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

Date: 31 July 2013

Mobilarm reports its results from operations

- **Operating cash flows increased by $0.6M over the previous quarter**
- **Nine month operating cash flows improved by $0.6M over the previous year**

Global marine safety equipment provider Mobilarm Limited (ASX: MBO) today reported net operating cash out flows of $98,343 for the quarter. The Company had fourth quarter receipts from customers for the three month period ended 30 June 2013 of $1,158,062 a 122% increase over the previous quarter.

Mobilarm Chief Executive Officer Ken Gaunt commented: "We closed the year on a positive note, restoring our sales to previous levels during the last quarter. We have launched products and innovative safety solutions that provide our customers, who have specific requirements and who require flexible solutions, with options that are unique to our industry. We have instilled a focus on providing a total safety solution rather than a traditional one off sale and this is creating sales opportunities with both new and existing customers. "

Mobilarm Chief Financial Officer Jorge Nigaglioni commented: "Our entire team was committed to returning our revenue levels to those achieved at the start of the year. We have strengthened our sales team over the last quarter to deliver the improved current results and combined with our new products and a focused marketing campaign we look forward to improving results in the coming quarters ahead. "

-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	30 June 2013

Consolidated statement of cash flows

	Cash flows related to operating activities		**Current quarter $**	**Full Year (12 months) $**
1.1	Receipts from customers		1,158,062	3,822,246
1.2	Payments for	(a) staff costs	(492,240)	(2,018,474)
		(b) advertising & marketing	(3,872)	(49,736)
		(c) research & development	(124,584)	(263,158)
		(d) leased assets	-	-
		(e) Other working capital	(392,307)	(1,717,710)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		1,625	11,726
1.5	Interest and other costs of finance paid		(14,474)	(21,710)
1.6	Income taxes (paid)/received		-	584,645
1.7	Rental recoveries		-	-
1.7	Purchases of inventory		(230,554)	(1,824,239)
	Net operating cash flows		**(98,344)**	**(1,476,410)**

+ See chapter 19 for defined terms.

		Current quarter $	Full Year (12 months) $
1.8	Net operating cash flows (carried forward)	**(98,344)**	**(1,476,410)**
	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**	**(98,344)**	**(1,483,988)**
	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	220,989	720,989
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Share issue expenses	-	-
	Net financing cash flows	**220,989**	**720,989**
	Net increase (decrease) in cash held	**122.645**	**(762,999)**
1.21	Cash at beginning of quarter/year to date	470,756	1,356,400
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	**593,401**	**593,401**

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	(158,302)
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. Mr. Gaunt also received $10,617 in interest from the credit facility provided to the Company.

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	$720,989
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 $220,989 out of this facility during the quarter ended 30 June 2013.

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	545,185	422,539
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Deposits securing guarantees	48,216	48,216
	Total: cash at end of quarter (item 1.22)	**593,401**	**470,756**

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.

D McArthur

Sign here:

Company Secretary Date: 31 July 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.