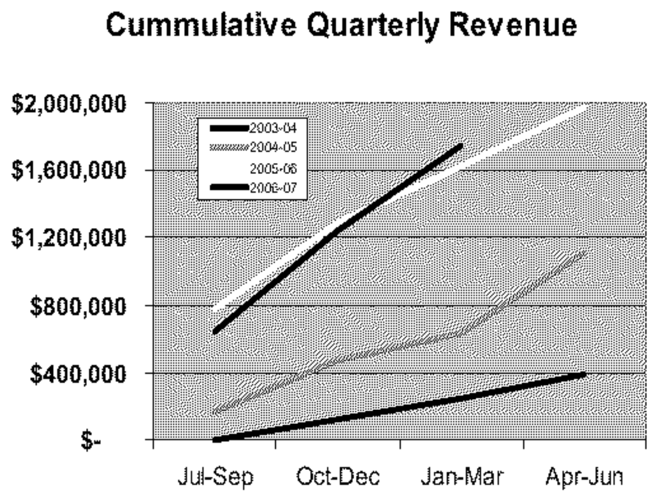
MGM WIRELESS BOOSTS MARCH QUARTER REVENUE BY 62%

April 27th, 2007



South Australian based education services company, MGM Wireless, today announces March quarter revenue growth of 62%. Sales for the quarter reached $501,265, compared with the previous corresponding period of $310,000, boosted by strong sales of text messages to its Australian school client base.

MGM Wireless also hit several operational highlights including a push into the large US education market and the signing of a joint venture with an Indian company to access the school market in the world's second most populated country.

The company opened its first overseas office in California and has signed a deal with US education technical services company, VIP Tone, to access an existing school client base in the US and to sell leading edge school management products in Australia.

"Our success in the quarter reflects the growing interest in our world-leading suite of attendance monitoring software," commented MGM Wireless executive chairman, Mr Mark Fortunatow. "The positive aspect for us is that the growth in sales is following through into rising revenues from our business streams."

"We are pushing hard into the US school and college market using our own people based in Silicon Valley while at the same time forging important links with businesses who service the US market, where there are 90,000 secondary colleges alone. The Indian market is also massive with more than one million schools across the sub-continent."

"The March quarter revenues do not include any income from these foreign expansions although we look forward to signing on the first US schools in 2007, possibly as early as the current quarter. We are in advanced discussions with a number of schools who are aware of the Messageyou service and our other suite of attendance monitoring software products which have been successfully trialled in Arizona last year."

"Across the world, schools are looking for more sophisticated and effective ways to communicate with school communities. Mobile phones are everywhere, virtually at saturation point in the developed economies. SMS text messages are a quick and unobtrusive way of reaching the people you want to contact. School information is vital for families.

"After the recent US college shooting tragedy, several media commentators have pointed out that students could have been warned of the danger via their mobile phones. The incident was tragic and the consequences devastating for those caught up in it."

Other items of interest in the quarter include:

- Cash holdings at March 31st, 2007were $ 437, 000 (December 2007 qtr $ 372,000)
- Current Receivables of approximately $ 415,000 (December 2007 qtr $ 272,000)
- Current Payables of approximately $ 299,000 (December 2007 qtr $268,000)

For additional information please contact Mark Fortunatow on (08) 8431 2300 or email: mfortunatow@mgmwireless.com

Rule 4.7B

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	Quarter ended ("current quarter")
93 091 351 530	31 March 2007

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		422	1,716
1.2	Payments for	(a) staff costs	(252)	(908)
		(b) advertising and marketing	(25)	(77)
		(c) research and development		
		(d) leased assets		
		(e) other working capital	(396)	(1,039)
1.3	Dividends received			
1.4	Interest and other items of a similar nature received		4	9
1.5	Interest and other costs of finance paid		(5)	(11)
1.6	Income taxes paid			
1.7	Other (provide details if material)			
	Net operating cash flows		(252)	(310)

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (9 months) $A'000
1.8	Net operating cash flows (carried forward)	**(252)**	**(310)**
	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	(9)	(23)
	(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 – Development expenses	(86)	(203)
	Net investing cash flows	(95)	(226)
1.14	**Total operating and investing cash flows**	(347)	(536)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	410	410
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	410	410
	Net increase (decrease) in cash held	(63)	(126)
1.21	Cash at beginning of quarter/year to date	374	563
1.22	Exchange rate adjustments to item 1.20		
1.23	**Cash at end of quarter**	437	437

+ 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	110
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		

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	437	374
4.2	Deposits at call		
4.3	Bank overdraft		
4.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	437	374

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 Date: 27 April 2007
Director

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.