

**ASX ANNOUNCEMENT**

**5 MAY 2022**

**FULLY UNDERWRITTEN ENTITLEMENT ISSUE**

**Highlights**

- **Norwood secures ~A\$0.6 million in funding, consisting of a fully underwritten 1 for 7 Entitlement Offer with a 1 for 1 free Option**
- **Alto Capital to act as Underwriter of the Entitlement Offer and Sub-underwritten by Mr Paul Ostergaard and Dr John Tarrant**
- **Funds to be used for working capital and expansion of the Company's business development efforts for its two core telco services platforms**

Norwood Systems Ltd (Norwood or the Company) (ASX: NOR) is pleased to announce it will continue to accelerate its growth following the execution of a fully underwritten 1 for 7 Non-renounceable Rights Entitlement issue that will raise \$637,590 ("the offer"). The offer also includes a 1 for 1 free attaching option exercisable at 2.4 cents expiring 31 December 2023.

The \$0.015 Offer issue price represents a 25% premium to the Company's closing price of \$0.012.

The funds raised will be applied towards sales and business development, research & development and general working capital.

The timetable (including the Record Date for determining entitlements under the Offer) are included in a prospectus lodged with ASIC today.

Paul Ostergaard, Managing Director said:

"The funds raised through this fully underwritten entitlement offer will ensure that Norwood is well capitalised to execute on current client projects as well as existing service innovation projects.

"The Company has recently proven that it has the ability secure contracts with large, well-known international information technology companies and it is working intensely to achieve successful delivery of the two recently won projects, in particular.

"Additionally, the team at Norwood is looking forward very much to the near-term beta release of Norwood's Aida platform, which will add significant new options for telco partners in how they handle voice calls on their networks."

**Entitlement Offer**

The Company is undertaking a one (1) for seven (7) Entitlement Offer comprising approximately 42.5 million new fully paid ordinary shares (together with one (1) free attaching option for every one (1) Share subscribed for and issued with on the terms set out below) to raise approximately \$0.6 million.

The Company has executed an underwriting agreement with ACNS Capital Markets Pty Ltd T/A Alto Capital ("Alto") for any shortfall to the Entitlement Offer. The offer is sub-underwritten by Directors, Mr Paul Ostergaard up to \$50,000 and Dr John Tarrant (via Balmain Resources Pty Ltd, wholly owned by Director, Dr John Tarrant) up to \$587,590, together Sub-underwriting the offer.

Alto will receive a cash fee of 6% of the total gross proceeds of the Offer in consideration for underwriting the Offer from which Alto will pay 50% of the 6% fee to the sub-underwriters, Mr Paul Ostergaard and Dr John

Tarrant via Balmain Resources Pty Ltd. Alto will also be issued 2,000,000 Options on the same terms as the Options to be issued under the Offer for providing these services.

A prospectus for the Offer will be mailed to each shareholder registered on the Company's share register as at the Record Date and also obtainable in hard copy following lodgement with ASIC and ASX.

The Board of Norwood recommends all eligible Shareholders take up the opportunity to subscribe for the offer as it presents a great opportunity to provide additional support to the Company and to further participate in any potential value appreciation over the coming years.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

All new shares issued will rank equally with existing shares on issue and the Company will apply for official quotation of the new shares and new options.

### **Indicative Capital Structure**

Following the completion of the Entitlement Offer the Company's capital structure will appear be as follows:

	Shares	Amount	Options
Existing Shares and Options	297,541,797	-	54,657,985
Rights Issue (1:7)	42,505,971	\$637,590	42,505,971
Underwriter Options	-	-	2,000,000
<b>Total</b>	<b>340,047,768</b>	<b>\$637,590</b>	<b>99,163,956</b>

### **Indicative Timetable\* (indicative only and subject to change)**

Event	2022
Lodgement of the Entitlements Prospectus	5 <sup>th</sup> May
Record Date for determining Entitlements	11 <sup>th</sup> May
Offer opening date and prospectus sent out	16 <sup>th</sup> May
Closing Date	7 <sup>th</sup> June
Securities quoted on a deferred settlement basis	8 <sup>th</sup> June
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities	15 <sup>th</sup> June
Expected quotation of new securities	16 <sup>th</sup> June

*\*Key events and dates contained in the table above are subject to change*

Authorised for release by the Board of Norwood.

<ENDS>

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## About Norwood Systems

Norwood Systems Ltd (ASX: NOR) is revolutionizing mobile voice, messaging, data and cyber security services through its pioneering award-winning virtual mobile services platforms and associated Apps.

The Company's breakthrough offerings deliver Over the Top (OTT) connectivity, knowledge and intelligence services. Norwood's products and services are targeted at a broad spectrum of prospective customers from individuals through to large enterprises and government agencies.

Norwood has delivered services to more than 6 million customers since launching its platform in mid-2014, servicing people in 200+ countries & territories and 5000+ cities worldwide.

Norwood Systems listed on the ASX in June 2015 and trades with the stock ticker NOR.