



MGM Wireless Ltd.
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AUSTRALIA
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Companies Announcement Office
Australian Stock Exchange Limited
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Sydney NSW 2000

ASX Release
MGM Wireless Ltd
Friday, September 23, 2011

Notice of Annual General Meeting – Capital Consolidation

School communications group MGM Wireless Ltd advises shareholders and investors that its Annual General Meeting has been scheduled for Tuesday 1, November 2011.

In particular, the company would like to draw shareholders attention to:

Resolution 3 - CONSOLIDATION OF CAPITAL, whereby the company seeks shareholder approval to consolidate its capital 30:1.

About MGM Wireless Ltd and Messageyou, LLC

MGM Wireless Ltd is a South Australian (Adelaide) based public company with a market capitalisation of A\$1.44 m listed on the Australian Securities Exchange (ASX code: MWR). The company trades as Messageyou, LLC in the United States, based in Silicon Valley, Sunnyvale, California.

MGM Wireless is recognized in Australia and internationally as a pioneer of socially responsible technology-enabled school communications with a proven capacity to design, develop and successfully commercialise innovative world class technology products in Australia and internationally.

The company's patented SMS School communication solutions empower schools to effectively communicate to parents and caregivers using SMS text messaging to improve student attendance, welfare, safety and parent engagement. Measurable benefits for schools include reduced operating costs, increased productivity and improved parent and community engagement, which ultimately improve student learning and social outcomes.

Schools in Australia, New Zealand and the United States use Messageyou software in their day-to-day operations.

For further information contact:

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MGM Wireless Limited
ABN 93 091 351 530

Notice of 2011 Annual General Meeting

Explanatory Statement

and

Proxy Form

A copy of the 2011 Annual Report is available on the MGM Wireless Ltd website
at:
<http://mgmwireless.com>

MGM WIRELESS LTD

ABN 93 091 351 530

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of MGM Wireless Limited (**MGM** or the **Company**) will be held on **Tuesday 1, November 2011 commencing at 11.00am at the MGM Wireless boardroom Suite 13, The Parks, 154 Fullarton Road, Rose Park, SA 5067.**

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Annual General Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (C'th) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at close of business on 30 October 2011.

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Financial Statements of the Company and of the consolidated entity for the year ended 30 June 2011 and the reports by Directors and auditors thereon.

1. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution with or without amendment as an **ordinary resolution**:

“That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company’s 2011 Annual Report for the financial year ended 30 June 2011 be adopted.”

The vote on this resolution is advisory only and does not bind the directors of the Company.

Voting Exclusion Statement

Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of either a member of the key management personnel, details of whose remuneration are included in the remuneration report, or a closely related party of such a member (together “prohibited persons”). However, the Company will not disregard a vote if:

- the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- the vote is not cast on behalf of a prohibited person.

2. RESOLUTION 2 - RE-ELECTION OF DIRECTOR (MR SHAUN COLLOPY)

To consider and, if thought fit, to pass the following resolution with or without amendment as an **ordinary resolution**:

“That Mr Shaun Collopy, who retires by rotation in accordance with the Constitution of the Company and, having offered himself for re-election and being eligible, is re-elected a director of the Company.”

3. RESOLUTION 3 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass the following resolution with or without amendment as an **ordinary resolution**:

"That for the purpose of section 254H of the Corporations Act, and for all other purposes approval is given for the issued capital of the Company to be consolidated on the basis that:

- (a) every thirty (30) Shares be consolidated into one (1) Share;*
- (b) every thirty (30) Options be consolidated into one (1) Option with the exercise price amended in inverse proportion to that ratio; and*

where this Consolidation results in a fraction of a Share or Option, being held by a Shareholder or Option-holder as the case may be, the Directors be authorised to round that fraction up to the nearest whole Share, or Option, and otherwise as described in the Explanatory Statement."

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Mark Fortunatow", with a long horizontal stroke extending to the right.

Mark Fortunatow
Executive Chairman
23 September 2011

Notes

1. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholders voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the Proxy decides.
3. For the purposes of the Corporations Act, the directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5pm (Adelaide time) on 30 October, 2011.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at www.mgmwireless.com.

Enquiries

Shareholders are invited to contact Mr Mark Fortunatow on (08) 8104 9555 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of members of MGM Wireless Limited (“**MGM**” or the “**Company**”) in connection with the business to be conducted at the annual general meeting of members to be held at **the MGM Wireless boardroom Suite 13, The Parks, 154 Fullarton Road, Rose Park, SA 5067** on Tuesday 1 November 2011 commencing at 11.00am.

The purpose of this Explanatory Statement is to provide Shareholders with information that the Board believes to be material to Shareholders in deciding whether or not to approve the resolution detailed in the Notice.

This Explanatory Statement is an important document and should be read carefully in full by all Shareholders in conjunction with the accompanying Notice of Annual General Meeting. If you have any queries concerning the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

2. 2011 ANNUAL REPORT

In accordance with the requirements of the Company’s Constitution and the Corporations Act 2001, the 2011 Annual Report will be tabled at the annual general meeting. There is no requirement for a formal resolution on this item.

Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

The Company’s auditor, Mr Ian McDonald, will be present to take shareholders’ questions and comments about the conduct of the audit and the preparation and content of the audit report.

3. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

The Company is required to include in its Directors’ Report a detailed Remuneration Report relating to Directors’ and executives’ remuneration. Section 300A of the Corporations Act sets out the information to be included in the Remuneration Report. The Remuneration Report is set out in the Directors Report section of Company’s 2011 Annual Report.

As required by section 250R(2) of the Corporations Act, a resolution that the remuneration report for the year ended 30 June 2011 be adopted is to be put to a vote.

The Directors unanimously recommend that shareholders vote in favour of this resolution.

The vote on this item is advisory only and does not bind the Directors or the Company.

In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. This is in addition to any questions or comments that shareholders may have in relation to the management of the Company.

Under recently enacted legislation, the Corporations Act now provides that if a company’s remuneration report receives a ‘no’ vote of 25 per cent or more at two consecutive annual general meetings, a resolution must be put to shareholders at the second annual general meeting as to whether another meeting should be held (within 90 days) at which all directors (other than the managing director) who were in office at the date of the approval of the applicable directors’ report must stand for re-election. So, in summary, Shareholders will be entitled to vote in favour of a holding a general meeting to re-elect all of the Directors (other than the Executive Chairman and Managing Director, Mr Mark Fortunatow) if the Remuneration Report receives “2 strikes”.

4. RESOLUTION 2 - RE-ELECTION OF DIRECTOR – (SHAUN COLLOPY)

Resolution 2 relates to the election of Directors. In accordance with the Company's Constitution, Mr Collopy will retire by rotation at the Annual General Meeting and being eligible offers himself for re-election.

A summary of the qualifications and experience of Mr Collopy is provided in the 2011 Annual Report.

5. RESOLUTION 3 - SHARE CONSOLIDATION

Background

Resolution 3 seeks Shareholder approval to consolidate the number of Shares and Options on issue on a thirty (30) for one (1) basis (**Consolidation**).

The purpose of the Consolidation is to implement a more effective capital structure of the Company going forward.

Legal Requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in general meeting, convert all of its shares into a larger or smaller number.

ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise its shareholders of certain matters, which are set out below. No voting exclusions apply, and all Shareholders can vote on the resolution.

The ASX Listing Rules also require that the number of options on issue be consolidated in the same ratio as the ordinary capital and the exercise price amended in inverse proportion to that ratio.

Fractional Entitlements and Taxation

Not all Shareholders and Option-holders will hold that number of Shares and Options which can be evenly divided by thirty. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest Share or Option.

It is not considered that any taxation implications will exist for Shareholders and Option-holders arising from the Consolidation. However, Shareholders and Option-holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor the Directors (or the Company's advisors) accept any responsibility for the individual taxation implications arising from the Consolidation.

Holding Statements

From the date of Consolidation all existing holding statements for Shares and Options will cease to have any effect, except as evidence of any entitlement to a certain number of Shares and Options on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements to be issued to Shareholders and Option-holders. It is the responsibility of each Shareholder and Option-holder to check the number of Shares and Options held prior to Consolidation.

Effect on Capital Structure

The effect of obtaining approval of the Consolidation and other resolutions contained within the Notice will have on the capital structure of the Company is as follows.

Shares		Number
Current		239,766,768
Post 1:30 Consolidation – approx. (Resolution 3)		7,992,225
Options (All Unlisted)		
Current:		
Exp 7 November 2011 (Ex price 2c)	1,000,000	
Exp 15 November 2011 (Ex price 8c)	683,334	
Exp 15 April 2012 (Ex price 2c)	2,000,000	
Exp 30 April 2013 (Ex price 2c)	<u>10,500,000</u>	14,183,334
Post 1:30 Consolidation – approx. (Resolution 3)		472,778

Indicative Timetable for Consolidation

Event	Date
General Meeting to approve transaction	1 November, 2011
Notification to ASX of results of General Meeting	1 November, 2011
Last day for trading in pre-consolidation securities	2 November, 2011
Trading in consolidated securities on a deferred settlement basis	3 November, 2011
Last day to register transfers on a pre-consolidated basis	9 November, 2011
First day for Company to send notice to Shareholders of change of holdings as result of the consolidation First day for Company to register securities on a post-consolidation basis and for issue of holding statements	10 November, 2011
Despatch date Deferred settlement market ends Last day for securities to be entered into the holders security holdings and for the Company to send notice to each security holder.	16 November, 2011

The above dates are indicative only and are subject to change without notice,

6. DEFINITIONS

ASX	means ASX Limited ABN 98 008 624 691.
ASX Listing Rules	means the official listing rules of ASX.
Corporations Act	means the Corporations Act 2001 (C'th).
Director	means a director of the Company.
Explanatory Statement	means this Explanatory Statement.
MGM or the Company	means MGM Wireless Limited (ABN 93 091 351 530).
Notice	means the notice of annual general meeting which forms part of this Explanatory Statement.
Option	means an option to acquire a Share.
Share	means a fully paid ordinary share in the capital of the Company and Shares has a corresponding meaning.
Shareholder	means a holder of a Share.

PROXY FORM

The Secretary
MGM Wireless Limited
Suite 13, The Parks
154 Fullarton Road
Rose Park SA 5067

I/We (full name) _____

of _____

being a member(s) of MGM Wireless Limited, hereby appoint as my/our proxy

_____ of _____

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the annual general meeting of the Company to be held at 11.00am on Tuesday, 1 November 2011 and at an adjournment thereof in respect of _____% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

RESOLUTIONS

	FOR	AGAINST	ABSTAIN
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – S Collopy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 1:30 Share Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the member is an individual or joint holder:

Usual Signature

Usual Signature

Dated this day of

2011

If the member is a Company:

Signed in accordance with the Constitution
of the Company in the presence of:

Director/Sole Director

Director/Secretary

Sole Director and Sole Secretary

Dated this

day of

2011

INSTRUCTIONS AS TO VOTING – RESOLUTION 1

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect to the resolution, please place a mark in the box.

By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the resolution and that votes cast by the Chair of the meeting other than as proxy holder will be disregarded because of that interest.

If you do not mark the box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called **on the resolution.**

NOTES

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.

A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company (Suite 13, The Parks, 154 Fullarton Road, Rose Park SA 5067) or sent by facsimile to that office on Fax: 08 8431 2400 to be received not less than 48 hours prior to the time of the meeting.

4. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution.
5. Where permitted, the Chairman intends to vote all undirected proxies in favour of the resolutions. Shareholders should be aware that, in respect of the resolution to adopt the Remuneration Report, votes will not be counted if a Shareholder provides an undirected proxy on this resolution, as the Chairman of the meeting is a member of Company's key management personnel whose remuneration details are disclosed in the Remuneration Report.