

**ASX ANNOUNCEMENT**

14 March 2018

**\$2.0m Capital Raising to pursue key pipeline opportunities**

Highlights:

- Firm commitments received for \$1 million placement at 1.25 cents per Share
- Additional \$1 million to be raised via a fully underwritten SPP also at 1.25 cents per Share
- Net proceeds to be used for sales and marketing and working capital, pursuing the pipeline opportunities recently outlined across Norwood's key target segments: Virtual Business Mobile Services (VBMS), Compliance, CRM, Cyber Security and Loyalty

'Sharing Economy' and 'Communications as a Service' pioneer Norwood Systems Ltd (Norwood or the Company) (ASX: NOR) is pleased to announce it has received firm commitments for a single tranche placement to sophisticated and professional investors of 80.0 million fully paid ordinary shares (Shares) at an issue price of 1.25 cents per Share to raise gross proceeds of \$1.0 million (Placement) under its Listing Rule 7.1A placement capacity. Accordingly, no shareholder approval is required for the Placement. Settlement date for the Placement is anticipated to be Wednesday, 21 March 2018.

Norwood has also launched a fully underwritten Share Purchase Plan (SPP) to raise a further \$1.0 million, at the same price as the Placement (1.25 cents per share). The record date for determining shareholders' entitlement to participate in the SPP was 5:00pm (WST) on Tuesday, 13 March 2018 (Record Date).

Net proceeds from the Placement and SPP are to be used for sales and marketing and working capital, pursuing the pipeline opportunities recently outlined (ASX Market Update on Commercial Sales Pipeline Progress released 6 March 2018) across Norwood's key target segments: Virtual Business Mobile Services (VBMS), Compliance, CRM, Cyber Security and Loyalty.

The Placement and SPP issue price of 1.25 cents per Share represents a discount of 16.7% to the last price of 1.5 cents per Share and a 23.3% discount to the 30-day VWAP of 1.63 cents per Share. Somers & Partners Pty Ltd (Somers) acted as Lead Manager to the Placement and underwriter of the SPP.

Paul Ostergaard, CEO and Founder of Norwood Systems said:

*"The ongoing support of shareholders is appreciated as we pursue the continued commercialisation of Norwood's extensive portfolio of enterprise and loyalty service offerings. We have high quality solutions for real business problems across CRM capture/logging, BYOD, compliance sectors, and compelling consumer benefits through large loyalty benefit aggregator partners. I believe the offers we can take to potential enterprise customers and loyalty partners is the strongest it has ever been. I look forward to updating the market on the progress of our sales initiatives across both these key segments."*

## SPP details

Each eligible shareholder has the opportunity to participate in the SPP for up to 1,200,000 Shares at an issue price of 1.25 cents per Share, totalling \$15,000 without the requirement to pay brokerage.

The SPP offer will be made to shareholders who had a registered address in Australian or New Zealand at the Record Date.

The SPP is fully underwritten by Somers on usual commercial terms. The key terms of the underwriting agreement are set out in the SPP offer booklet which will be released to ASX shortly. The SPP is expected to open on Wednesday, 21 March 2018 and to close at 5:00pm (WST) on Friday, 6 April 2018.

## Placement and SPP Timetable

Event	Target Date
SPP Record Date	Tuesday, 13 March
Placement and SPP announced and Company's shares re-commence trading on ASX	Wednesday, 14 March
SPP Offer Booklet mailed to shareholders and lodged with ASX	Wednesday, 21 March
Settlement of Placement, lodge s708A "Cleansing Notice" with ASX	Wednesday, 21 March
SPP opens	Wednesday, 21 March
SPP Closes	Friday, 6 April
Announcement of SPP result	Wednesday, 11 April
Settlement of SPP Shortfall	Friday, 13 April
Allotment of SPP shares, lodgement of Appendix 3B	Monday, 16 April
Quotation of new shares under the SPP	Tuesday, 17 April

Note: Subject to the ASX Listing Rule, the dates in the timetable above are indicative only and are subject to change.

<ENDS>

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## About Norwood Systems

Norwood Systems Ltd (ASX:NOR) is revolutionising mobile voice, messaging, data and cyber security services through its pioneering award-winning virtual mobile services platform, Corona® and its award-winning Apps, World Phone®, World Message™, World Secure™ and World Wi-Fi™.

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

Norwood has delivered services to more than 6 million customers since launching its platform in mid-2014, servicing people in 200+ countries & territories and 5000+ cities worldwide and has achieved a 4+ App Store rating on all published Apps.

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