



NORWOOD SYSTEMS LIMITED
ACN 062 959 540

PROSPECTUS

For:

- (a) an offer of up to 66,356,636 New Options, being one New Option for each NORAO Option held, at an issue price of \$0.0025 per New Option to raise up to approximately \$165,891 (before costs) (**Placement Offer**); and
- (b) a pro-rata non-renounceable entitlement offer of approximately 40,441,553 New Options, being one New Option for every 10 Shares held, at an issue price of \$0.0025 per New Option to raise approximately \$101,104 (before costs) (**Entitlement Offer**),

together, the **Offers**.

The Offers are fully underwritten by Balmain Resources Pty Ltd (ACN 076 375 203), an entity associated with Dr John Tarrant, a Director of the Company. Refer to Section 1.10 for more information in respect of the underwriting arrangement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the New Options being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The New Options offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 14 June 2023 (**Lodgement Date**) and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The New Options offered by this Prospectus should be considered as highly speculative.

Applications for New Options offered pursuant to this Prospectus can only be made by an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No investment advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to

subscribe for the New Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the Lodgement Date, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.

Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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 Offers are

not being extended and New Options will not be issued to Shareholders or Optionholders (as the context requires) with a registered address which is outside Australia, United Kingdom or New Zealand.

For further information on overseas Shareholders please refer to Section 2.11.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before deciding whether to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 5.2 for further details.

Target market determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.norwoodsystems.com). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.norwoodsystems.com/investor.

If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian, United Kingdom or New Zealand resident and must only access this Prospectus from within Australia, United Kingdom or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company Secretary by phone on +61 499 900 044 during office hours or by emailing the Company Secretary at stuart.usher@norwoodsystems.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Risk Factors

Shareholders and Optionholders should be aware that there are a number of risk factors affecting the Company and the value of its Securities. The key risk factors of which Shareholders should be aware are set out in Section 4. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative, Shareholders should consider consulting their professional advisers in relation to the issue of New Options pursuant to this Prospectus.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly,

any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a

Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Use of Trademarks

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 499 900 044.

CORPORATE DIRECTORY

Directors

Mr Paul Ostergaard

Managing Director

Dr John Tarrant

Non-executive Director

Mr Philip Marsland

Non-executive Director

Mr Philip Otley

Non-executive Director

Company Secretary

Stuart Usher

Registered Office

4 Leura Street

NEDLANDS WA 6009

Telephone: + 61 8 9200 3505

Email: info@norwoodsystems.com

Website: www.norwoodsystems.com

Share Registry*

Advanced Share Registry

110 Stirling Hwy

NEDLANDS WA 6009

Telephone: 1300 113 258

Telephone: +61 8 9389 8033

Facsimile: +61 8 6370 4204

Auditor*

Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

SUBIACO WA 6008

Legal Advisers

Anser Legal Pty Ltd

15/217 Hay Street

SUBIACO WA 6008

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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1. KEY OFFER INFORMATION

1.1 Timetable

	Date
Record date for determining Eligible Optionholders in the Placement Offer (Placement Record Date)	Friday, 3 March 2023
General Meeting of Shareholders	Tuesday, 13 June 2023
Lodgement of Prospectus with the ASIC	Wednesday, 14 June 2023
Lodgement of Prospectus and Appendix 3B with ASX	Wednesday, 14 June 2023
Ex date for the Entitlement Offer	Friday, 16 June 2023
Record date for determining Entitlements under the Entitlement Offer (Entitlement Record Date)	Monday, 19 June 2023
Offers opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Thursday, 22 June 2023
Last day to extend the Closing Date	Monday, 3 July 2023
Closing date of the Offers as at 5:00pm* (Closing Date)	Thursday, 6 July 2023
New Options quoted on a deferred settlement basis	Friday, 7 July 2023
ASX notified of under subscriptions	Tuesday, 11 July 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Options	Wednesday, 12 July 2023
Quotation of the New Options on ASX**	Friday, 14 July 2023

Note: The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the New Options are expected to commence trading on ASX may vary.

1.2 Key details of the Offers

	Placement Offer	Entitlement Offer
Offer Price	\$0.0025 per New Option	
Entitlement ratio (based on existing Options or Shares)	1 New Option for every NORAO Option held at the Placement Record Date	1 New Option for every 10 Shares held at the Entitlement Record Date
Eligibility to participate	Eligible Optionholders on the Placement Record Date	Eligible Shareholders on the Entitlement Record Date
Number of New Options offered	66,356,636	40,441,553 ¹
Proceeds of the issue of New Options	\$165,891	\$101,104 ¹

Notes: As at the Lodgement Date, the Company has 68,018,015 in-the-money Options (exercisable at \$0.024 on or before 31 December 2023) which can be exercised prior to the Entitlement Record Date. The numbers in the above table are calculated based on the number of existing Shares at the Lodgement Date assuming no Options will be exercised or new Shares be issued prior to the Entitlement Record Date.

1.3 Purpose of the Offers

The Offers are not being undertaken as a capital raising exercise. The primary purpose of the Offers is to provide the Eligible Optionholders and Eligible Shareholders an opportunity to subscribe for the New Options and participate in the ongoing development of the Company.

The Company intends to use the funds raised from the Offers (being up to approximately \$266,995) to meet the expenses of the Offers, with any surplus funds to be used toward working capital. Please see Section 5.9 for details of the expenses of the Offers

1.4 Effect of the Offers

The principal effect of the Offers, assuming all New Options offered under the Prospectus are taken up and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Entitlement Record Date, will be to:

- (a) increase the cash reserves by \$224,770 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers; and
- (a) increase the total number of Options on issue from 98,018,015 as at the Lodgement Date of this Prospectus to 199,121,897 Options.

1.5 Effect of the Offers on the capital structure of the Company

Options	Number
Options currently on issue ¹	98,018,015
Options to be issued with Shareholder approval at the General Meeting ²	12,500,000
New Options ³ to be issued under the Placement Offer	66,356,636
New Options to be issued under the Entitlement Offer	40,441,553
Options on issue post-Offers	217,316,204

Notes:

- Includes 53,018,015 unlisted Options exercisable at \$0.024 on or before 31/12/2023, 15,000,000 unlisted Options exercisable at \$0.024 on or before 08/02/2025 and 30,000,000 unlisted Options exercisable at \$0.024 on or before 18/11/2025.
- At the General Meeting, Shareholders approved the issue of 2,500,000 Director Options (exercisable at \$0.04 expiring 3 years from the date of issue) to each of Philip Otley, Philip Marsland and Dr John Tarrant, and 5,000,000 incentive Options (exercisable at \$0.04 expiring 3 years from the date of issue) to Ronan Dunne.
- Refer to Section 3.1 for the terms of the New Options.

Shares	Number
Shares currently on issue	404,415,529
New Shares to be issued under the Prospectus	Nil
Shares on a fully diluted basis at the Lodgement Date	512,433,544
Shares on a fully diluted basis following completion of the Offers	631,731,733

Note: "Fully diluted" assumes all convertible securities have been converted into Shares.

Performance Rights	Number
Performance Rights currently on issue and following completion of the Offers	10,000,000

Note: The Company proposes to issue 6,500,000 Performance Rights under the Company's employee incentive plan adopted at the Company's last annual general meeting in November 2022 to reward/incentivise employees and associates.

1.6 Potential dilution on non-participating Shareholders under the Entitlement Offer

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares while no other convertible securities are converted into Shares, Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 20.89% (as compared to their holdings and number of Shares on issue as at the Lodgement Date).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Current Holding ¹		Holdings if Entitlement Offer not taken up	
	Holding as at Entitlement Record date	% at Entitlement Record Date	% post Offers	% post Offers (diluted ²)
Shareholder 1	10,000,000	2.47%	2.47%	1.96%
Shareholder 2	5,000,000	1.24%	1.24%	0.98%
Shareholder 3	1,500,000	0.37%	0.37%	0.29%
Shareholder 4	400,000	0.10%	0.10%	0.08%
Shareholder 5	50,000	0.01%	0.01%	0.01%

Notes:

1. This is based on a share capital of 404,415,529 Shares as at the Lodgement Date and assumes no other Shares are issued including on exercise or conversion of other Securities on issue prior to the Entitlement Record Date.
2. This assumes all New Options offered pursuant to this Prospectus are issued and exercised into Shares while no other convertible securities are converted into Shares.

1.7 Effect on Control

There will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

1.8 Risk Factors

Prospective investors should be aware that subscribing for the New Options involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates

and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 4.

1.9 Lead Manager

The Company has not appointed a lead manager to the Offers.

1.10 Underwriting

The Offers are fully underwritten by Balmain Resources Pty Ltd (**Underwriter**), an entity associated with Dr John Tarrant, a Director of the Company. The Underwriter will be paid a fee of 6% of the total underwritten amount plus GST to underwrite the Offers. Refer to Section 5.4.1 for details of the terms of the underwriting.

As the Underwriter is a related party of the Company for the purposes of the Listing Rules. The issue of Shortfall Options (if any) to the Underwriter pursuant to its underwriting commitment:

- (a) for the Entitlement Offer – falls under Listing Rule 10.12 exception 2 where no Shareholder approval is required; and
- (b) for the Placement Offer – would be subject to approval of the Shareholders (which was obtained at the Meeting).

In this regard, any shortfall Options to be issued to the Underwriter:

- (a) under the Placement Offer will occur within 1 month of the date of the Meeting; and
- (b) under the Entitlement Offer will occur no later than 15 business days after the Closing Date.

1.11 Pro-forma balance sheet

The pro-forma statement of financial position as at 31 December 2022 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all New Options offered under the Offers are issued, no Options or convertible securities are exercised prior to the Entitlement Record Date and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Note	31 December 2022 (audit reviewed) \$	Pro-Forma Adjustments (unaudited) \$	Pro Forma 31 December 2022 (unaudited) \$
Cash and cash equivalents	1,2,3	254,372	224,770	479,142
Trade and other receivables		76,663	-	76,663
Total Current Assets		331,035	224,770	555,805
Non-Current Assets				
Property, plant, and equipment		64,916	-	64,916
Right of use assets		78,890	-	78,890
Total Non-Current Assets		143,806	-	143,806
Total Assets		474,841	224,770	699,611
Current liabilities				
Trade and other payables		532,094	-	532,094
Lease liabilities		83,403	-	83,403
Short-term provisions		215,565	-	215,565
Loan payable		154,332	-	154,332
Total Current Liabilities		985,394	-	985,394
Non-Current liabilities				
Provisions		37,357	-	37,357
Total Non-Current Liabilities		37,337	-	37,337
Total Liabilities		1,022,751	-	1,022,751
Net Assets Deficiencies		(547,910)	224,770	(323,140)
Equity				
Contributed equity	3	32,955,490	(42,226)	32,913,265
Options reserve	1,2	9,818,968	266,995	10,085,963
Accumulated losses		(43,322,368)		(43,322,368)
Total Equity		(547,910)		(322,140)

Note:

1. Entitlement issue of one New Option for every 10 shares held at \$0.0025 per New Option. 40,441,553 New Options to be issue under the offer to raise \$101,104 before costs.
2. NORAO Placement Offer for an issue of 66,356,636 New Options at \$0.0025 per New Option to be issued under the offer to raise \$165,892 before costs.
3. Total estimated expenses of Offer at \$42,226.

2. DETAILS OF THE OFFER

2.1 The Placement Offer

On 3 March 2023, 66,356,636 NORAO Options expired without being exercised.

This Prospectus invites holders of the NORAO Options as at the Placement Record Date (**Eligible Optionholders**) to participate in the placement of up to 66,356,636 New Options exercisable at \$0.08 on or before 31 December 2024 at an issue price of \$0.0025 per New Option to raise up to \$165,891 (before costs). The Placement Offer is being made available for application by all Eligible Optionholders on the basis of 1 New Option for each NORAO Option held on the Placement Record Date.

Shareholders approved the issue of the New Options subject of the Placement Offer at the Meeting.

The Placement Offer is fully underwritten by the Underwriter. New Options not taken up by Eligible Optionholders will otherwise be issued to the Underwriter pursuant to its underwriting commitment under the Underwriting Agreement.

2.2 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of 1 New Option for every 10 Shares held by an Australian, United Kingdom or New Zealand Shareholders registered at the Entitlement Record Date (**Eligible Shareholders**) at an issue price of \$0.0025 per New Option. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the Lodgement Date, (and assuming no Shares are issued prior to the Entitlement Record Date including on exercise or conversion of securities on issue) approximately 40,441,553 New Options may be issued under the Entitlement Offer to raise up to \$101,104 (before costs).

As at the Lodgement Date the Company has 68,018,015 Options on issue (excluding 30,000,000 incentive options which have vesting conditions attached) all of which may be exercised prior to the Entitlement Record Date in order to participate in the Entitlement Offer. Please refer to Section 1.5 for information on the exercise price and expiry date of the Options on issue.

2.3 New Options

All New Options offered under the Offers will be issued on the terms and conditions set out in Section 3.1 of this Prospectus.

All Shares issued upon the exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 3.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offers and the intended use of funds raised are set out in Section 1.3.

2.4 What Eligible Participants may do

The number of New Options to which Eligible Participants are entitled is shown on the personalised Application Form which accompanies this Prospectus which can be accessed at www.norwoodsystems.com. Eligible Participants may choose any of the options set out in the table below.

Option	Key Considerations	For more information
<p>Take up all your Entitlement</p>	<ul style="list-style-type: none"> Should you wish to accept all your Entitlement, then your application for New Options under this Prospectus must be made by following the instructions on the personalised Application Form which accompanies this Prospectus / which can be accessed at https://www.advancedshare.com.au/Investor-Login. Please read the instructions carefully. Payment can be made by the methods set out in Section 2.5. As set out in Section 2.5, if you pay by BPAY or EFT, you do not need to return the Application Form. 	<p>Sections 2.5 and 2.6.</p>
<p>Take up all your Entitlement and apply for Shortfall Options</p> <p>Note: this option is only applicable to the Entitlement Offer.</p>	<ul style="list-style-type: none"> Should you wish to accept all your Entitlement and apply for Shortfall Options, then your application for your Entitlement and additional Shortfall Options under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus / which can be accessed at https://www.advancedshare.com.au/Investor-Login. Please read the instructions carefully. Payment can be made by the methods set out in Section 2.5. Payment should be made for your Entitlement and the amount of the Shortfall Options for which you are applying. If you apply for Shortfall Options beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Options is at the Company's absolute discretion as per the allocation policy set out in Section 2.8. Accordingly, your application for additional Shortfall Options may be scaled-back. The Company's decision on the number of Shortfall Options to be allocated to you will be final. 	<p>Sections 2.5, 2.6 and 2.8.</p>

Option	Key Considerations	For more information
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Application Form which accompanies this Prospectus and can be accessed at https://www.advancedshare.com.au/Investor-Login for the number of Securities you wish to take up and making payment using the methods set out in Section 2.5 below. As set out in Section 2.5, if you pay by BPAY or EFT, you do not need to return the Application Form. 	Sections 2.5 and 2.6
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offers to you will lapse. 	N/A

The Entitlement Offer is non-renounceable. Accordingly, an Eligible Shareholder may not sell or transfer all or part of their Entitlement.

2.5 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement under the Entitlement Offer, you will be taken to have applied for Shortfall Options (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times about electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Application Form, when taking up your

Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Application Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) **By Electronic Funds Transfer (overseas applicants)**

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Application Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement under the Entitlement Offer, you will be taken to have applied for Shortfall Options (if any) under the Shortfall Offer, to the extent of the excess.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

2.6 Implications of an acceptance

Returning a completed Application Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety;
- (b) you acknowledge that once the Application Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.7 Minimum subscription

There is no minimum subscription for the Offers.

2.8 Shortfall Offer for Entitlements not taken up under the Entitlement Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Options**). The Shortfall Offer is a separate offer made pursuant to this Prospectus. The issue price for each Shortfall Option to be issued under the Shortfall Offer shall be \$0.0025 being the price at which the New Options have been offered under the Entitlement Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and will revert to the Underwriter unless it is allocated to other Applicants as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of New Options proposed to be issued under the Entitlement Offer.

Eligible Shareholders who wish to subscribe for New Options above their Entitlement are invited to apply for Shortfall Options under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Options in accordance with Section 2.5.

The allocation of the Shortfall Options will be at the absolute discretion of the Board.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Options they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Options under the Shortfall Offer any application monies will be returned (without interest) as soon as practicable.

The Underwriter notes that no Shortfall Options will be issued via the Shortfall Offer to any related parties of the Company other than to the Underwriter for the purpose of its underwriting commitment as approved by the Shareholders at the Meeting.

2.9 ASX listing

Application for Official Quotation of the New Options offered pursuant to this Prospectus will also be made in accordance with the timetable set out at Section 1. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the New Options, then the New Options will still be issued, however will not be quoted on ASX.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the New Options now offered for subscription.

2.10 Issue of Securities

New Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Where the number of New Options issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the New Options or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for the New Options issued under the Offers will be mailed as soon as practicable after the issue of the New Options and the Shortfall Options.

2.11 Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Optionholders and Shareholders, the number and value of New Options these Eligible Participants would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and the New Options will not be issued to Ineligible Shareholders or Ineligible Optionholders.

New Zealand

The New Options are not being offered to the public within New Zealand other than to the Eligible Participants with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United Kingdom

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

Nominees and custodians

Nominees and custodians may not submit an Application Form on behalf of any Shareholder or Optionholder (as applicable) resident outside Australia, United Kingdom and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

3.1 Terms and conditions of New Options

(a) **Entitlement**

Each New Option entitles the holder to subscribe for a Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (g), the New Options are exercisable at \$0.08 each at any time up to 5.00pm (WST) on 31 December 2024 (**Expiry Date**). Any New Option not exercised by the Expiry Date will automatically expire on the Expiry Date.

(c) **Exercise**

The New Options are exercisable by delivering to the registered office of the Company a notice in writing (**Notice of Exercise**) stating the intention of the Optionholder to exercise a specified number of New Options, accompanied by an Option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the New Options held does not affect the Optionholder's right to exercise the balance of any New Options remaining.

(d) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(e) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (e)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a

prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(f) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(g) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(h) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(i) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(j) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

3.2 Rights and liabilities attaching to Shares

Each New Option is exercisable into one Share in the capital of the Company. A summary of the rights attaching to Shares in the Company is set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4. RISK FACTORS

4.1 Introduction

The New Options offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 4, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 4, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the New Options. This Section 4 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 4 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

4.2 Company specific

Risk Category	Risk
Going concern risk	<p>The Company's Interim Financial Report for the half year ended 31 December 2022 includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>As disclosed in the Financial Report, the Company incurred a loss of \$968,308 and a net cash outflow from operating activities of \$144,273 and is in a net liability position of \$654,359 at period end. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on securing additional funding through capital raising activities and the securing of material revenue generating contracts to continue its operational and marketing activities.</p> <p>The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis.</p>

Risk Category	Risk
<p>Additional requirements for capital</p>	<p>The Company's current business will require ongoing expenditures. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.</p> <p>If the Company is unable to source additional capital after exhaustion of existing working capital, there can be no assurance that the Company will have sufficient capital to continue as a going concern.</p> <p>Any additional equity financing would most likely be dilutive to the Company's existing Shareholders and any debt financing if available, may involve restrictive covenants, which may limit the Company's business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.</p> <p>The Company, in the ordinary course of its operations and developments, may be required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.</p> <p>Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.</p> <p>The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.</p>
<p>Climate Risk</p>	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted</p>

Risk Category	Risk
	<p>by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
<p>Coronavirus (COVID 19)</p>	<p>The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a</p>

Risk Category	Risk
	supplementary prospectus.
Related Party Risk	<p>The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation.</p>
Relationships with service providers	<p>the Company is unable to a) maintain good relationship with its wholesale telecommunications service providers or b) develop and grow its relationships with additional providers, its business will suffer.</p> <p>The Company's Corona, World Phone®, World Message™, World Secure™, World Wi-Fi™, World Voicemail™ and CogVoice™ services and platforms rely on integration with certain capabilities of wholesale telecommunications service providers and aggregators using publicly available application programming interfaces (APIs). In general, the Company relies on the fact that such providers continue to allow the Company access to their APIs to enable these service platform integrations. To date, the Company has not relied on long-term written contracts to govern its relationship with such wholesale providers. Instead, the Company is subject to the standard terms and conditions for application developers who are using such APIs, which govern generally the terms of use of access to, and use of, the wholesale telecommunications service providers' platforms, and which are subject to change by these providers from time to time. Any deterioration in the Company's relationship with any such wholesale service provider could harm its business and adversely affect its operating results.</p>
Customer service risk	<p>The Company's business model is based on recurring revenue arising from the provision of service and from usage. Poor customer service experiences may result if the Company loses key customer service personnel, fails to provide adequate training and resources for customer service personnel or there</p>

Risk Category	Risk
	<p>is a disruption to monitoring and account management systems utilised by customer service personnel. Poor experiences may result in the loss of customers, adverse publicity, litigation, regulatory enquiries and customers reducing the use of the Company's products or services. If any of these occur, it may adversely impact the Company's revenues.</p> <p>There may also be situations in the consumer channel where the end customer service is provided by the Partner or their Client. In such instances, the Company is not able to control the provision of service, the service levels offered, the service systems used, the training of the service personnel or the service support material. Poor experiences may result in the loss of Partners, Partner's Clients or end customers, adverse publicity, litigation, regulatory enquiries and customers reducing the use of the Company's products or services. If any of these occur, it may adversely impact the Company's revenues.</p>

4.3 Industry specific

Risk Category	Risk
<p>Data loss, theft or corruption risks</p>	<p>The Company is reliant on the security of its network environment, vendor environments and websites. Breaches of security including hacking, denial of service attacks, malicious software use, internal IP theft, data theft or other external or internal security threats could put the integrity and privacy of customers' data and business systems used by the Company at risk which could impact technology operations and ultimately customer satisfaction with the Company's products, leading to lost contracts and Company revenue. The impact of loss or leakage of customer or business data could include costs for potential service disruptions, litigation and brand damage which may potentially have a material adverse impact on the Company's reputation as well as its profitability. Furthermore, any such historical and public security breaches could impact the Company's ability to acquire future customers and revenue. In addition, substantial costs may be incurred in order to prevent the occurrence of future security breaches.</p> <p>Whilst the Company has established risk management systems to prevent cyber-attacks and any potential data security breaches, including firewalls, encryption of customer data (storage and transmission) and a privacy policy, there are inherent limitations on such systems, including the possibility that certain risks have not been identified. There can be no guarantee that the measures taken by the Company will be sufficient to detect or prevent data security breaches.</p>
<p>Uncertainty of future profitability</p>	<p>The Company is in the commercialisation stage for its virtual mobile services platform, Corona® and Apps, World Phone®, World Message™, World Secure™, World Wi-Fi™ and World Voicemail™. Regarding the Company's offerings, the Company is in discussions with a number of potential customers, however there is no guarantee these discussions</p>

Risk Category	Risk
	<p>will lead to commercial sales. The Company's future profitability will be impacted by its ability to successfully deliver a high level of service to any future potential customers, its ability to execute its development and growth strategies, economic conditions in the markets in which it operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability are uncertain. Moreover, the level of such profitability cannot be predicted.</p>
<p>New product development and technology risk</p>	<p>The Company is reliant upon certain technologies and upon the successful commercialisation of these technologies. There is a risk that as marketable technologies continue to develop in the communications industry there may be certain product developments that supersede, and render obsolete, the products and services of the Company. This would adversely affect the profitability of the Company and likely value of the Securities.</p>
<p>Protection of intellectual property rights</p>	<p>The Company is the assignee for five patent families, four of which have been granted in Australia. Two of these have also been granted in USA and one in Europe and corresponding applications are pending for the remainder in the US and EU regions. The fifth family is pending in Australia, USA and Europe. Objections have been raised in relation to this mobility patent application family based on the novelty and inventive step requirements, citing an existing patent owned by a third party. If the Company is not able to overcome these objections, there is a risk that the patent may not ultimately be granted. The prospect of attaining patent protection for products and the technology such as those proposed to be used in the Company business is highly uncertain and involves complex and continually evolving factual and legal questions. These include legislative and judicial changes, or changes in the examination guidelines of governmental patent offices, which may negatively affect the Company's ability to obtain patents for its products and technologies. In addition, the scope of patent applications can be significantly reduced during prosecution of the patent applications, with the result that the scope of protection in the issued patent may be significantly less than the scope of protection initially sought by the Company. As a result, the Company's patent application may not proceed to an issued patent and, if issued, may not be of commercial benefit to the Company, or may not afford the Company adequate protection from competing products. Alternatively, in modifying the relevant claims to address the objections, there is a risk of scope of protection in the issued patent being significantly less than the scope of protection sought by the Company.</p> <p>The Company may also be forced to litigate to enforce or defend its intellectual property rights, including any granted patents, against infringement and unauthorised use by competitors, and to protect its trade secrets. In so doing, the Company may place its intellectual property at risk of being invalidated, unenforceable, limited or narrowed in scope.</p>

4.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.</p>
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Options under this Prospectus.</p>

Risk Category	Risk
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

4.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Options.

Therefore, the New Options to be issued pursuant to this Prospectus and any Shares to be issued upon exercise of the New Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Options.

Before deciding whether to subscribe for the New Options under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

5. ADDITIONAL INFORMATION

5.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

5.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
13/06/2023	Results of General Meeting
13/06/2023	Proposed issue of securities – NOR
09/06/2023	Change of Director's Interest Notice
08/06/2023	Notice under section 708A(5)(e) of the Corporations Act

Date	Description of Announcement
07/06/2023	Change in substantial shareholding
07/06/2023	Application for quotation of securities – Appendix 2A
06/06/2023	Application for quotation of securities – Appendix 2A
24/05/2023	Application for quotation of securities – Appendix 2A
15/05/2023	Response to ASX Query
12/05/2023	Proposed issue of securities – Appendix 3B
12/05/2023	Norwood varies repayment date of working capital facility
12/05/2023	Option issue and shareholder General Meeting
12/05/2023	Notice of General Meeting/Proxy form
28/04/2023	Quarterly Activities/Appendix 4C Cash Flow Report
18/04/2023	Change of Director's Interest Notice
05/04/2023	Change of Director's Interest Notice
20/03/2023	Change of Director's Interest Notice
14/03/2023	Change of Director's Interest Notice
13/03/2023	Notification of cessation of securities – NOR
28/02/2023	Interim Financial Report & Appendix 4D
28/02/2023	Norwood secures new working capital facility of \$300k
23/02/2023	Response to ASX Price Query
31/01/2023	Investor Update
31/01/2023	Quarterly Activities/Appendix 4C Cash Flow Report
10/01/2023	Norwood Appoints Ronan Dunne as Strategic Advisor
03/01/2023	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT
28/12/2022	Change in substantial holding
28/12/2022	Change of Director's Interest Notice
28/12/2022	Application for quotation of securities – NOR
19/12/2022	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT
19/12/2022	Application for quotation of securities – NOR
16/12/2022	Change of Director's Interest Notice
13/12/2022	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT
13/12/2022	Application for quotation of securities – NOR
12/12/2022	Change of Director's Interest Notice
12/12/2022	Application for quotation of securities – NOR
09/12/2022	Change of Director's Interest Notice
07/12/2022	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

Date	Description of Announcement
06/12/2022	Change of Director's Interest Notice
06/12/2022	Application for quotation of securities – NOR
05/12/2022	Change in substantial holding
05/12/2022	Application for quotation of securities – NOR
05/12/2022	Cancel – Notification regarding unquoted securities – NOR
05/12/2022	Cancel – Notification regarding unquoted securities – NOR
02/12/2022	Change of Director's Interest Notice
02/12/2022	Notification regarding unquoted securities – NOR
30/11/2022	Change of Director's Interest Notice
24/11/2022	Change of Director's Interest Notice
23/11/2022	Results of AGM
23/11/2022	AGM Presentation
23/11/2022	Notification regarding unquoted securities – NOR
23/11/2022	Change of Director's Interest Notice
22/11/2022	Change of Director's Interest Notice
22/11/2022	Change of Director's Interest Notice x 2
22/11/2022	Change of Director's Interest Notice
22/11/2022	Notification regarding unquoted securities – NOR
21/11/2022	Notification regarding unquoted securities – NOR
21/11/2022	Notification regarding unquoted securities – NOR
15/11/2022	Change of Director's Interest Notice
09/11/2022	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT
04/11/2022	Change in substantial holding
04/11/2022	Change of Director's Interest Notice
04/11/2022	Notification regarding unquoted securities – NOR
04/11/2022	Notification regarding unquoted securities – NOR
04/11/2022	Application for quotation of securities – NOR
27/10/2022	Quarterly Activities/Appendix 4C Cash Flow Report
27/10/2022	Results of General Meeting
25/10/2022	NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT
24/10/2022	Change of Director's Interest Notice
21/10/2022	Notice of Annual General Meeting/Proxy Form
20/10/2022	Application for quotation of securities – NOR
14/10/2022	Spark NZ Update their Voice Mail Services Agreement

Date	Description of Announcement
28/09/2022	Appendix 4G
28/09/2022	Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.norwoodsystems.com.

5.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the Lodgement Date and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.036	2 May 2023
Lowest	\$0.021	30 March 2023
Last	\$0.033	13 June 2023

5.4 Material Contracts

5.4.1 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with Balmain Resources Pty Ltd (ACN 076 375 203) (**Underwriter**), pursuant to which the Underwriter has agreed to fully underwrite the Offers up to a value of \$266,995 (the **Underwritten Amount**), being:

- (a) up to 66,356,636 New Options or a value of \$165,891 under the Placement Offer; and
- (b) up to approximately 40,441,553 New Options or a value of \$101,104 under the Entitlement Offer.

The Underwriter is an entity associated with Dr John Tarrant, a Director of the Company. The Underwriting Agreement is a related party agreement. Shareholder approval was sought and obtained at the General Meeting for the issue of Shortfall Options (if any, but up to the maximum amount offered) to the Underwriter under the Placement Offer pursuant to Listing Rule 10.11. Shareholder approval is not required for the issue of Shortfall Options (if any) to the Underwriter under the Entitlement Offer as it falls under Exception 2 of Listing Rule 10.12.

The material terms and conditions of the Underwriting Agreement are summarised below:

Fees	The Company must pay to the Underwriter an underwriting fee of 6% (exclusive of GST) of the Underwritten Amount in consideration for the Underwriter underwriting the Offers.
Termination Events	<p>The Underwriter may terminate its obligations under the Underwriting Agreement if:</p> <ul style="list-style-type: none"> (a) (Prospectus): any of the following occurs in relation to the Prospectus: <ul style="list-style-type: none"> (i) it is not lodged with the ASIC by the Lodgement Date (or such later date agreed in writing by the Underwriter); or (ii) the ASIC makes an order under section 739 of the Corporations Act and such order is not lifted within 30 days; (b) (Index changes): the All Ordinaries Index or the S&P/ASX is at any time after the date of this Underwriting Agreement is 10% or more below its respective level on any three (3) consecutive trading days prior to the date of the Underwriting Agreement; (c) (Return of capital or financial assistance): the Company or a Related Body Corporate takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter; (d) (Alteration of capital structure or Constitution): except as described in the Prospectus, the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter such consent not to be unreasonably withheld; (e) (Default): the Company is in material default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement (in any material respect); (f) (Event of Insolvency): an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of it or a Related Body Corporate; (g) (Prescribed Occurrence): a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in the Prospectus; (h) (Suspension of debt payments): the Company suspends payment of its debts generally; or (i) (Change in shareholdings): a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company and is recommended for approval by a majority of independent directors of the Company. (j) (due diligence): there is a material omission from the results of the due diligence investigation performed in respect of the Offers or the results of the investigation or the verification material are false or misleading;

- (k) **(adverse change):** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a Related Body Corporate (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Body Corporate);
- (l) **(investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Body Corporate;
- (m) **(hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (n) **(extended Force Majeure):** a Force Majeure which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;
- (o) **(indictable offence):** a Director of the Company or any Related Body Corporate is charged with an indictable offence;
- (p) **(banking facilities):** the Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility; or
- (q) **Supplementary Prospectus:** the Underwriter reasonably form the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriters.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

5.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Balmain Resources Pty Ltd ¹	89,417,453 ²	22.11%

Paul Ostergaard	38,481,273 ³	9.52%
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Notes:

1. An entity associated with Dr John Tarrant, a Director and the Underwriter to the Offers.
2. Refer to the change of substantial holding notice announced on 07/06/2023 for further information.
3. Refer to Appendix 3Y for further information with respect to the holdings, announced by the Company on 18/04/2023.

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offers.

5.6 Interests of Directors

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Existing Shares	Existing Options ⁴	Performance Rights	New Options under the Placement Offer	New Option Entitlements under the Entitlement Offer
Paul Ostergaard ¹	38,481,273	13,333,333	10,000,000	5,000,000	3,848,127
Dr John Tarrant ²	89,417,453	32,849,113	-	12,000,000	8,941,745
Philip Otley ³	-	15,000,000	-	2,500,000	-
Philip Marsland ³	82,485	15,000,000	-	5,000,000	8,249

Notes:

1. Refer to Appendix 3Y for further information with respect to the holdings, announced by the Company on 18/04/2023.
2. Refer to Appendix 3Y for further information with respect to the holdings, announced by the Company on 09/06/2023 and Notice of change in substantial holding announced by the Company on 07/06/2023. The Underwriter is an entity associated with Dr John Tarrant and is committed to fully underwrite the Offers.
3. Refer to Appendix 3Y for further information with respect to the holdings, announced by the Company on 18/11/2022.
4. At the General Meeting, Shareholders approved the issue of 2,500,000 Director Options (exercisable at \$0.04 expiring 3 years from the date of issue) to each of Philip Otley, Philip Marsland and Dr John Tarrant.

The Board advises that Paul Ostergaard, Dr John Tarrant and Philip Marsland each intend to take up their full Entitlements under the Entitlement Offer.

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;

- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 5.6.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$310,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 Annual Report.

Director	FY ending 2021	FY ending 2022
Paul Ostergaard	\$272,3191	\$258,420
Dr John Tarrant	-	\$29,407 ²
Philip Otley	-	\$29,407 ²
Philip Marsland	-	\$29,407 ²

Notes:

1. Including Salary and fees, annual leave and superannuation.
2. Value of Director options issued on 8 February 2022 based on a Black & Scholes option model.
3. At the General Meeting, Shareholders approved the issue of 2,500,000 Director Options (exercisable at \$0.04 expiring 3 years from the date of issue) to each of Philip Otley, Philip Marsland and Dr John Tarrant being for reasonable remuneration as Directors for the Financial Year ending 2023. These options have been valued using a Black-Scholes Valuation method and have a total value for each director of \$32,093.

5.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Anser Legal has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Anser Legal \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Anser Legal has received \$12,110 from the Company for legal services.

Balmain Resources Pty Ltd will be paid an Underwriting fee of approximately \$16,020 in respect of the Offers. During the 24 months preceding lodgement of this Prospectus with the ASIC, Balmain Resources Pty Ltd has received fees of \$24,000 from the Company for other services.

5.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Balmain Resources Pty Ltd has given its written consent to being named as the underwriter to the Offers in this Prospectus. Balmain Resources Pty Ltd is an entity associated with Dr John Tarrant, a Director of the Company. See section 5.6 for details of Dr Tarrant's relevant interest in the Company's securities.

Anser Legal has given its written consent to being named as the solicitors to the Company in this Prospectus.

5.9 Expenses of the offers


In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$42,226 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	2,500
Underwriting fee	16,020
Legal fees	15,000
Printing and distribution	5,000
Miscellaneous	500
Total	42,226

6. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Paul Ostergaard
Managing Director
For and on behalf of
Norwood Systems Limited

7. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means an Entitlement Offer Entitlement and Acceptance Form or a Placement Offer Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Norwood Systems Limited (ACN 062 959 540).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Optionholder means a holder of NORAO Options as at the Placement Record Date who is eligible to participate in the Placement Offer.

Eligible Participant means an Eligible Optionholder or an Eligible Shareholder as the context requires.

Eligible Shareholder means a Shareholder as at the Entitlement Record Date who is eligible to participate in the Entitlement Offer.

Entitlement means the entitlement of an Optionholder or Shareholder who is eligible to participate in the Offers.

Entitlement Offer means a pro-rata non-renounceable entitlement offer of approximately 40,441,553 New Options, being one New Option for every 10 Shares held, at an issue price of \$0.0025 per New Option to raise approximately \$101,104 (before costs).

Entitlement Offer Entitlement and Acceptance Form means the personalised entitlement and acceptance form for the Entitlement Offer either attached to or accompanying this Prospectus.

Entitlement Record Date means 19 June 2023.

General Meeting or **Meeting** means the general meeting of Shareholders held on 13 June 2023.

Ineligible Optionholders means an Optionholder as at the Placement Record Date whose registered address is not situated in Australia, United Kingdom or New Zealand.

Ineligible Shareholder means a Shareholder as at the Entitlement Record Date whose registered address is not situated in Australia, United Kingdom or New Zealand.

Lodgement Date means 14 June 2023.

New Option means an Option issued on the terms set out in Section 3.1.

NORAO Options means 66,356,636 Options exercisable at \$0.08 which expired on 3 March 2023.

Offers means the Entitlement Offer and the Placement Offer the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement Offer means an offer of up to 66,356,636 New Options, being one New Option for each NORAO Option held, at an issue price of \$0.0025 per New Option to raise up to approximately \$165,891 (before costs).

Placement Offer Application Form means the personalised application form for the Placement Offer either attached to or accompanying this Prospectus.

Placement Record Date means 3 March 2023.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Securities means Shares or Options as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall Offer means the offer of the Shortfall Options on the terms and conditions set out in Section 2.8.

Shortfall Options means those New Options not applied for under the Entitlement Offer (if any) and offered pursuant to the Shortfall Offer.

Underwriter means Balmain Resources Pty Ltd (ACN 076 375 203).

WST means Western Standard Time as observed in Perth, Western Australia.