Bridge Street
**SYDNEY NSW 2000**
**ASX Release**
**MGM Wireless Limited (ASX:MWR)**

24 April 2018

# MARKET UPDATE

# SETTLEMENT OF PLACEMENT

# PROPOSED SHARE PURCHASE PLAN TIMETABLE

# TELSTRA LICENSED SHOP PILOT PROGRAM

## Highlights

- **Placement has settled successfully (3B and Cleansing Notice Attached)**
- **SPP Documentation advanced and expected to be dispatched Tuesday, 1 May**
- **Telstra Licensed Shop licensees require Telstra Corporation consent to sell SPACETALK**

Technology company **MGM Wireless Limited (ASX:MWR)** ('MGM' or 'the Company') today announced the successful settlement of the Placement of 750,000 shares to Sophisticated Investors. As previously announced, the Placement is part of a $1.5 million capital raising being undertaken by the company to slingshot its development and roll out into bricks and mortar stores.

The company has since the announcement of the capital raising commenced preparing the documentation required for the proposed Share Purchase Plan. The documentation process is almost complete and the company expects to dispatch SPP Booklets to shareholders circa 1 May 2018.

Further to the company's announcement that it was commencing a pilot program in two Telstra stores (run by Telstra Licensed Shop licensees) located in areas where its SPACETALK smartphone watch and GPS tracker had already proved online sales success, the company has learned that it is a requirement of the licensees' agreements with Telstra Corporation, because the units contain SIM cards, for Telstra Corporation's prior approval before the licensees can stock them. The requisite approval has not been given at this time although discussions with Telstra Corporation are in progress.

All SPACETALK watches sold to date are operating on the Telstra Network reliably and safely, so the company is hopeful that obtaining Telstra Corporation's approval to sell in Telstra Licensee Shops is a formality and part of the learning curve in our pilot bricks and mortar roll out.

As previously announced the company is well advanced with negotiations with other leading bricks and mortar retailers across Australia and internationally and expects agreements to be finalised within weeks.

**About SPACETALK**




**SPACETALK is an all-in-one children's Smartphone, Watch and GPS Tracker that allows parents and children to remain in constant contact without exposing their kids to the dangers of social media apps, such as Facebook, Instagram, YouTube, Google and unrestricted access to the Internet.**

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 a child leaves designated safe spaces such as school or home, parents are notified. A step counter tracks the wearer's physical activity.

SPACETALK has been independently verified by leading international cyber security experts as "unhackable", and has world's best practice security and privacy features built in. It will also meet

the upcoming European GDPR regulations. All data is hosted in Australia in highly secure data centres and protected by Australian Privacy and Data Security legislation, so security is assured.

**SPACETALK Media Coverage**

The Company continues to receive very extensive and favorable media coverage, with Channel 9 News, Channel 7 News, Channel 9 Morning Show, Radio 3AW, Radio 2UE and other traditional media coverage since launch.

**ABOUT MGM**

MGM Wireless Limited 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 and GPS tracking, alerting 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.

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'.

Used by over 1100 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. To learn more please visit: www.mgmwireless.com

**For more information please contact:**

**MGM Wireless Limited**

Mark Fortunatow, CEO

mfortunatow@mgmwireless.com

M: +61 421 328 984

**-Ends-**

*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MGM Wireless Limited

ABN

93 091 351 530

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Ordinary Shares). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 750,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 4 | Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?<br><br>If the additional +securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Yes – fully paid ordinary shares. |
| 5 | Issue price or consideration | $1.00 per share |
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | Funds will be used for additional manufacture, supply chain fulfilment and sale and marketing personnel for the company's SPACETALK all-in-one children's Smartphone, Watch and GPS Tracker. |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?<br><br>If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i | No |
| 6b | The date the security holder resolution under rule 7.1A was passed | N/A |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | N/A |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | N/A |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A |
| 6f | Number of +securities issued under an exception in rule 7.2 | N/A |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | N/A |
| 7 | +Issue dates<br><br>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.<br><br>Cross reference: item 33 of Appendix 3B. | 23 April 2018. |

| | | Number | +Class |
|---|---|---|---|
| 8 | Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable) | 10,478,668 | Ordinary Shares |

+ See chapter 19 for defined terms.

| | | | |
|---|---|---|---|
| 9 | Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable) | Number | +Class |
| | | 30,000 | Options exercisable at $1.10, expiring on 27 August 2018. |
| | | 230,000 | Options exercisable at $1.25, expiring on 30 April 2018. |
| | | 240,000 | Options exercisable at $1.40, expiring on 30 April 2020. |
| | | 250,000 | Options exercisable at $0.75, expiring on 8 December 2018. |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | The Ordinary Shares will, from the date of allotment, carry the right to participate in dividends. | |

# Part 2 - Pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the +securities will be offered | N/A |
| 14 | +Class of +securities to which the offer relates | N/A |
| 15 | +Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents<br><br>Note: Security holders must be told how their entitlements are to be dealt with.<br><br>Cross reference: rule 7.7. | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | N/A |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements *in full* through a broker? | N/A |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 31 | How do security holders sell *part* of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

# Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1 (a) Fully paid ordinary shares only.

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

| | | |
|---|---|---|
| 38 | Number of +securities for which +quotation is sought | N/A |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 39 | +Class of +securities for which quotation is sought | N/A |
| 40 | Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?<br><br>If the additional +securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | N/A |
| 41 | Reason for request for quotation now<br><br>Example: In the case of restricted securities, end of restriction period<br><br>(if issued upon conversion of another +security, clearly identify that other +security) | N/A |

| | | Number | +Class |
|---|---|---|---|
| 42 | Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38) | N/A | |

+ See chapter 19 for defined terms.

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 24 April 2018

(Company secretary)

Print name: **Justin Nelson**

+ See chapter 19 for defined terms.

Manager
ASX Market Announcements
ASX Limited
20 Bridge Street
**SYDNEY NSW 2000**

**ASX Release**
**MGM Wireless Ltd**

24 April 2018

# ISSUE OF FULLY PAID ORDINARY SHARES
## Notice under section 708A (5)(e) of the Corporations Act 2001 (Cth)

On 23 April 2018 MGM Wireless Limited (**Company**) (ASX:MWR) issued 750,000 fully paid ordinary shares without disclosure to investors under Part 6D.2 of the Corporations Act. The Company relies on section 708A of the Corporations Act 2001 (Cth) (the Act) in relation to the issue.

In accordance with section 708A (5)(e) of the Act the following information is provided:

1. this notice is being given within five (5) business days after the day of issue;

2. the issue was made without disclosure to investors under Part 6D.2 of the Act;

3. this notice is given under section 708A (5)(e) of the Act;

4. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act; and

5. as at the date of this notice, there is no excluded information to be provided in accordance with section 708A (5)(e) of the Act.

**Justin Nelson**
**Company Secretary**

**For further information please contact:**
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