ASX ANNOUNCEMENT AND MEDIA RELEASE **ASX CODE: MBO**

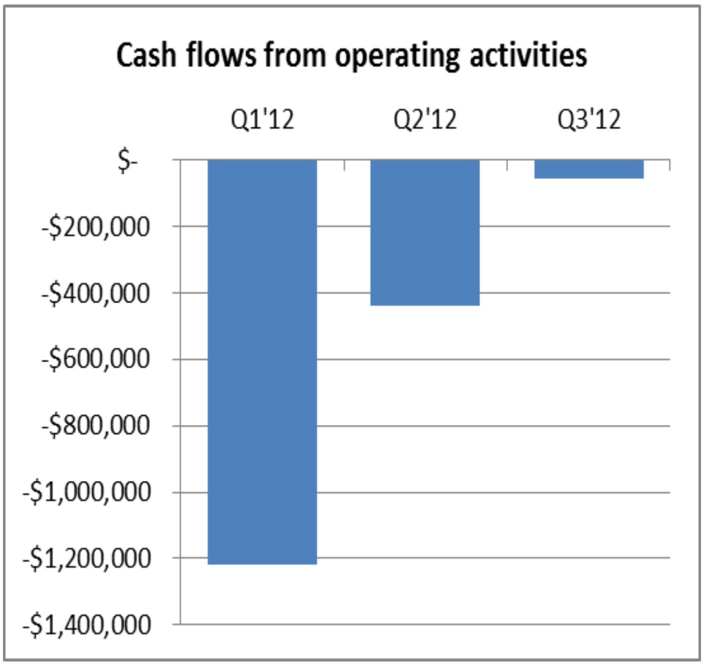
Date: 30 April 2012

MBO significantly improves its results from operations

- **Customer receipts for the year grow to $4.4M for the nine month ended 31 March 2012**
- **Cash from operations at near breakeven level for the quarter**

Global marine safety equipment provider Mobilarm Limited (ASX: MBO) today reported year to date receipts from customers for the nine month period ended 31 March 2012 have increased to $4,366,042. The increased business volume also yielded a reduction in net operating cash burn down to $57,494 for the quarter. Additionally, the Company has embarked on a restructuring of its operations to further reduce its operating cash requirements whilst focusing on increasing its sales volumes.

Mobilarm Chief Financial Officer Jorge Nigaglioni commented: "The reduction in our operating cash burn was a result from the strong pipeline of orders received during the year and some of the initial reductions in operating expenditures. The $57,494 operating cash outflow included approximately $225,000 of one time termination payments from staff reductions offset by $202,000 of R&D tax rebates received."



Mobilarm Chief Executive Officer Ken Gaunt commented: "We are beginning to see the early results of our planned migration from a development infrastructure to a direct sales and distribution model. The continuing execution of this plan will see not only further reductions in our fixed cost structure, but the continued growth and expansion of our sales team. Your new board and management remain totally focused and absolutely committed to deliver positive returns to you, our shareholders."

-Ends-

Further details

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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

Mobilarm Limited

ABN	Quarter ended ("current quarter")
15 106 513 580	31 March 2012

Consolidated statement of cash flows

	Cash flows related to operating activities	**Current quarter $**	**Year to date (9 months) $**
1.1	Receipts from customers	1,638,080	4,366,042
1.2	Payments for (a) staff costs	(956,869)	(2,500,437)
	(b) advertising & marketing	(35,700)	(154,369)
	(c) research & development	(94,309)	(355,527)
	(d) leased assets	-	-
	(e) Other working capital	(415,580)	(2,061,598)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	8,255	14,006
1.5	Interest and other costs of finance paid	(9,912)	(19,730)
1.6	Income taxes (paid)/received	202,097	202,097
1.7	Rental recoveries	-	21,412
1.7	Purchases of inventory	(393,555)	(1,226,302)
	Net operating cash flows	**(57,493)**	**(1,714,406)**

+ See chapter 19 for defined terms.

		Current quarter $	Year to date (9 months) $
1.8	Net operating cash flows (carried forward)	**(57,493)**	**(1,714,406)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) Net cash acquired on acquisition(item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	(12,850)
	(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	**-**	**(12,850)**
1.14	**Total operating and investing cash flows**	**(57,493)**	**(1,727,256)**
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	1,085,000	4,040,420
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	(891,347)
1.19	Dividends paid	-	-
1.20	Share issue expenses	-	-
	Net financing cash flows	**1,085,000**	**3,149,073**
	Net increase (decrease) in cash held	**1,027,507**	**1,421,817**
1.21	Cash at beginning of quarter/year to date	687,868	293,558
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	**1,715,375**	**1,715,375**

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
1.24	Aggregate amount of payments to the parties included in item 1.2	(332,208)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments were for salaries and director fees and travel expenses including fees deferred from the previous quarter. This also included termination payments to Mr. Lyon of approximately $121,000 and approximately $49,000 in purchases of inventory from Mr. Marshall.

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

Nil

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

Nil

Financing facilities available

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

		Amount available $A	Amount used $A
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

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	Previous quarter $A
4.1 Cash on hand and at bank	1,450,201	422,694
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Deposits securing guarantees	265,174	265,174
Total: cash at end of quarter (item 1.22)	**1,715,375**	**687,868**

Acquisitions and disposals of business entities

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

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:

Company Secretary Date: 30 April 2012

Print name: David McArthur

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.