MGM Wireless Ltd.
ASX:MWR ABN 93 091 351 530
The Parks, Suite 13
154 Fullarton Road
ROSE PARK SA 5067
AUSTRALIA
Phone: (08) 8104 9555
Facsimile: (08) 8431 2400
www.mgmwireless.com

23 May 2018

Attention: Chris Dobbs
Adviser, Listings Compliance (Sydney)

By email: chris.dobbs@asx.com.au

Dear Mr Dobbs

RE: MGM Wireless Limited ('MWR'): Price Query

We refer to your letter dated 22 May 2018 in relation to the change in price of MGM Wireless Limited (**MWR**) securities from a low of $1.365 to a high of $2.01 today, as well as the increase in volume of MWR securities traded.

MWR responds as follows to your questions:

1. *Is MWR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*

No.

3. *If the answer to question 1 is "no", is there any other explanation that MWR may have for the recent trading in its securities?*

A possible explanation for the recent trading is anticipation of the Company expanding its sales and distribution of the children's Smartphone, Watch and GPS device, SPACETALK through bricks and mortar retailers and mobile network operators in Australia. As previously announced, the Company is confident of SPACETALK's expansion prospects, however at this time these prospects have not resulted in any concluded transaction/s.

MWR is also aware of recent positive third party commentary/research pieces regarding the prospects of SPACETALK and the Company. The Company would like to emphasize that while this may be an explanation for the recent trading, we have no information that would enable us to verify or validate it.

4. *4. Please confirm that MWR is complying with the Listing Rules and, in particular, Listing Rule 3.1.5.*

I confirm MWR is complying with the Listing Rules and, in particular, Listing Rule 3.1.

5. *Please confirm that MWR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MWR with delegated authority from the board to respond to ASX on disclosure matters.*

I confirm that MWR's responses to the questions set out in your letter have been authorised and approved by the Executive Chairman, who has delegated authority from the Board to respond to ASX on disclosure matters.

Yours sincerely,



Mark Fortunatow
Executive Chairman
MGM Wireless Limited

22 May 2018

Mr Justin Nelson
Company Secretary
MGM Wireless Limited
The Parks, Suite 13 154 Fullarton Road
Rose Park Adelaide SA 5067

By email: jnelson@dmawlawyers.com

Dear Mr Nelson

MGM Wireless Limited ('MWR'): Price Query

We note the change in the price of MWR's securities from a low of $1.365 to a high of $2.01 today.

We also note the significant increase in the volume of MWR's securities traded from today 22 May 2018. In light of this, ASX asks MWR to respond separately to each of the following questions and requests for information:

1. Is MWR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

2. If the answer to question 1 is "yes".

    (a) Is MWR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MWR's securities would suggest to ASX that such information may have ceased to be confidential and therefore MWR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.

    (b) Can an announcement be made immediately? Please not, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).

    (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

3. If the answer to question 1 is "no", is there any other explanation that MWR may have for the recent trading in its securities?

4. Please confirm that MWR is complying with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that MWR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MWR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than 9:30 AM AEST tomorrow on Wednesday, 23 May 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in MWR's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given

to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MWR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at **chris.dobbs@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to MWR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that MWR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MWR's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Regards

Chris Dobbs
Adviser, Listings Compliance (Sydney)

CC: Mark Fortunatow, MGM Wireless Limited