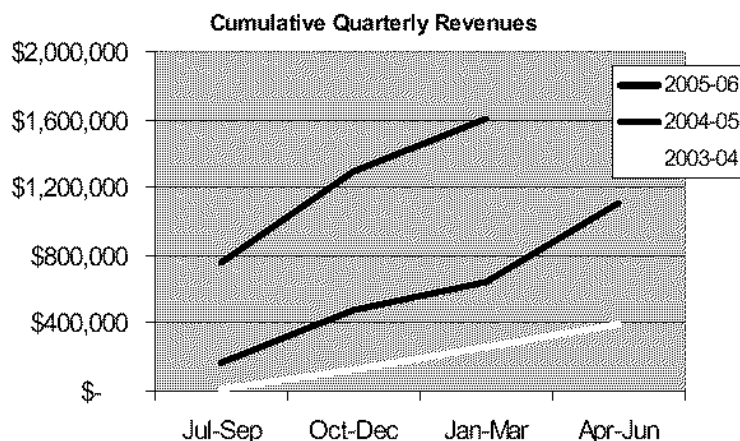


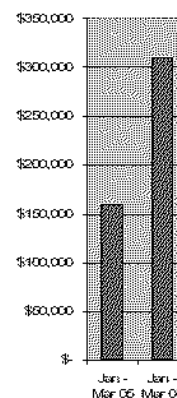
MGM Wireless continues revenue growth April 28th, 2006

Adelaide-based MGM Wireless Ltd today reports revenue for the March quarter increased 95% to \$310,000 compared to the March quarter 2005 but down 42% from \$535,000 in the December 2005 quarter. The March quarter historically is MGM's weakest of the year due to the school holidays in January.

In addition to the March quarter revenue, the company has received \$192,189.99 in commitments from schools to implement the messageyou™ solution subject to Government Funding approval. In the past, all such funding requests have been approved. messageyou™ is an officially approved Federal Government programme. The company expects to book this \$ 192,189.99 amount as revenue over the course of the next two quarters. MGM Wireless also expects more schools to successfully apply under the same programme to fund a messageyou installation over the course of calendar 2006.



Consecutive Quarterly Revenues



MGM executive chairman, Mr Mark Fortunatow, also announced two senior executive appointments during the quarter aimed at enhancing the company expansion in Australia and in its recently announced messageyou launch in the United States.

- Mr. Michael Kerr was appointed to the position of Director – International Operations and Corporate Strategy. Mr. Kerr's previous roles include CEO – Freeonline, Vice President – Sharinga Networks and corporate advisor to multiple technology, financial services and telecommunications companies. Mr Kerr was instrumental in the company's recent expansion into the U.S.A.
- Mr David Kinnear has been appointed to the position of Director of Sales. Previously, Mr. Kinnear was South Australian State Manager for IBM for four years. Prior to this he spent five years as Southern Region Sales Manager for IBM Australia/New Zealand.

"We expect that these two key appointments will help the company get the most out of growing Australian and international interest in our text messaging-based school attendance systems," Mr Fortunatow said.

First revenue from the US launch is expected in the September quarter, with the US school year coming to a close in June. Two MGM staff this week left for the US to make the first school installations at four trial sites. Results from these trials will be reported as they come to hand.

"We are highly confident that messageyou will be well accepted in the US education system as a vital tool in the fight against absenteeism," Mr Fortunatow said.

Other highlights of the March quarter financials include:

- Cash holdings decreased 9% to \$459,000 from \$502,000 for the same period a year ago.
- Working capital improved by 17% to \$673,000 as compared to \$575,000 for the same period a year ago, and a decrease of 21% from \$852,000 last quarter. Receivables were approximately \$465,000, down from \$495,000 end December. Total Payables of approximately \$251,000 vs. \$190,000 at end December.

MGM Wireless is listed on the Australian Stock Exchange. The company has a market capitalisation of approximately \$9m and has no net debt.

For additional information please contact Mark Fortunatow on (08) 8431 2300.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

MGM Wireless Ltd

ABN

93 091 351 530

Quarter ended ("current quarter")

31 March 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	447	1,471
1.2 Payments for		
(a) staff costs	(252)	(719)
(b) advertising and marketing	(22)	(290)
(c) research and development		
(d) leased assets		
(e) other working capital	(214)	(635)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	5	20
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows	(36)	(153)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(36)	(153)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(12)	(38)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	(12)	(38)
1.14 Total operating and investing cash flows	(48)	(191)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	-	-
Net increase (decrease) in cash held	(48)	(191)
1.21 Cash at beginning of quarter/year to date	507	650
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	459	459

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	91
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	103	26
4.2 Deposits at call	356	481
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	459	507

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	
5.2 Place of incorporation or registration	N/A	
5.3 Consideration for acquisition or disposal	N/A	
5.4 Total net assets	N/A	
5.5 Nature of business	N/A	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: M Fortunatow
 Director

Date: 28 April 2006

Print name: Mark Fortunatow

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.