ASX Announcement

MGM Wireless Limited (ASX:MWR)

5 July 2018

JB HI-FI - AUSTRALIA'S LARGEST CONSUMER ELECTRONICS RETAILER TO SELL SPACETALK

JB HI-FI TRADING AGREEMENT SIGNED

Highlights:

- **JB Hi-Fi signs Trading Agreement to sell SPACETALK**
- **Stocking to commence within 4 weeks**
- **Significant milestone in the development of Company's wearable business unit**

5 July 2018 – Technology company **MGM Wireless Limited (ASX:MWR)** ('MGM' or 'the Company') today is pleased to announce that JB Hi-Fi, Australia's largest consumer electronics retailer, comprising 193 stores, has signed a Trading Agreement with the Company to stock our SPACETALK children's smartphone watch.

Within 4 weeks, SPACETALK will be trialled via JB Hi-Fi's online store. If the trial is successful, a plan to rollout to stores will be developed.

The Company is working towards being able to offer parents the opportunity to "look, touch and feel" MGMs revolutionary, all-in-one smartphone, watch and GPS wearable device at Australia's leading consumer electronics retailer prior to purchase, which Company CEO Mark Fortunatow believes will aid product awareness, buyer confidence and sales significantly.

SPACETALK was conceived, designed and developed in Australia by the Company when MGM, an established Australian school-parent communications company, realised that there was a significant need amongst parents for a quality communication tool that could help keep children safe without potentially dangerous unrestricted access to the internet and social media.

SPACETALK meets strict European Union security and privacy protocols whilst allowing children to make or receive calls from a closed list of contacts chosen by parents using the accompanying AllMyTribe® smartphone app. In addition, the smartwatch and app features list includes:

- a special SOS button on the smartwatch which if activated sequentially calls a list of emergency contacts previously specified by the parent on the app;
- a location tracker which allows parents to see their child's location;
- a “Safe Zone” alert feature which notifies the parent whenever a child leaves a designated area such as school or home and;
- a step counter to track the wearer’s physical activity.

Impressive initial on-line sales by the Company’s on-line store buoyed by large numbers of positive customer reviews and feedback on social media noting the high quality of reception, location accuracy and build quality has led to securing distribution agreements with reputable consumer electronics retailers such as JB Hi-Fi and as previously announced the Leading Edge Group. In addition the Company has received significant interest from distributors and mobile cellular network companies in Australia and abroad.

Since the launch of the Company’s online store at www.allmytribe.com 8 months ago in October 2017, our current stock is approaching sell-out. To stock our growing network of bricks and mortar retailers and increasing online sales we have commissioned an increased production run which is due to arrive in Australia within 4 weeks.

MGM Wireless CEO Mark Fortunatow says “We are honoured to have JB Hi-Fi - Australia’s largest, and one of the world’s leading consumer electronics retailers on-board to trial sales. We are working towards the day when parents will have the opportunity to try SPACETALK before they buy and have the confidence that they are purchasing from Australia’s leading consumer electronics retailer.

While the positive impact to revenue resulting from the Trading Agreement and on-line trial is not possible to forecast, the Company is excited about the sales potential for SPACETALK this new agreement with JB Hi-Fi brings.



About SPACETALK

SPACETALK is an all-in-one children's smartphone, watch and GPS tracker that allows parents and children to be in constant contact without exposing their kids to the dangers of social media apps 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 children leave 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.

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, 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.

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

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