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

Date: 30 April 2013

# Mobilarm reports its results from operations

- **Operating cash flows decrease by $0.5M over the previous quarter**
- **Nine month operating cash flows improved by $0.3M over the previous year**

Global marine safety equipment provider Mobilarm Limited (ASX: MBO) today reported net operating cash out flows of $681,617 for the quarter. The Company had third quarter receipts from customers for the three month period ended 31 March 2013 of $522,099 a 39% decrease over the previous quarter.

Mobilarm Chief Executive Officer Ken Gaunt commented: “We had a slower quarter, with anticipation building for the release of our new products. The release of these models continues our commitment to delivering world leading safety technology, meeting all regulatory standards and ensuring that we remain at the forefront of the global market . We are confident on their release in the fourth quarter to fast track sales opportunities that have been on hold for the product release. ”

-Ends-

**Further details**


Ken Gaunt

**Chief Executive Officer**

Email: keng@mrtsos.com

Tel.: +61 417 961 770

Tel.: +44 782 731 4442

www.mobilarm.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

Mobilarm Limited

| ABN | Quarter ended ("current quarter") |
|---|---|
| 15 106 513 580 | 31 March 2013 |

## Consolidated statement of cash flows

| | Cash flows related to operating activities | Current quarter $ | Year to date (9 months) $ |
|---|---|---|---|
| 1.1 | Receipts from customers | 522,099 | 2,664,184 |
| 1.2 | Payments for (a) staff costs | (452,540) | (1,526,234) |
| | (b) advertising & marketing | (18,825) | (45,864) |
| | (c) research & development | (37,429) | (138,574) |
| | (d) leased assets | - | - |
| | (e) Other working capital | (355,241) | (1,325,403) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 1,893 | 10,100 |
| 1.5 | Interest and other costs of finance paid | (2,087) | (7,236) |
| 1.6 | Income taxes (paid)/received | - | 584,645 |
| 1.7 | Rental recoveries | - | - |
| 1.7 | Purchases of inventory | (339,487) | (1,593,684) |
| | **Net operating cash flows** | **(681,617)** | **(1,378,066)** |

+ See chapter 19 for defined terms.

| | | Current quarter $ | Year to date (9 months) $ |
|---|---|---|---|
| 1.8 | Net operating cash flows (carried forward) | **(681,617)** | **(1,378,066)** |
| | **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 | - | (7,578) |
| | (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** | **-** | **(7,578)** |
| **1.14** | **Total operating and investing cash flows** | **(681,617)** | **(1,385,644)** |
| | **Cash flows related to financing activities** | | |
| 1.15 | Proceeds from issues of shares, options, etc. | - | - |
| 1.16 | Proceeds from sale of forfeited shares | - | - |
| 1.17 | Proceeds from borrowings | 500,000 | 500,000 |
| 1.18 | Repayment of borrowings | - | - |
| 1.19 | Dividends paid | - | - |
| 1.20 | Share issue expenses | - | - |
| | **Net financing cash flows** | **500,000** | **500,000** |
| | **Net increase (decrease) in cash held** | **(181,617)** | **(885,644)** |
| 1.21 | Cash at beginning of quarter/year to date | 652,373 | 1,356,400 |
| 1.22 | Exchange rate adjustments to item 1.20 | - | - |
| 1.23 | **Cash at end of quarter** | **470,756** | **470,756** |

+ 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 |
|---|---|---|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | (117,757) |
| 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.

## 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 | $1,000,000 | $500,000 |
| 3.2 | Credit standby arrangements | - | - |

As reported on 8 March 2013, the Company entered into a $1,000,000 credit facility with its director Ken Gaunt. The Company has drawn $500,000 out of this facility as of 31 March 2013.

+ 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<br>$A | Previous quarter<br>$A |
|---|---|---|
| 4.1 Cash on hand and at bank | 422,539 | 387,199 |
| 4.2 Deposits at call | - | - |
| 4.3 Bank overdraft | - | - |
| 4.4 Deposits securing guarantees | 48,216 | 265,174 |
| **Total: cash at end of quarter** (item 1.22) | **470,756** | **652,373** |

The Company received $782,374 of grant funds for the SASJacket program in a bank account under trust. Those funds are to be used solely for the purpose of the grant project and will be distributed amongst the seven participants as reimbursement of the expenses incurred per the project guidelines. The Company has not included these funds as a Company asset, although it will receive a portion of these funds as it incurs expenses under the project.

## Acquisitions and disposals of business entities

| | Acquisitions<br>*(Item 1.9(a))* | Disposals<br>*(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: D McArthur

Company Secretary Date: 30 April 2013

Print name: David McArthur

+ 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.