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

Date: 28 April 2017

Mobilarm continues strategic transition

- **Receipts from customers of $1.5M for the quarter.**
- **Order performance of $1.2M for quarter.**

Global marine safety equipment provider Mobilarm Limited (ASX: MBO) today reported quarterly receipts from customers of $1.5M. Customer orders for the quarter were $1.2M, compared to $1.0M last year.

Mobilarm Chief Executive Officer Ken Gaunt commented: “We had a strong cash flow quarter due in part to the continued progress on the service side of the business, as well as new sales initiatives to help our customers be able to deploy our solutions faster. We are introducing our new intrinsically safe AU10-X product this quarter which will provide a key upgrade opportunity for our existing customers, especially in the North Sea. ”

“On the Jaxsta front, the team had a successful beta program and is currently working to integrate the feedback from the test to prepare for a launch later in the year. The industry feedback during beta and afterwards has been extremely positive and we remain committed to our investment in this business.”

Mobilarm Chief Financial Officer Jorge Nigaglioni commented: “We had some restructuring activities during the quarter that have started to yield further savings and cash flows for the future. Our investment in our remote service stations, customer portals and information technology systems are allowing us to streamline operations and grow our capability for customers at a more efficient level. We will see further savings in the next fiscal quarter to end our year on a positive operating cash flow position.”

-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

Mobilarm Limited (ASX: MBO) *and its 100% owned subsidiary MRT (UK) is involved in the development, manufacturing and sale of a Man Overboard Safety Systems provided to the offshore oil & gas industries, commercial marine industries, defence, and government & regulatory agencies internationally. MBO currently operates in the UK, Australia, Nigeria and USA.*

+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Mobilarm Limited

ABN	**Quarter ended ("current quarter")**
15 106 513 580	31 March 2017

Consolidated statement of cash flows			**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		1,497	4,074
1.2	Payments for			
	(a)	research and development	-	(96)
	(b)	product manufacturing and operating costs	(167)	(651)
	(c)	advertising and marketing	-	(6)
	(d)	leased assets	-	-
	(e)	staff costs	(539)	(1,476)
	(f)	administration and corporate costs	(343)	(1,652)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		-	2
1.5	Interest and other costs of finance paid		(32)	(125)
1.6	Income taxes paid		(37)	63
1.7	Government grants and tax incentives		-	-
1.8	Other (provide details if material)		-	-
1.9	**Net cash from / (used in) operating activities**		**379**	**133**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire:			
	(a)	property, plant and equipment	-	(1)
	(b)	businesses (see item 10)	-	-
	(c)	investments	-	(1,000)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(700)	(700)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(700)**	**(1,701)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	625	2,050
3.6	Repayment of borrowings	-	(2,000)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**625**	**50**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of quarter/year to date	550	2,373
4.2	Net cash from / (used in) operating activities (item 1.9 above)	379	133
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(700)	(1,701)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	625	50

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of quarter**	**854**	**854**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	854	550
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**854**	**550**

6.	**Payments to directors of the entity and their associates**	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	120
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments were for salaries or director fees and travel expenses.

7.	**Payments to related entities of the entity and their associates**	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	$3,195	$3,845
8.2	Credit standby arrangements		
8.3	Other (please specify)		

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

The Company also has an additional $971,525 in convertible debt, convertible that expires on the 7th of March 2017 and carries an interest rate of 6.0%. The note is convertible by the noteholder upon giving the Company thirty days notice or by the Company providing the Noteholder thirty days notice, both at the price of $0.007 per share.

The Company also increased the size of the facility by a further $700,000 convertible at the Company's option at the price of $0.007 per share. The Company has drawn $450,000 of this facility.

The Company entered into a $2,000,000 convertible note facility on the 30th of September 2016. The facility carries a 12% interest rate and is convertible at the lower of $0.04 per share or the price of any future capital transaction during the term of the note.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Research and development	(10)
9.2	Product manufacturing and operating costs	(350)
9.3	Advertising and marketing	(5)
9.4	Leased assets	-
9.5	Staff costs	(425)
9.6	Administration and corporate costs	(410)
9.7	Other	-
9.8	**Total estimated cash outflows**	**(1,200)**

10.	**Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)**	**Acquisitions**	**Disposals**
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

28 April 2017

Sign here: .... Date: ....
(Director)

Jorge Nigaglioni

Print name: ....

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.