

ASX ANNOUNCEMENT

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Norwood Launches Enterprise Cyber-Security Tool, World Secure[™]

- First VPN App that automatically and specifically protects employees against risks of using insecure Wi-Fi networks for general Internet access on their smartphones
- First VPN App that enables a company to modify its smartphone VPN policy in real-time to respond rapidly to elevated threat conditions arising for example from a newly discovered Wi-Fi security threat
- Based on the state-of-the-art IKE v2 VPN standard established by Cisco, Microsoft and endorsed by Apple.

'Sharing Economy' and 'Communications as a Service' pioneer Norwood Systems Ltd (Norwood or the Company) (ASX: NOR) is pleased to announce the launch of a new cyber-security tool and associated cloud service platform, **World Secure**, targeting the Enterprise market.

World Secure addresses a major problem for many enterprises today: how to secure employees' smartphone Internet sessions automatically when they are using public, insecure Wi-Fi network or when new Wi-Fi threats have been discovered.

The **World Secure** service has been designed following prospective customer input and partially in response to recent cyber-security events, such as the "KRACK" attack on Wi-Fi networks that were previously considered secure. **World Secure** leverages much of the research and development that Norwood has already carried out over the past 18 months for cyber-security and VPN capabilities in the Company's forthcoming consumer Wi-Fi App, **World Wi-Fi**.



Traditional corporate Virtual Private Network (VPN) implementations generally only provide for secure connections back to selected company servers. Such corporate VPNs typically do not address general Internet traffic to and from employees' smartphones when on an external Wi-Fi network. An alternative is to use personal VPN Apps, but they lack appropriate enterprise management capabilities and usually require the user to activate the VPN manually.

Unprotected Internet access, either on insecure "open" Wi-Fi networks or on password-protected, but otherwise security-compromised Wi-Fi networks, creates risks for mobile devices to become infected with malware, or risks for critical data to be intercepted, both representing potentially significant security risks to the individual and the organisation.

The **World Secure** service delivers a compelling solution to address these risks, by delivering both an automatic VPN service for employees to use on a "set and forget" basis, as well as a policy-driven all-of-company security tool that firms can use to increase VPN security levels immediately when threats are elevated.

Employees can use the **World Secure** App interface to set their own personal policy; the **World Secure** App then checks in with the corporate policy for a match; and then applies the most appropriate 'mutually agreed' policy

to protect the end user whenever they are accessing the Internet on their mobile device. Crucially, once the personal policy has been set, the employee does not need to remember to activate the VPN, as **World Secure** activates the VPN protection **automatically** 'on-demand' when the pre-agreed network security policy conditions are satisfied.

The **World Secure** service brings several novel and differentiated capabilities to the VPN market:

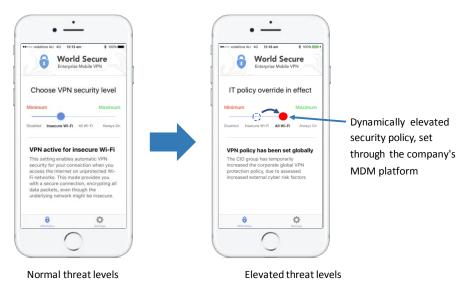
- 1. The ability to immediately and automatically activate a VPN for general Internet access if a nominated security policy threshold has been breached. This policy could include conditions such as:
 - "Activate the VPN whenever the user accesses an open (no password) Wi-Fi site,"

The Company believes this to be the world's first iOS application that can automatically discriminate between secure and insecure Wi-Fi networks to determine whether to apply a VPN policy in this manner, addressing the corporate market's pressing need for a solution in this area.

- o "Activate the VPN for Internet access on any Wi-Fi network until we have determined it is safe," or
- o "Activate the VPN for all data network activity."
- 2. The ability for the organisation to dynamically raise the level of the security policy, to address cases such as the recent "KRACK" security threat for public Wi-Fi.

The publicised "KRACK" security threat underscores the additional need for an organisation to be able to temporarily or permanently rapidly raise the VPN security policy level in direct response to such threats, at least until corporate confidence of secure Wi-Fi networks has been restored. This is a capability that is generally missing from existing corporate VPN implementations.

World Secure addresses this corporate management need by supporting real-time re-configuration of an organisation's mobile fleet VPN security policy through their Enterprise Mobility Management (EMM/MDM) platforms, such as AirWatch, Mobile Iron or Blackberry Enterprise Server, and leveraging Norwood's existing competency in enterprise App management. **World Secure** offers an EMM/MDM management interface to enable enterprises to increase their mobile VPN policy level **immediately** in response to an emerging cybersecurity threat, as depicted below. *This dynamic VPN management capability greatly reduces the time gap between awareness of a corporate threat and the implementation of an effective corporate security response.*



Example of a company's security policy temporarily overriding a user's default VPN policy

The EMM/MDM management capability can be used to route VPN connections from **World Secure** to nominated corporate VPN servers, instead of Norwood's standard global VPN infrastructure, to support additional corporate content filtering and management as needed.

The **World Secure** service will be publicly available, globally and where permitted by local laws, in the first half of November 2017, commencing with support for iPhone devices on the release date and with support for Android devices anticipated 1 to 2 months thereafter.

The service will be priced as a low-cost recurring monthly or annual SaaS subscription per active enterprise user, with multi-year up-front enterprise site license deals also available.

Norwood Systems' CEO and Founder, Paul Ostergaard, commented:

"World Secure is Norwood's first cyber-security offering targeting the corporate sector and it draws on key learnings that we have gained during the development of our revolutionary World Wi-Fi App.

"During the development phase for **World Wi-Fi**, we became aware of a very strong and unsatisfied interest from the corporate market for a specific type of cyber-security solution. Such clients were very interested in a service that could assert a VPN on staff members' smartphones automatically and specifically while they were accessing the Internet using open, insecure Wi-Fi networks.

"Insecure Wi-Fi access by smartphones turns out to be a real security headache for IT administrators. It is currently an 'unsolved security hole', absent of implementing an unpopular 'always-on' VPN policy on staff devices or prohibiting staff use of open Wi-Fi services. We could see that an offering to address this problem would give Norwood a great 'foot in the door' to introduce our overall suite of services to new potential clients.

"We reflected deeply about this prospective customer feedback; we reviewed our **World Wi-Fi** development IP, some of which comprises hard-to-obtain special Wi-Fi development entitlements that we've secured from Apple; and we moved to prioritise the development of this unique cyber-security tool to address this market need as soon as possible. Recent news events highlighting security issues even with secured Wi-Fi networks have further validated the Company's decision to accelerate the development of our **World Secure** service.

"World Secure delivers a 'world first' on iPhone platforms – the ability to assert a VPN automatically on any insecure Wi-Fi connection, while ignoring secure or white-listed networks to maximise network performance when at home or at work. The key aspect here is that this feature is **automatically** triggered when insecure networks are detected, providing unprecedented peace-of-mind to IT administrators.

"IT administrators can additionally increase the level of their company's VPN security policy, for example if news events indicate that secure Wi-Fi networks have been breached again or that security breaches have been detected for 3G/4G cellular networks.

"World Secure draws on several competencies within Norwood to make the service both a compelling end-user and IT administrator proposition, including our high-quality App user interface expertise developed with our other World Apps, our VPN cloud systems capability developed for World Wi-Fi, and finally our enterprise mobility management integration expertise developed for our scalable Corona solutions.

"We cannot wait to get **World Secure** into the hands of prospective clients who have expressed a keen and urgent interest for this solution. I am pleased to confirm **World Wi-Fi** for iOS is also lined up for release soon and will be on the App Store in the very near term."

<ENDS>



World Secure



World Phone

World Message



World Wi-Fi

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Norwood is changing the way we globally connect

At Norwood Systems, we're passionate about revolutionising your telecommunications. To actualise this goal, we have developed amazing platforms that realise the world's largest federated telco network. By connecting your smartphone effortlessly and simply to local networks around the world via our award-winning Apps, you get high quality connections, clear and secure conversations for a fraction of international roaming costs.

About Norwood Systems

Norwood Systems provides voice, messaging and data services to consumers, enterprises and carriers globally, leveraging its' federated telecommunications services network partnerships. Our mission is to deliver disruptive end-user communications apps that streamline and simplify how users around the world can access affordable, high-quality telecommunications services – anywhere, anytime.

Norwood has solutions that service Enterprise, Telco and Partner channels.

Our <u>Enterprise Solutions</u> deliver powerful, yet simple corporate communications platform to make communications more cost effective, easier to manage, and regulatory compliant. This is all made possible by Corona[®] Cloud and Corona GTS, with its suite of mobility Apps.

Norwood Systems' innovative <u>Telco Solution</u> addresses all three categories of telecommunication provider. Major carriers, mobile virtual network operators (MVNOs), and Data-only providers.

Finally, our <u>Partner Solutions</u> are designed for the forward looking, customer driven Travel and Loyalty partner, providing an easy way to invigorate brand offerings with App based benefits.

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