



Suite e6, 128 Hindley Street
Adelaide SA 5000
P: 08 8415 5165 F: 08 8231 5200
W: www.mgmwireless.com
ABN 29 104 182 42

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Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

PLACEMENT OF SHARES

The Board of Directors of MGM Wireless Limited ("**MGM**") is pleased to announce a capital raising to assist in accelerating the successful roll out of "Message You" to Australian schools.

MGM operates as a single-source provider of mobile phone messaging solutions for business enterprises and schools. MGM is the developer of 'Message You', a patented software application that enables PC users to send and receive messages from their desktop to mobile phones.

MGM is selling and installing Message You to Australian schools to assist in reducing truancy. The results to date have been very successful with over 50 schools now having signed licensing agreements to use Message You.

Share Placement

MGM is raising \$210,000 in new equity through a placement of 14.0 million fully paid ordinary shares at \$0.015 per share.

The placement will be arranged by stockbrokers **Taylor Collison Limited** to a number of professional investors.

The funds raised from the issue are to be used by MGM primarily for working capital purposes and to assist in the marketing of "Message You" to Australian schools.

Any shares issued in the placement will rank equally with existing ordinary shares on issue.

Mark Fortunatow – Managing Director

For further information, please contact:

Mr Mark Fortunatow
Managing Director
MGM Wireless Limited
Ph: 08 8415 5165

Mr Craig Ball
Director
Taylor Collison Limited
Ph: 08 8212 2688