



MGM Wireless Ltd. (ASX:MWR)
Corporate Presentation
November 2010

MGM Wireless ASX:MSR



ASX:MWR

Market Cap. (\$ 0.008 share):	\$ 1.8 mill
Revenue:	\$ 2.3 mill
Profit :	\$ 0.2 mill
Debt:	\$ 0.3 mill
Cash:	\$ 0.2 mill

Directors

Mark Fortunatow - Chairman (Founder)
Mark Hurd (Founder)
John Dawkins (non Executive)
Shaun Collopy (non Executive)

Capital Structure

Shares on Issue:	220.6m
Options Outstanding:	14.1m listed 16.5m unlisted
No. Shareholders:	648
Top Shareholders:	
Fortunatow	38.6m (17%)
Hurd	5.1m (7%)
Top 20 hold total	104.8m (48%)

What we do

Mobile SMS communication solutions for schools

MGM solutions:

1. Improve student attendance & safety
2. Engage parent involvement
3. Reduce school costs

Approaching 700 school customers

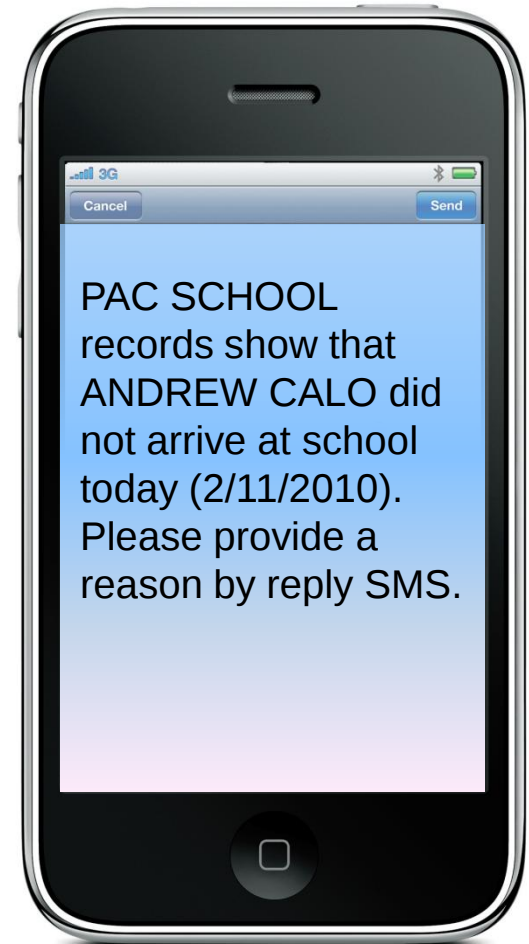
3 Government Education Department Contracts:

Western Australia

NSW (Sydney Region)

New Zealand

Undisputed Australian Market Leader



2010 – Move to profitability



	2010	2009	
Revenue	\$2,270,678	\$1,887,067	+20%
Net Profit	\$202,985	\$(350,109)	+158%
EBITDA	\$427,363	\$6,452	
Operational Customers	575	370	+55%

Strategy moving forward

2010

1. Deliver profit
2. Deliver revenue improvement
3. Achieve positive cash flow
4. Pursue R&D to create new growth opportunities

2011

1. Capitalise on new product opportunity
2. Accelerate revenue growth
3. Maintain positive cash flow
4. Improve profits
5. Ongoing R&D to improve existing products & develop new products

New Product Release – October 2010

SCHOOL NEWS CHANNEL™

Connecting Parents to Schools with SMS messaging

1800 300 346 
(408) 524 1469 

[SCHOOL LOGIN](#)

[SHARE](#)

[Home](#) [What Is SNC?](#) [Separated Parents](#) [Grandparents](#) [Service Options & Fees](#) [Comments](#)



Safety.

Instant SMS alerts
in case your child
has not arrived
at school.

1 2 3

[Parent Log In](#)
Update details & add family members

[View Demo](#)

[Join Now](#)

Search For School by name:

School Directory: [a](#) [b](#) [c](#) [d](#) [e](#) [f](#) [g](#) [h](#) [i](#) [j](#) [k](#) [l](#) [m](#) [n](#) [o](#) [p](#) [q](#) [r](#) [s](#) [t](#) [u](#) [v](#) [w](#) [x](#) [y](#) [z](#)

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Play Demo
Student Safety &
Attendance



Play Demo
School Social Events
Late Breaking New

New Feature - SMS Social Networking



Allows Primary Parents to invite Grandparents, Godparents, Sponsors & Special Friends to join.



SCHOOL NEWS CHANNEL™
Connecting Parents to Schools with SMS messaging

Why are we very excited ?

School News Channel gives MGM access to the consumer market

Direct access to Parents & Family Members

SNC creates a better, more effective marketing process

Because Parents directly request the service , its easier and faster to sell to schools

Parents strongly influence school decision makers

Applicable for:

All existing school Customers

New Schools

All markets - Australian, US and NZ

Self generated viral growth of new leads and sale inquires is already happening

Products likely to generate:

- > 200% more revenue per user (student)
- > 300% more gross profit per user (student)

Existing MGM business model



MGM Sales
contact School

School Leadership
decides suitability for
school community and
budget

One Parent
per family
receives SMS

Sales Process

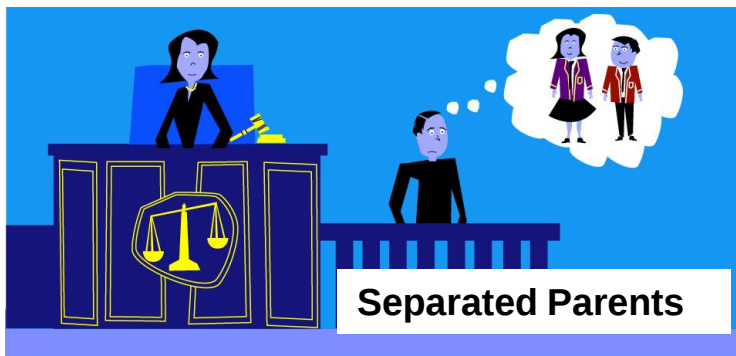
Decision makers are School Leaders & Principal
Sales cycle 5 weeks to 3 years
Parents are not involved / informed

Revenue

One off consulting and training fee (if applicable) - \$ 1500 - \$ 3,500 per school
Annual License Fee - \$ 3 – 8 per student per year
SMS revenue \$ 1.40 - \$ 2.60 student pa

New Products Target both Consumers (Parents) & Schools

1. MGM Web marketing drives Parents to www.schoolnewschannel.com
2. Parents & Family Members watch demos and understand how the product works
3. Parents Request / Activate their service directly on-line themselves.
4. Parents pay for Social SMS services directly on their mobile phone account.

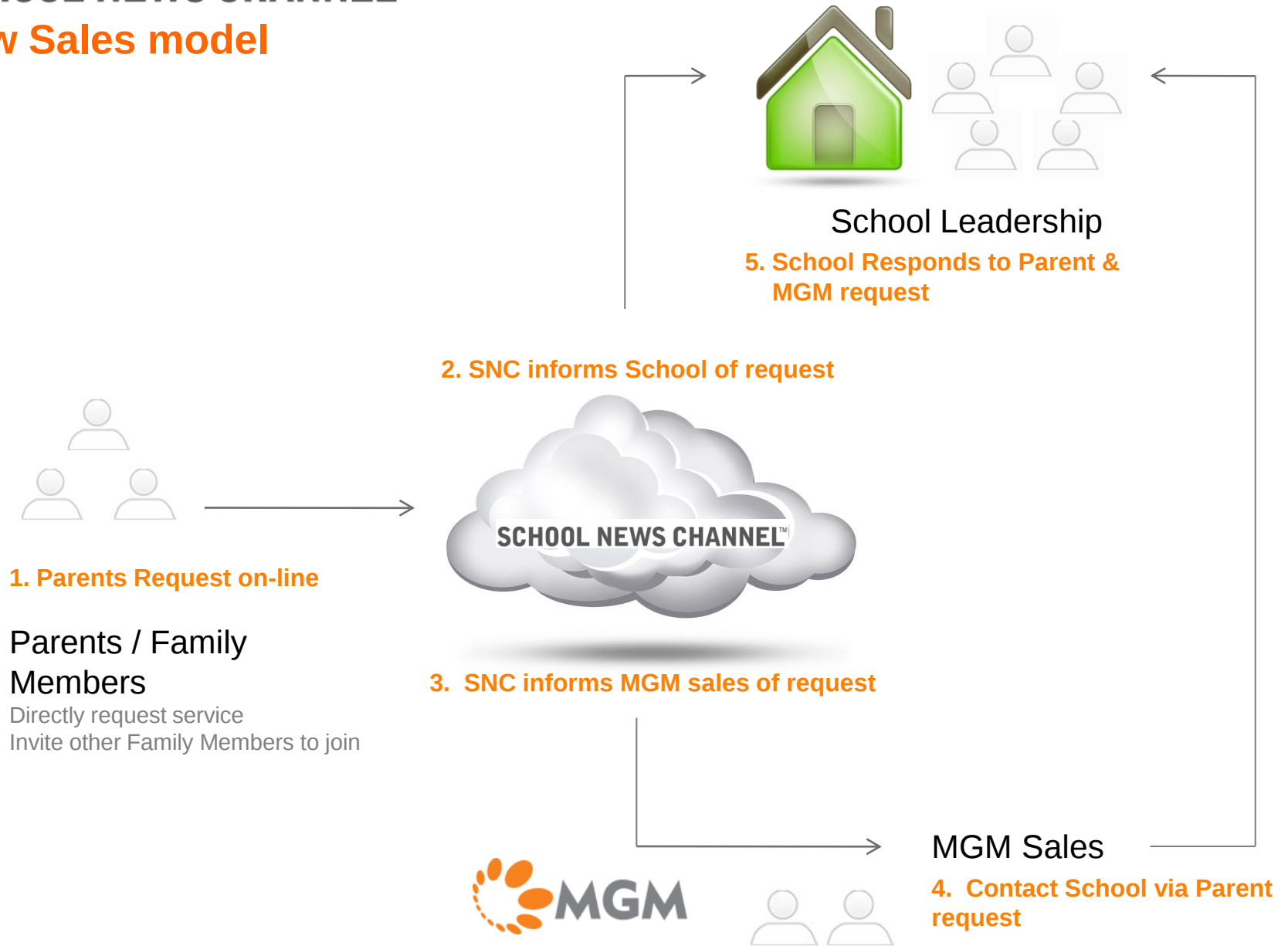


SCHOOL NEWS CHANNEL™

Connecting Parents to Schools with SMS messaging

SCHOOL NEWS CHANNEL™

New Sales model





Existing Products

SCHOOL NEWS CHANNEL™

Marketing	To Schools	To Parents Via Web Social Media Target Special Parent Interest Groups
Sales Leads	MGM generated	From Parents
Parent involvement in decision to install/purchase?	No	Yes
Access to School Decision Makers	Slow	Much Faster
Cost to School • Attendance • Social SMS	No change No change	No change No change
Number of Parent Users per Student	1	More than 1
New Revenue		\$ 20 pa per participating family member*

- Likely to be multiple participating family members per student with some families.
- No allowance for Safety Link – ad hoc Attendance / Safety alerts at \$ 1.75 per SMS

Year 1 Potential Revenue Impact

Australian – Existing Customer Upgrade

700 schools

600 average students per school

5% take-up in calendar 2011

0.7 Family Members per Student take-up

New Revenue for 2011

+ \$ 294 K

Australian Schools – New Sales

20 new schools install

600 average students per school

1.5 Family Members per Student take-up

New Revenue for 2011

+ \$ 360 K

+ USA market

+ ???

+ Possible NZ

+ ???

Most new revenue will contribute to net profit.

In Summary



1. MGM future has never looked better
2. New products will drive both revenue and profit growth
3. New products differentiate MGM in the market
4. Currently Share Purchase Plan underway to raise \$ 350K for:
 - New product roll-out
 - Possibly part use for \$ 260K Distributor buyout due Nov 2010
 - Improve working capital
 - Strengthen Balance Sheet
 - Opportunity for existing shareholders
 - SPP closes November 9, 2010

