Manager
ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX Release
MGM Wireless Ltd

30 November 2018

708A (12D) CLEANSING NOTICE

MGM Wireless Limited (MGM or the Company) (ASX: MWR) submits the attached notice under section 708A(12D) of the Corporations Act, as modified by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82, in relation to the terms of the Unsecured Convertible Notes with a face value of A$500,000 issued by MGM to Investors on 30 November 2018.

ABOUT MGM

MGM Wireless Limited is a technology company designing, developing and commercialising wearable phone watch for children devices, and software for school communication and student absence management. The Company's AllMyTribe division has developed a children's all-in-one smartphone, watch and GPS device called SPACETALK®, which allows two-way 3G phone calls and SMS messaging to a parent-controlled list of contacts. Other features include GPS tracking to alert parents whenever children leave designated safe spaces, such as school or the home.

Importantly – a key safety feature of SPACETALK® is that it doesn't give children access to social media, apps, open internet, YouTube or other such services dangerous to young children.

MGM Wireless built its track record with school communication solutions after discovering in 2002 the application of SMS communication in schools. The Company went on to create the world's first SMS based Automated Student Absence Notification Solution and many other innovations since then. It is recognised as a global leader and pioneer in socially responsible and technology-enabled school communication.

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 1400 schools and 1.7 million parents, the Company's school communication solutions empower schools to effectively communicate and engage 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:

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MGM Wireless Ltd
Corporations Act
Section 708(12D) Notice

MGM Wireless Ltd – section 708A(12D) notice

This is a notice under section 708A(12D) of the Corporations Act, as modified by ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82, in relation to the terms of the Unsecured Convertible Notes with a face value of $500,000 issued by MGM to Investors on 30 November 2018.

The effect of the offer and issue of the convertible notes on the Company will be that the Company will raise $500,000 before costs. The proceeds from the issue of the convertible notes will be used for working capital purposes including the building up of supply chain inventory and advertising to support the expansion of SPACETALK sales.

Unless otherwise defined, capitalised items used in this notice have the same meaning as in the Unsecured Convertible Note Deed dated 3 October 2018 (**Note Deed**).

1. **Rights and liabilities of convertible notes**

   (a) **Maturity Date:** 3 October 2020

   (b) **Coupon:**

   7% per annum on the outstanding Principal Amounts of issued Convertible Notes, payable on 31 March, 30 June, 30 September and 31 December in each year and on the Maturity Date.

   (c) **Convertible Note Redemption:** The Company agrees to redeem each Convertible Note on the Maturity Date, to the extent it has not been converted into Shares or a relevant Investor has not delivered a Conversion Notice in respect of them on or before the Maturity Date, by paying to the Investors in their proportions an amount equal to the outstanding Principal Amount plus accrued but unpaid interest, in full, in immediately available funds, without withholding or deduction, in Australian Dollars.

   (d) **Conversion:** Convertible into Shares at the Investor's option at any time up and including the Maturity Date, at the Conversion Price.

   (e) **Number of Shares on conversion:** The Convertible Notes are convertible into shares at the election of an investor in accordance with the following formula:

      a. Number of shares = Principal Amount/Conversion Price

      b. Conversion Price means the lower of:

         i. a 20% discount to the lowest price at which shares have been issued after the date of the Convertible Note Deed; or

         ii. $3.50 (the Floor Price).

2. **Rights and liabilities of ordinary shares of Company**

The rights and liabilities of ordinary shares of the Company (which the Convertible Notes convert into) can be summarised as follows.

The rights and liabilities attaching to ownership of Shares arise from a combination of the constitution of the Company, statute, the ASX Listing Rules and general law.

3. Further information

The Company is a disclosing entity for the purposes of the Corporations Act. As a disclosing entity, it is subject to regular reporting and disclosure obligations. Broadly, these obligations require the Company to prepare both yearly and half yearly financial statements, a report on the operations of the Company during the relevant accounting period together with an audit or review report by the Company's auditor.

Copies of these and other documents lodged with ASIC may be obtained from or inspected at an ASIC office and on the Company's website at https://mgmwireless.com.

The Company must ensure that ASX is continuously notified of information about specific events and matters as they arise for the purpose of ASX making the information available to investors on ASX.

The Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning it of which it becomes aware, which a reasonable person would expect to have a material effect on the price of value of its quoted securities.

The Company, as a disclosing entity under the Corporations Act, states that:

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC;
- it will provide a copy of each of the following documents, free of charge, to any person on request:
    - the annual financial statements of the Company for the financial year ended 30 June 2018, being the last financial statements for a financial year of the Company lodged with ASIC before this notice;
    - any continuous disclosure documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial statements referred to above until the issue of this notice in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act.

ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX during normal business hours or from www.asx.com.au.

Information about the Company may also be obtained from its website at https://mgmwireless.com

Justin Nelson
Company Secretary