

MGM WIRELESS LIMITED (MWR)

School to parent communications - building stakeholder community engagement

DIRECTORS

Mark Fortunatow, Executive Chairman
 Mark Hurd, Executive Director
 Shaun Collopy, Non-Executive Director

MARKET DATA

ASX Code: MWR
 Current Price: \$0.006
 52 week Share Price Range: \$0.005 - \$0.013
 Market Capitalisation: \$1.4 million
 Enterprise Value: \$1.6 million

CAPITAL STRUCTURE

Shares on Issue: 239.8 million
 Unlisted Options: 30.6 million

FINANCIAL SUMMARY

\$'000 Y/e 30/6	2010 (A)	2011 (A)	2012 (E)*	2013 (F)*
Revenue	2,271	2,390	2,850	3,450
EBITDA	467	565	735	1,150
Net Profit	203	257	420	800
EPS (c)	0.09	0.11	0.17	0.33
Price/Earn. (x)	6.7	5.5	3.5	1.8
EV/EBITDA (x)	3.4	2.8	2.2	1.4

*Based on core revenue and earnings only

MAJOR SHAREHOLDERS

Fortunatow Family 15.5%
 Mark Hurd 6.7%

SENIOR ANALYST

Michael Gordon
 (03) 9607 1371
 October 2011

KEY POINTS

MGM Wireless services over 700 schools with SMS text messaging solutions. Over 35,000 text messages sent on a typical school day.

Expected to increase to about 900 schools by June 2012.

About 40% of revenue sourced from recurring annual licence fees.

SMS text messaging solutions have been recently launched into the 9,500 strong child care centre market.

Margins are rising steeply on a largely fixed cost base.

The School News Channel is a platform for parents, grandparents and school alumni to subscribe to a school's messaging network.

The subscription model has enormous potential in Australia and the US, which if successful could propel revenue to markedly higher levels over the next few years. (see page 8)

US based director, Shaun Collopy has a proven record of success in mobile communications and will drive US market entry strategy.

The School News Channel revenue and profit potential is still highly speculative to which, at this point, we have ascribed zero value.

INVESTMENT PROPOSITION

Over the past two years, MGM Wireless has demonstrated that its business model is sustainably profitable, underpinned by a high proportion of recurring revenue, and has positioned itself to drive an acceleration in its growth path.

The company's growth over the next few years will be sourced from building market penetration in the core schools and child care centre market and from a new subscription based business model. This growth profile presents some valuation challenges. Whilst growth from increasing market penetration is based on a proven model and has a relatively low level of risk, the subscription model, which has enormous potential in Australia and the US, is as yet unproven and speculative in terms of its short to medium term impact.

Accordingly, our approach has been to value the company solely on its core earnings and expected growth (as seen in the data in the Financial Summary table on page 1) based on its established model. We have ascribed zero value to the potential impact on short term earnings from the subscription model, whilst recognising it will have a very significant impact on valuation as momentum builds and there is greater clarity in terms of revenue and profit generating capability.

Growth in core earnings over the next two years is expected to be impressive but is yet to be reflected in the company's valuation. Certainly, the company's small size works against a premium valuation, however, the apparent discount is excessive.

A search of the ASX database reveals 22 companies that have reported a net profit between \$200K and \$400K. Of these, MGM Wireless was the only one to have a single digit valuation multiple, where most had multiples exceeding 20 and many were considerably higher. Indeed MGM Wireless margins were considerably higher than most of this group. Several of the group had significantly less or even no revenue suggesting that profits were not from operating activities. This further adds weight to the argument that MGM Wireless is considerably under-valued.

Whilst the proposed 30:1 share capital consolidation won't of itself change the underlying valuation, it will change the perception of the company and reinforce that it is sustainably profitable rather than just another junior hopeful.

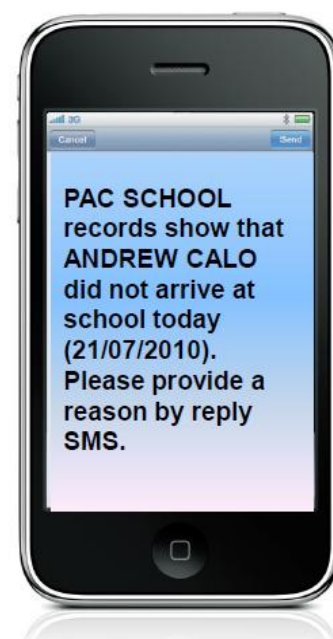
In our view, the key catalyst that will drive the MGM Wireless valuation is the number of schools and child care centres serviced by the company. Further, Investors are likely to respond favourably should the company report a rapid take-up of its subscription model.

SUMMARY AND OVERVIEW

MGM Wireless provides a range of School-to-Parent communication solutions. The company's patented SMS School communication solutions empower schools to effectively communicate to parents and caregivers using SMS text messaging in combination with culturally sensitive communication to improve attendance, student welfare, safety and parent engagement.

MGM Wireless' central value proposition is the engagement by schools with their stakeholders. At the most basic level schools engage with parents regarding unexplained absenteeism and other immediate concerns such as school accessibility, timetabling and security. At a more sophisticated level, schools seek to build broader stakeholder involvement in their activities as well as for fund raising support.

The company faces limited competition in a market of about 10,000 primary and secondary, government and independent schools. The product is being continually enhanced and integrates with all principal education administration systems. The company's products have recently been launched in the 9,500 strong child care centre market.



Prior to the GFC, the company achieved a peak market valuation of over \$30 million. The current value of the company is less than \$2 million despite successful market entry, record FY 2011 profits and the high expectation of strong double digit growth over the next three to five years.

Over the past three years, the company has increased its penetration from 248 schools to over 700, including 30 in New Zealand. The company is now sustainably profitable with net profit increasing by 26% to \$257K in FY 2011 from \$2.4 million revenue. Operating costs are stable after being significantly reduced in FY 2010. More importantly, sales, product installation and training are conducted over the internet whilst all IT infrastructure has been moved to a Sydney based data centre. With low marginal costs, margins will rapidly expand as revenues grow.

The company has a strong growth profile that has the potential to boost annual revenues from the current level of \$2.4 million to over \$20 million within a few years. The key elements of the growth profile are continued penetration of the schools market, roll-out into the child care market, the introduction of a parent/stakeholder subscription model, and a potential roll-out into the US.

In FY 2012, revenue is expected to increase by about 24% to nearly \$3 million and is anticipated to exceed 30% annual growth for the following three years, to be approaching \$8 million in FY 2015. The core schools/ child care centre markets are expected to deliver 15% to 20% annual growth over this period with the parent pays subscription model, through the recently launched School News Channel, being the growth accelerant. These projections do not include the impact of a potential US market entry.

The EBITDA margin is expected to more than double over the next two to three years from 23.6% to about 60% as the benefits of operating in the “cloud” and outsourcing IT infrastructure to a remote data centre become apparent.

A roll-out of the company’s value proposition through the subscriber based School News Channel into the US has enormous potential although it will present many marketing and business development challenges. The company’s US based director, Shaun Collopy, has a proven record in commercialising mobile communication technologies in the US and will have a critical role in guiding MGM Wireless’ strategy in this market. This is a medium to longer term opportunity that has the potential to deliver revenues (and profits) in multiples relative to what is achievable in Australia.

The company’s balance sheet is small but relatively lowly geared. We believe that the projected growth in Australia over the next few years can be internally funded from operating cash flow, although additional capital would be required for an acquisition and probably to support US market entry.

GROWTH PROFILE

The issues of attendance and community engagement vary enormously by type of school and socio-economic circumstance. MGM Wireless’ solutions are flexible enough to easily accommodate these issues and differing requirements and needs.

The challenge for the company is to tap into these value points and to build financial models that maximises its growth potential and returns. The company’s traditional business model has been focussed on the schools (and more recently child care centres) but in the future will be driven by targeting stakeholders, primarily using viral marketing techniques. There is no doubt viral marketing will have a major influence on the company’s growth by tapping into parent and other stakeholder interest in school communities.

MGM Wireless has been successful in developing market awareness of its communication solutions and building penetration amongst schools. Its business model is currently based on selling its solution to the schools, the size of the student population and the volume of messages sent (which is growing strongly). This is a profitable model, which will grow notwithstanding some pricing pressures.

The company is now transitioning to a new model where parents and others will pay to receive messages from the schools which has the potential to markedly accelerate medium to long term growth and deliver revenues considerably higher than likely from the current model.

A subscriber based model underpins the company's recently launched social networking platform for schools (School News Channel).

The company has a strong growth profile with the potential to boost the current sustainable annual revenue base of around \$2.4 million to well over \$20 million over the next five years. The key strategies are to:

- Enhance the functionality of the product range to drive increased message traffic
- Launch complimentary products into the pre-school, child care sector
- Markedly boost the revenue yield per student by shifting the cost burden from the schools to parents and other stakeholders
- Launch the services in the US and potentially other markets
- Acquisitions

Over the past three years, MGM Wireless has considerably boosted its market presence with the number of schools utilising its solutions nearly tripling to about 700 (as at June 2011), including 30 in New Zealand. Over the next year, this is expected to increase to about 900 schools. The average volume of messages has grown by about 30% over the past 2 years to a typical school day level of approximately 35,000 which is expected to grow by over 10% in the current year.

The student population covered by the company's school clients is estimated at nearly 400,000 (about 550 per school). Accordingly, the revenue yield per student is around \$5.25 of which about a quarter is sourced from message charges. The revenue yield has been trending lower, however, the company is confident that the release of the School News Channel will markedly boost the yield over the next few years.

The company recently announced that its solutions will be offered to child care centres. Whilst unexplained absence is obviously not a problem, child care centres have similar issues to schools in communicating immediate access, logistics and security issues as well as engaging stakeholders in events. There are more than 9,500 child care centres throughout Australia representing a significant new market opportunity.

The Childcare revenue model is similar to the Schools model, with multiyear agreements for Software Licensing and additional revenue from SMS communication charges. The expected yield is up to about \$1,000 per annum per centre.

Following initial marketing in South Australia, 20 child care centres are utilising the company's solution. This is expected to grow to about 80 centres by the end of June 2012 and approach 300 centres a year later. There is considerable opportunity to rapidly boost market penetration as there are many multi-centre groups, some of which operate large numbers of child care centres.

Revenue is expected to grow by nearly 70% over the next two years from increased penetration of the schools and child care centre markets. This is relatively low risk, with the bulk of revenue generated from annual licence fees and message volume.

The move to a parent subscriber model has the potential to markedly accelerate growth although the growth profile is very hard to judge at this early stage. Viral marketing will be a critical success driver and there is plenty of evidence in Australia and overseas as to the explosive growth this technique can deliver.

The new model will see parents and other stakeholders such as grandparents and former students subscribing to receive messages from schools. To support this program a new social networking product, School News Channel, has been launched and a smartphone/tablet application will soon be launched. Initial subscription pricing has been set at \$3.75 per month (\$45 pa). We understand that the company has hopes of achieving about 7,000 subscribers (less than 1% of the estimated number

of stakeholders associated with the student coverage) over the next year which would generate over \$300K in annualised revenue. If this strategy is successful, it is conceivable that stakeholder subscription revenues could contribute 50% or more of total revenues within two to three years. The potential revenue yield per student under this model is at least double the current yield.

Our understanding is that the cost to schools would be considerably reduced as charges for sending messages would be phased out. Whilst there would be a short term cost to revenue from this shift, the subscription model offers far greater long term growth potential.

The USA is an enormous market of untapped potential. School to parent communication is almost non-existent when arguably the need is more pressing than in Australia. Apart from the size of the market, the opportunity is very attractive due to the typically large student body (compared with Australia) per school, greater technology sophistication and an established framework for micro-payments for receiving SMS/Text messages.

MGM Wireless has a small exposure in the US through a couple of schools in Arizona. The company has no desire (let alone the resources) to directly market the company's solutions direct to schools. Rather the strategy will use on-line viral marketing and social networking techniques to drive subscription to the School News Channel with subscribers (predominantly parents) effectively driving school interest in the services. Marketing, sales and installation and training would all be subsequently undertaken via the internet.

A US strategy presents enormous challenges, not the least in being able to drive concentrated demand in specific markets with sufficient bottom up demand from a parent body which would move a school to act. The key to this conundrum is likely to reside in the company's US based director, Shaun Collopy.

Shaun is Australian and has been described as a serial entrepreneur having founded several successful technology companies, especially in the mobile communication space. In particular, Shaun was the founder of Mobile Messenger, which was sold in 2007. The company has annual sales of over US\$150 million and provides end-to-end mobile solutions that facilitate the marketing, billing and distribution of content and applications to mobile devices and related services. Mobile Messenger describes itself as

"the leading Mobile Solutions Provider, supplying its partners with cutting edge technology and services that facilitate the marketing, distribution and monetization of digital content to mobile devices.

By providing strong, secure and trusted connections to consumers, Mobile Messenger helps businesses around the globe build long lasting, successful brands and mobile campaigns. Established in 1999, Mobile Messenger has unmatched experience as an aggregator, mobile enabler and content messaging supplier."

The US strategy is still being developed and some way from execution. Notwithstanding many considerable market entry issues to resolve (company driven, JV or distributor for example) the opportunity is enormous and Shaun Collopy has the experience and insight to drive the strategy.

Whilst the company does not yet have an active acquisition strategy, we understand that acquisitions are likely to feature in the company's development. Clearly the company has developed some very specific capabilities which can be leveraged into other market spaces. Equally opportunities to extend the company's capabilities could be targeted. It is our view that whilst the company has the potential to achieve consistent double digit growth rates, an acquisition(s) will be required to achieve a quantum lift in scale.

BUSINESS MODEL / PRODUCT OVERVIEW

MGM Wireless' core product is a SMS text messaging service that automatically advises parents of unexplained non-attendance of the child at school. This has since expanded to a range of products that include electronic roll-marking, off-premises communication, database updating and social networking.

The key value points for schools are potential costs savings and risk mitigation in exercising their duty of care to both students and parents. Further, and potentially more important in terms of building long term economic value, is the opportunity to build community engagement around the school.

Whilst most instances of unexplained absence from school are easily reconciled, logistics, security and safety issues arise from time-to-time. In these instances, the ability for schools to quickly contact parents, either individually or as group via an SMS text messaging system has proven to be invaluable. The company's system has been used to communicate instances where access to the school has been blocked, for example. Other examples of valuable communication include advice regarding sports training or other non-academic activities, school events such as fetes, parent teacher meetings or speech nights or of security related issues.

Many schools are also seeking effective ways of communicating with their parent and alumni bodies as means of strengthening their community and to build long term (funding) support. This could entail communication regarding events, new initiatives or achievements for example.

Typically, communication is directed to one parent, however, often there are other people in close relationship to a child who are also interested in receiving communications. This may include a divorced parent and grandparents. The company's social networking strategy is designed to engage these people with the students and their schools.

MGM Wireless' revenue model varies according to solution type, and is currently focused on the school which pays a variety of fees including set-up, installation and training (\$2,500 - \$3,000 one-off charge), annual licence and support (\$2 to \$10 per student), and message charges (10c to 15c per message sent). However, pricing levels can vary substantially depending on solutions type and modules purchased. The annual fee contributes about 40% of revenue whilst message charges are approaching one-quarter of revenues. Accordingly, the bulk of the company's revenues are recurring. This revenue mix generates a yield of approximately \$5 per student per annum.

The company's solutions are installed at more than 700 primary and secondary, state and independent schools throughout Australia and New Zealand. Contracts with the NSW, West Australian and New Zealand governments were important in building a strong market presence, albeit at relatively low yields. In each case, the contracts were for limited periods with the government funding a basic version of the service for their own schools, although installation was not compulsory. At the end of the contract period, the schools were free to continue with the service, at their own cost. Not unexpectedly, a drop-off was experienced although the yields and overall revenue rose as higher fees were charged for more sophisticated services.

Marketing is primarily conducted through attendance at industry workshops, seminars and conferences with follow-up from in-house business development managers. Sales and subsequent installation and training are conducted over the internet, through the company's web-site. This strategy is low-cost and proven to be effective.

The challenge for MGM Wireless has been to significantly increase activity and revenue yield without significantly increasing its sales and marketing costs. Whilst most of the schools using the company's solutions are very supportive there is a certain degree of ambivalence as well as budgetary cost pressures with many schools that present a barrier to increased market penetration.

Against this background, the strategy is to shift the bulk of the cost from the school to the users. This is already underway on a small scale with parents in some schools being charged to receive messages. Micro-payments of a few cents to a few dollars are well established in some markets such as the US but is relatively untried in Australia. However, with the experience of iTunes and similar online markets, evidence is pointing to rapid acceptance of the concept in Australia. So far, the company has not met any resistance from parents to its model of charging to receive messages.

The user based model is still evolving but is likely to include an annual fee and or a charge per message received or sent. In due course, these subscriber fees will most likely replace the message charges paid by schools. It is yet to be resolved how the company will charge schools but we suspect that the structure of existing installation, training and the annual fees will change somewhat with an overall fall over time.

Earlier in 2011, MGM Wireless, outsourced its server management to a leading data centre in Sydney. This initiative substantially reduced potential capital and operating costs whilst largely eliminating the risks inherent in running its own infrastructure. Just as importantly, it ensured that the business model is easily scalable. Currently, in the order of 35,000 messages per school day are sent through the system which now has the capacity to support multiples of this level, without significantly increasing costs.

GM Wireless' key products are:

- messageyou Schools
- messageyou Watchlists
- Rollstar
- Outreach
- Smartsync
- School News Channel

School Attendance Messaging Solutions

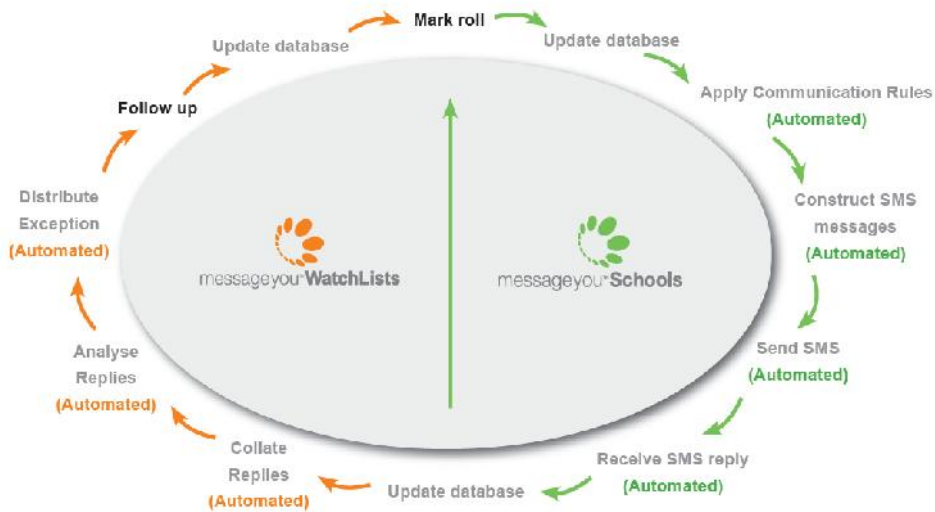
messageyou Schools is the company's core platform. A vital part of attendance management and communication strategies, it integrates seamlessly with most student management databases and automatically sends SMS text messages to the parents of students who are late or absent without prior notification. It receives incoming texts and matches them to parent names, allowing for great efficiency increases when updating records.

messageyou automatically applies pre-defined (by each school) communication rules such as:

- Determining which parent/caregiver to contact
- Selecting the most appropriate message wording
- Time to send messages
- Sending messages in different languages.

messageyou WatchLists takes attendance management even further by monitoring the school's incoming and outgoing text communications and provides timely alerts if a student appears to be at risk. Swift intervention with manageable numbers of students allows staff the greatest effectiveness in preventing emerging behaviour problems from becoming chronic, and tackling chronic problems immediately.

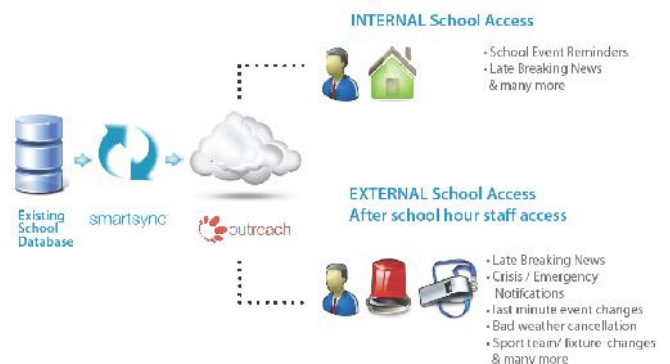
The diagram below illustrates the messaging process.



Rollstar is a cloud based roll marking and student welfare application. It is designed for use on tablets, as well as for use in the classroom, which will extend the message applications to out of class and out of school environments.

Stakeholder networking solutions

Outreach provides a broader communication capability beyond the standard attendance alerts to include virtually any type of message from the school to the entire school community or defined groups within the school community. Outreach also has feedback capabilities and can be used for polling parents or indeed students on relevant issues. The system can operate remotely from the school administration base and is compatible with tablets and for use in off-campus and extra-curricular activities such as sport.



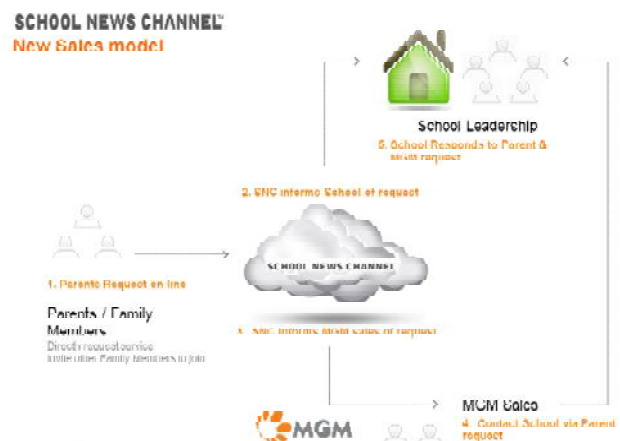
Smartsync automatically extracts parent contact data from a school's student management system and securely updates the company's cloud-based system.

The adjacent diagram illustrates the relationship between Outreach, Smartsync and the school administration system.

School News Channel

School News Channel is an SMS Social Networking Service for Parents and schools. It allows parents to invite other family members and friends to join the network to automatically receive SMS for important school event reminders, late breaking news and safety risks.

Currently, the functionality of the School News Channel is limited to registration with a school to receive SMS text messages. Registration automatically occurs with the existing MGM Wireless systems.



However, over time we expect functionality to be considerably enhanced and could conceivably include school based forums, alumni forums, albums and so on.

School News Channel is available both as an add-on service to all existing MGM School communication solutions and for schools not currently using an MGM system.

FINANCIAL REVIEW

MGM Wireless has managed a major turnaround in its financial performance over the past two years with profitability now firmly set on a sustainable basis. The turnaround primarily reflects a considerable boost in margins with the EBITDA margin reaching 23.6% in FY 2011. This has been largely attributable to the combination of a rise in revenues flowing from the increase in the number of schools and a significant reduction in operating expenses.

After turning positive in FY 2010, net cash flow from operations was negative in FY 2011 due to a large build up in payables. Investment spending, primarily, research and development has been steady over the past three years.

The balance sheet was strengthened in FY 2011 with a capital raising, which together with the profit result considerably increased the company's equity. The net debt to equity ratio as at 30 June 2011 was 31.6%. However, the \$300K in long term debt (95% of the total gross debt) was shareholder loans.

In April 2011, the company's moved its IT infrastructure to the high-security ICO Data Centre at North Ryde, NSW for hosting. The impact of this move will be to markedly reduce the cost of expanding IT capacity whilst easily accommodating any additional capacity required to support the projected growth of the company. As virtually all sales, installation and training is now conducted over the internet, the marginal cost of adding new schools, child care centres and subscribers is insignificant, and margins are expected to considerably expand as revenue grows.

The company should be operating cash flow positive in FY 2012 although it will still need to draw on cash reserves to fund its research and development program. By removing future IT commitments from the financial equation, we expect that within 2 to 3 years, the company should be able to fully internally fund its operations including research and development.

We have broken out our projections for the next two years to differentiate between core earnings and the "blue sky" opportunity from the subscriber model. Core earnings have a high degree of confidence based on reasonably assured growth from the established model based on increasing penetration of the schools and child care centre market. Operating costs are relatively fixed, and allowing for some discretionary spending, there is a high degree of comfort in the earnings projection based on achievable revenue assumptions.

On the other hand, the projections including subscription revenues are relatively high risk and should be viewed as conceptual based on some assumptions regarding market acceptance. Coming from a very low base, these assumptions are high risk, notwithstanding a presumed conservative bias. As the subscription take-up gathers momentum, the confidence will greatly improve in the to revenue and earnings forecasts, which will, in due course be reflected in the valuation.

We are forecasting a 17.2% increase in core revenue in FY 2012 which will drive a 30% increase in core EBITDA to a record \$735K. The number of schools serviced is expected to jump from 698 to about 900 whilst around 80 child care centres are expected to be using the company's solutions. Although the average revenue per school is expected to fall, revenue from schools is expected to increase by nearly 14% and contribute over 90% of total revenues. The company is anticipating subscriber numbers to reach about 7,000 by end June 2012 and on this basis will boost revenue by about 5% of revenue.

As overhead costs are relatively fixed, the bulk of the increase in revenue will flow through to the profit line. Accordingly, we anticipate the core EBITDA margin increasing to 26.3% in FY 2012. As marginal costs associated with subscription revenues are inconsequential, we have included any direct costs as part of the core expense overhead.

As subscription revenues will effectively flow straight through to profit, a modest boost to revenue from this source in FY 2012 may have significant impact on overall net profit. Assuming momentum builds in FY 2013, subscriptions could boost overall revenue by more than 20% and contribute about 40% of overall EBITDA.

INCOME REPORT							
Y/e 30 June	2009 (A)	2010 (A)	2011 (A)	2012 (E)		2013 (F)	
				Core	Plus Subs	Core	Plus Subs
Revenue	1,887	2,271	2,390	2,800	2,950	3,450	4,250
Operating exp.	2,011	1,804	1,825	2,065	2,065	2,300	2,300
EBITDA	-124	467	565	735	885	1,150	1,950
Margin	-6.6%	20.6%	23.6%	26.3%	30.0%	33.3%	45.9%
Depr'n & Amort.	-197	-224	-253	-260	-260	-290	-290
Net Finance Cost	-29	-40	-55	-55	-55	-60	-60
PRE TAX PROFIT	-350	203	257	420	570	800	1,600
Tax	0	0	0	0	0		
NET PROFIT	-350	203	257	420	570	800	1,600

CASH FLOW			
(\$'000)	2008-09	2009-10	2010-11
NPAT	-350	203	257
Non-cash items	109	132	201
Chg in Working Capital	63	-127	-502
Net Cash Flow From Operations	-178	208	-45
Net Cash Flow From Investing	-258	-224	-227
Net cash Flow From Financing	441	-4	151
Net Change In Cash	5	-20	-120

BALANCE SHEET			
(\$'000)	June 2009	June 2010	June 2011
Current Assets			
Cash & Equivalents	242	223	108
Receivables	320	509	602
Other	10	6	6
	572	739	716
Non Current Assets			
Plant & Equipment	169	147	152
Intangibles	719	1095	1,063
Total Assets	1,460	1,980	1,931
Current Liabilities			
Payables	1,278	1,401	889
Debt	300	300	13
Other	31	80	81
	1,609	1,781	983
Non Current Liabilities			
Debt			300
			300
Shareholders' Equity	-149	199	648
Liabilities & Equity	1,460	1,980	1,931

DIRECTORS AND SENIOR MANAGEMENT

Mark Fortunatow BSc BEc – Executive Chairman

Executive Chairman Mark Fortunatow, is a co-founder of the company and brings more than 19 years of senior executive management experience in marketing, engineering, information systems, finance and customer support.

Mr Fortunatow previously founded three successful technology-based enterprises, Linx Computer Systems (developer and marketer of financial software), Timekeeping Australia (a leader in the Australian workforce management market) and Netline Technologies (a company designing, engineering, selling and distributing voice based mobile wireless solutions), accumulating substantial practical experience in the many disciplines required to successfully launch and sustainably grow a successful technology enterprise.

Mark Edwin Hurd BSc (Hons) – Executive Director

Mr Hurd is co-founder and Chief Technical Officer of the company. He has over 17 years experience in software engineering, and holds an honours degree in Mathematical and Computer Sciences. He is the chief architect of MGM's technology.

A regular active contributor to Microsoft technical forums, Mr Hurd is sought after internationally by leading software engineers and corporations for his advice and software architecture expertise. Prior to MGM, Mr Hurd was Chief Technical Officer at Netline Technologies, and before that held positions with Logica and Coopers & Lybrand (now Pricewaterhousecoopers) and carried out numerous academic research projects.

In 1998, Mr Hurd co-founded Netline Technologies to design, engineer, sell and distribute voice-based mobile wireless solutions. The company achievements included winning the “Most Outstanding Wireless Mobile Product” trophy at Internet World 2000, for E -Fone.

Shaun Collopy – Non-executive Director

Shaun Collopy is a founder, and top 5 shareholder and non-executive Director of successful SMS specialist - Mobile Messenger.

An accomplished entrepreneur, in 2000, Mr Collopy founded Sofwrite Technologies which, in August 2001, he sold to Australian publicly listed company, Amnet IT – a division of Amcom Communications (ASX:AMM). In October 2003, he negotiated a management buyout of the SMS (Mobile) business/ assets of Amcom to form Sol Mobile, which he grew to a profitable company with \$15m+ annual revenue. In February 2005, Mr Collopy merged Sol Mobile with Mobile Messenger where he was the 2nd largest shareholder, and was instrumental in Mobile Messenger’s success.

Mr Collopy was a key driver in growing Mobile Messenger into a profitable company with revenues of \$150m+, 150+staff, offices in 2 countries, and operations in 5 countries. In October 2007, he sold a majority stake to prestigious private equity firm – Silver Lake which at the time of the sale had a valuation in excess of \$200m. Mobile Messenger continues to grow and achieved record revenue and profits in 2009.

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