

Monteray Mining Group Limited ACN 062 959 540, to be renamed:



PROSPECTUS

Offers

For the offer of 200,000,000 Shares at an issue price of \$0.02 each in order to raise up to \$4,000,000 (before costs). Oversubscriptions of up to a further 75,000,000 Shares at an issue price of \$0.02 each to raise up to an additional \$1,500,000 (before costs) may be accepted (**Public Offer**).

This Prospectus also contains:

- An offer of up to 368,058,888 Shares, 78,869,761 Norwood Class A Performance Shares and 78,869,761 Norwood Class B Performance Shares to the Norwood Vendors in consideration for the acquisition of all the issued capital of Norwood (**Norwood Vendor Offer**). Refer to Section 6.2 of this Prospectus for further details of the Norwood Vendor Offer; and
- An offer of up to 43,593,213 Norwood Acquisition Options to certain past and present advisors and employees of Norwood (**Option Offer**). Refer to Section 6.3 of this Prospectus for further details of the Option Offer.

Re-compliance with Chapters 1 and 2

In addition to the purpose of raising funds under the Public Offer and issuing securities under the other Offers, this Prospectus is issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules following a change to the nature and scale of the Company's activities.

Conditional Offers

The Public Offer is conditional upon the Conditions of the Offer outlined in Section 6.4. In the event that the Conditions of the Offer are not satisfied the Company will not proceed with the Public Offer and the Company will repay all application monies received. In the event that the Public Offer does not proceed the Norwood Vendor Offer and the Option Offer will not proceed.

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

LEAD MANAGER:



Australian Financial Services Licence ("AFSL"): 276569

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1. Important Information

1.1 Important Notice

This Prospectus is dated 9 April 2015 and was lodged with the ASIC on that date. The ASX, ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

Application will be made to ASX within seven days after the date of this Prospectus for Official Quotation of the Shares the subject of this Prospectus.

The expiry date of this Prospectus is that date which is 13 months after the date this Prospectus was lodged with the ASIC (**Expiry Date**). No Securities may be issued on the basis of this Prospectus after the Expiry Date.

Persons wishing to apply for Securities pursuant to the Offers must do so using the applicable Application Form attached to or accompanying this Prospectus. Before applying for Securities potential investors should carefully read the Prospectus so that they can make an informed assessment of

- The rights and liabilities attaching to the Securities;
- The assets and liabilities of the Company; and
- The Company's financial position and performance and prospects.

Investors should carefully consider these factors in light of their own personal financial position and taxation circumstances.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having authorised by the Company or the Director in relation to the Offers.

The offer of Shares made pursuant to this Prospectus is not made to persons to whom, or places in which, it would be unlawful to make such an offer of Shares. No action has been taken to register or qualify the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside of Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek legal advice on, and observe, any of those restrictions. Failure to comply with these restrictions may violate securities laws.

This Prospectus may contain forward-looking statements which incorporate an element of uncertainty or risk which are identified by words such as 'intends', 'may', 'could', 'believes', 'estimates', 'anticipates' or 'expects'. These statements are based on an external evaluation of current economic and operating conditions, as well as assumptions regarding future events. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in the forward looking statements or information.

While the Company considers the expectations reflected in any forward looking statements or information in this Prospectus are reasonable, no assurance can be given that such expectations will

prove to be correct. The risk factors outlined in Section 12, as well as other matters not yet known to the Company or not currently considered material to the Company, may cause actual events to be materially different from those expressed, implied or projected in any forward looking statements or information. Any forward looking statement or information contained in this Prospectus is qualified by this cautionary statement.

1.2 Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.monteraymining.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must only access this Prospectus from within Australia.

If you have received this Prospectus as an electronic Prospectus, please ensure you that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please contact the Company at +61 8 9482 0560 and the Company will send you, at no cost, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at www.monteraymining.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reasons 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.

1.3 Risks

Before deciding to invest in the Company, potential investors should read the entire Prospectus and, in particular, in considering the prospects of the Company potential investors should consider the risk factors that could affect the financial performance and assets of the Company (set out in Section 12). Investors should carefully consider these factors in light of their personal circumstances (including financial and taxation issues) and should obtain professional advice from an accountant, stockbroker, lawyer or other adviser, if necessary, before deciding whether to invest.. The Shares offered by this Prospectus should be considered speculative. Please refer to Section 12 for details relating to risk factors.

1.4 Miscellaneous

All references to time relate to the time in Perth, Western Australia unless otherwise stated.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 17.

2. Corporate Directory

Directors

Michael Edwards (Non-Executive Director)

Andrew Habets (Non-Executive Director)
(proposed to resign following Completion)

Sandy Barblett (Non-Executive Director)
(proposed to resign following Completion)

Company Secretary

Brett Tucker

Proposed Directors

Paul Ostergaard (Managing Director)

Amit Pau (Non-Executive Director)

Registered Office

Ground Floor
16 Ord Street
West Perth WA 6005

Investigating Accountant

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

Auditor

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Lawyers

GTP Legal
Level 1, 28 Ord Street
West Perth WA 6005

Author of the Patent Report

Wrays
56 Ord Street
West Perth WA 6005

Lead Manager

Azure Capital Limited
Level 34, Exchange Plaza
2 The Esplanade
Perth WA 6000

Compliance Manager

Ventnor Capital Pty Ltd
Ground Floor
16 Ord Street
West Perth WA 6005

Share Registry*

Link Market Services Limited
Level 4, Central Park
152 St Georges Terrace
Perth WA 6000
Telephone: +61 2 9211 6670
Facsimile: +61 2 9287 0303

Websites

www.monteraymininggroup.com.au
www.norwoodsystems.com

ASX Code

Current: MRY
Proposed: NOR

* This entity is included for information purposes only and has not been involved in the preparation of this Prospectus.

3. Key Details of the Offers

Public Offer	Minimum Subscription	Maximum Subscription
Price per Share	\$0.02	\$0.02
Shares offered	200,000,000	275,000,000
Amount to be raised (before costs)	\$4,000,000	\$5,500,000
Norwood Vendor Offer		
Shares offered to the Norwood Vendors (up to)		368,058,888
Performance Shares offered to the Norwood Vendors (up to)		157,739,522
Option Offer		
Norwood Acquisition Options offered to the Option Offer Participants (up to)		43,593,213
General	Minimum Subscription	Maximum Subscription
Total cash on completion of the Offers (estimate)	\$4,400,000	\$5,800,000
Shares on issue before completion of the Public Offer	130,800,710	130,800,710
Total Shares on issue upon completion of the Offers	698,859,598	773,859,598
Market capitalisation on completion of the Offers based on the price per Share under the Public Offer	\$13,977,192	\$15,477,192

Note: Please refer to Section 6.10 for further details relating to the proposed capital structure of the Company.

Indicative Timetable

Lodgement of this Prospectus with ASIC	9 April 2015
Opening Date of the Offers	9 April 2015
General Meeting of the Company	4 May 2015
Closing Date of the Offers	4 May 2015
Completion of Acquisition	11 May 2015
Issue of Securities under the Offers	11 May 2015
Dispatch of holding statements	11 May 2015
Expected date for Shares to be reinstated to trading on ASX	1 June 2015

Note: The above dates in the table are indicative only and may be changed without notice. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

4. Investment Overview

This Section is not intended to provide full information for investors intending on applying for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More Information (Section)
Introduction		
Who is the issuer of the Prospectus?	Monteray Mining Group Limited ACN 062 959 540 (Company) (to be renamed 'Norwood Systems Limited')	7.1
Who is the Company and what does it do?	The Company is a public company that was reinstated to the Official List of the ASX on 23 August 2010 following a recapitalisation. The Company's principal activities previously involved acquiring, exploring and evaluating with a view to exploiting mineral resource projects located in Burkina Faso with a focus on gold. In light of challenging market conditions for junior resources exploration companies, the Company has been evaluating investment opportunities outside the commodities industry to add value for shareholders.	7.1
What is the Company's strategy?	<p>The Company is proposing to acquire the entire issued capital of Norwood Systems Pty Ltd (Norwood). Norwood is a technology company that has developed global voice roaming solutions for corporate and leisure travellers who have access to a sufficient quality data network.</p> <p>Following completion of the Acquisition and reinstatement to quotation on the Official List of ASX, the Company's primary focus will be to develop the business of Norwood in line with its business model.</p>	7.3
What are the Company's key assets?	The Company, through wholly owned subsidiaries, has an interest in a strategic suite of exploration tenements located in Burkina Faso, Africa.	7.1

	<p>The Company has granted a subsidiary of SEMAFO Inc an exclusive right to explore, and an option to acquire an interest in its tenements in return for exploration funding and cash payments. Refer to Section 7.1 for details.</p> <p>Following completion of the Acquisition and the Offers, the Company will seek either a strategic partner for, or divestment of its interests in the remaining tenements.</p> <p>The Company proposes to acquire Norwood and its assets via the Acquisition.</p>	
What is the Public Offer?	<p>The Company is offering to the public 200,000,000 Shares at an issue price of \$0.02 each to raise the Minimum Subscription of \$4,000,000 (before costs).</p> <p>Oversubscriptions of up to a further 75,000,000 Shares at an issue price of \$0.02 each to raise up to an additional \$1,500,000 (before costs) may be accepted.</p>	6.1
What is the Norwood Vendor Offer?	<p>The Company is offering up to 368,058,888 Shares, 78,869,761 Norwood Class A Performance Shares and 78,869,761 Norwood Class B Performance Shares to the Norwood Vendors in consideration for the acquisition of all the issued capital of Norwood.</p>	6.2
What is the Option Offer?	<p>The Company is offering up to 43,593,213 Norwood Acquisition Options to certain past and present advisors and employees of Norwood.</p>	6.3
What are the conditions of the Offers?	<p>The Public Offer is conditional upon the following events occurring:</p> <ul style="list-style-type: none"> • The Company raising the minimum subscription of \$4,000,000 under the Public Offer; • Shareholders approving the Acquisition Resolutions at the May General Meeting; • Completion of the Acquisition; and • ASX approving the Company's re-compliance with the admission requirements under Chapters 1 & 2 of the Listing Rules <p>If any of the Conditions of the Offer are not satisfied</p>	6.4

	then the Company will not proceed with the Public Offer and the Company will repay all Application Monies received (without interest). If the Company does not proceed with the Public Offer it will not proceed with the Norwood Vendor Offer and the Option Offer.	
Why is the Public Offer being conducted?	<p>The purpose of the Public Offer is to:</p> <ul style="list-style-type: none"> • Meet the requirement that the Company re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the Listing Rules; • Provide equity capital to fund the marketing of Norwood's CORONA and EUROPA roaming platform solutions; • Provide Norwood with access to equity capital markets for future funding needs; and • Enhance the public profile of Norwood and the Company. 	6.8
Proposed Acquisition		
What is the Acquisition?	The Acquisition involves the Company's proposed acquisition of the entire issued capital of Norwood pursuant to the Share Sale Agreements.	14.2
What are the key terms of the Acquisition?	<p>The key terms of the Acquisition are as follows:</p> <ul style="list-style-type: none"> • as consideration for the entire issued capital in Norwood, the Company will issue the following securities to the Norwood Vendors:- <ul style="list-style-type: none"> ○ 368,058,888 Shares (Consideration Shares); ○ 78,869,761 Norwood Class A Performance Shares which convert into ordinary shares upon Norwood generating gross revenue of at least \$200,000 from two separate third party contracts in any 12 month period (which may be the same 12 month period or different 12 month periods for each contract) within 30 months from Completion ; and ○ 78,869,761 Norwood Class B Performance Shares which convert 	14.2

	<p>into ordinary shares upon Norwood generating gross revenue for any 12 month consecutive period of at least \$3,000,000 within 36 months from Completion.</p> <ul style="list-style-type: none"> • The Company will appoint three nominees of Norwood to the Board of the Company. • The Company has agreed to issue up to 43,593,213 Norwood Acquisition Options to certain past and present advisors and employees of Norwood (refer to Section 15.2 for terms of the options). • The Acquisition is conditional on, and subject to, a number of conditions. These conditions have either been satisfied or substantially satisfied, with the exception of the following conditions which remain outstanding at the date of this Prospectus: <ul style="list-style-type: none"> ○ the Company obtaining Shareholder approval of the Acquisition Resolutions at the May General Meeting; ○ the Company receiving subscriptions for the Minimum Subscription amount of the Public Offer under this Prospectus; ○ the Company obtaining all necessary regulatory approvals required to give effect to the Acquisition including re-compliance with Chapters 1 and 2 of the Listing Rules on terms which the Company believes are capable of satisfaction; ○ the Norwood Vendors subscribing for the Consideration Securities under this Prospectus except to the extent that the Company and Norwood agree otherwise; ○ the Vendors entering into such restriction agreements as required by the ASX. • The Norwood Vendors have acknowledged that some or all of the Consideration Securities may be escrowed in accordance with the requirements of ASX and will sign such form of escrow agreement as required by the ASX. • There are standard commercial warranties provided by the Ostergaard Family Trust and 	
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	Mr Paul Ostergaard (the founder of Norwood) regarding Norwood and its business.	
What approvals are being sought at the May General Meeting?	<p>At the May General Meeting to be held on 4 May 2015, the Company will seek Shareholder approval for, amongst other things, the following Acquisition Resolutions:</p> <ul style="list-style-type: none"> • the change in nature and scale of the activities of the Company as a result of the Acquisition; • the issue of the Consideration Securities to the Norwood Vendors (and/or their nominees); • the issue of Consideration Securities and Shares the Ostergaard Shareholders and the resulting relevant interest that the Ostergaard Shareholders and Mr Paul Ostergaard and Mrs Fiona Meiklejohn will hold in the Shares; • the creation of the Performance Shares as a new class of shares in the Company; • approval to issue the Norwood Acquisition Options; • the Public Offer under this Prospectus; • the change of the Company's name to "Norwood Systems Limited"; • the appointment of Mr Paul Ostergaard and Mr Amit Pau to the Board; and • the grant of options to an advisor. 	
Why is the Company required to re-comply with Chapters 1 & 2 of the Listing Rules?	<p>At the Company's May General Meeting, the Company will seek Shareholder approval for, amongst other things, a change in the nature and scale of the Company's activities as a result of the Acquisition. To give effect to these changes, the ASX requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.</p> <p>The Company will be suspended from trading from the time of the May General Meeting and will not be reinstated until the Company has satisfied the Conditions of the Offer, including re-compliance with Chapters 1 and 2 of the Listing Rules.</p> <p>There is a risk that the Company may not be able to</p>	6.5

	<p>meet the requirements for re-quotation on the ASX. In the event the Conditions of the Offer are not satisfied or the Company does not receive conditional approval for re-quotation on ASX then the Company will not proceed with the Public Offer and will repay all Application Monies received (without interest). If the Company does not proceed with the Public Offer it will not proceed with the Norwood Vendor Offer and the Option Offer.</p>	
Who is Norwood?	<p>Norwood was incorporated in 2011 with the objective of developing and supplying high-quality, low-cost voice global roaming solutions to travellers who have access to a sufficient quality data network. Norwood has successfully, developed and tested its cloud based systems; CORONA™ (COrporate ROaming Network Access), targeting mid to large sized organisations and is in the advanced stages of development of EUROPA™ (End-User ROaming Personal Access), targeting professional individual frequent travellers.</p> <p>CORONA was launched for public use at the beginning of 2014, following a three-year period of intensive development and internal testing. Since launch, the Company has secured significant independent external recognition, including 2014 WAIITTA awards for Best New Product and best industrial application, as well as winning the 2014 National iAward for Best New Product for CORONA. Development on EUROPA is still being finalised and the platform is planned to be launched later in 2015.</p> <p>Since incorporation Norwood has developed and tested its products and is now focused on commercialisation of CORONA and finalisation of development and then commercialisation of EUROPA, and as such carries the normal risks of a start-up business. Norwood intends to use funds raised from the Public Offer to facilitate these objectives.</p>	7.2
What is Norwood's Business Model?	<p>CORONA and EUROPA address a "two-sided" market by linking low-cost regional landline telephony network service providers to nearby corporate roaming travellers who need access to low-cost, high-quality telephony services. CORONA and EUROPA seamlessly connect their end-user clients who have access to a sufficient quality data network</p>	7.3

	<p>to nearby legacy landline telephony services – using the same protocol that the international cellular telephony networks use for roaming between their networks – to drive down roaming call costs and improve contactability.</p> <p>In this regard, Norwood is targeting a similar business model to other emerging “Shared Economy” or “B2B2C” firms, such as Uber, Lyft and AirBnB.</p> <p>Norwood is proposing to service the perceived gap in the market for Shared Economy Communications services, similarly to Uber delivering Shared Economy Transportation services.</p> <p>Norwood has developed CORONA and is finalising development of EUROPA as service platforms that provide corporate travellers with easy access to such low-cost telephony service providers, using simple, but powerful smartphone apps that act as the “on-ramp” to the CORONA and EUROPA services.</p> <p>While EUROPA ostensibly targets a different market to CORONA, namely individual consumers versus enterprise customers, the two platforms are designed to work together. There is a defined migration path from one (EUROPA) to the other (CORONA), allowing potential corporate clients to enjoy the benefits of the services of EUROPA for selected employees before committing to a wider deployment using CORONA.</p> <p>Investors should note that Norwood has completed its development phase of operations of CORONA and is in advanced development of EUROPA and is now entering its commercialisation phase. It has generated only limited revenues to date. There can be no assurances that the growth and commercialisation strategies proposed will be successful in generating revenues in the timeframe expected, or at all, and should therefore be considered high risk.</p> <p>For the period from inception through to 31 December 2014, Norwood has incurred total expenditure of approximately \$3.7m in forming the company and developing its products.</p>	
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<p>How does Norwood make revenue?</p>	<p>Norwood Systems uses a differentiated approach for pricing of its CORONA and EUROPA services:</p> <p>CORONA: Call minutes are billed to a central corporate account on a post-paid 14-day terms basis.</p> <p>Calls are intended to be charged at AU 45¢ per minute, with pro rata charging for partial minutes. Norwood also offers corporate customers a bulk premium flat rate plan of AU\$45 /month/user for a minimum of 100 users (subject to an acceptable use policy).</p> <p>Once launched publicly, EUROPA call minutes are intended to be available for purchase on a pre-paid basis, through an App Store, either the iTunes App Store or Google Play.</p> <p>Users will be able to purchase 20 or 60 minute blocks of airtime for approximately AU 32¢ per minute, based on current iTunes App Store exchange rates.</p> <p>Calls are charged against the available credit on a per second basis. Users can also purchase an unlimited recurring monthly subscription premium flat rate plan for AU\$56.99 per month (subject to an acceptable use policy).</p> <p>Norwood has generated only limited revenue to date. There can be no assurances that the growth and commercialisation strategies proposed will be successful in generating revenue in the timeframe expected, or at all, and should therefore be considered high risk.</p>	<p>7.6</p>
<p>Key Risks</p>		
<p>Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks and uncertainties. The risk factors set out in Section 12, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises only some of the risks which would apply to an investment in the Company and investors should refer to Section 12 for a more detailed summary of the risks</p>		
<p>Reinstatement to the Official List of ASX</p>	<p>As part of the Company's change in nature and scale of activities, ASX will require the Company to re-</p>	<p>12.1(a)</p>

	<p>comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements. The Company's Shares will be suspended after the May General Meeting. It is anticipated that the Company's Shares will remain suspended until completion of the Acquisition and Offers, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements and that its Shares will consequently remain suspended from quotation.</p> <p>In the event that the Conditions of the Offer set out in Section 6.4 are not satisfied or the Company does not receive conditional approval for re-quotations on ASX, the Company will not proceed with the Public Offer and will repay all Application Monies received. In the event that the Public Offer does not proceed, the other Offers will not proceed and the Acquisition will not proceed.</p>	
Limited Trading History	<p>Norwood is essentially a start-up company with limited trading history. Norwood has to date principally developed its product as well as seeking patent protection. However Norwood is now in the commercialisation phase of the business cycle and as such carries the normal risks of a start-up business. Given the limited trading history of Norwood, no assurance can be given that Norwood will achieve commercial viability through the implementation of its business plan. Whilst Norwood is now in a position to earn revenue through customers paying to use its CORONA & EUROPA services, there is no certainty around the number of customers (if any) that will use the services. Accordingly Norwood is not in a position to give any guidance around likely revenue or profitability.</p>	12.1(b)
New product development and technology risk	<p>Moving forward, the Company will be 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 Norwood. This would adversely affect the</p>	12.1(e)

	profitability of the Company and likely value of its Securities.	
Competition	<p>There is significant competition in the telecommunications industry generally. There is no assurance that the Company will succeed in the strategy of developing and supplying high-quality, low-cost global voice roaming solutions for travellers with access to a sufficient quality data network. Competitors' products may render CORONA, EUROPA or other related global roaming products developed by Norwood obsolete and/or otherwise uncompetitive.</p> <p>If the Company is successful in developing global roaming products, which may never occur, such competition could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect the Company's potential future business, operating results and financial position.</p>	12.1(h)
Development and commercialisation of CORONA & EUROPA	Norwood's business model is reliant on its ability to develop and commercialise its CORONA and EUROPA services. A failure to develop and commercialise its CORONA and EUROPA services successfully would lead to a loss of opportunities and adversely impact on the operating results and financial position of Norwood. Furthermore, any third party developing superior technology or with greater commercial appeal in the fields in which Norwood operates may harm the future prospects of the Company.	12.1(i)
Brand and reputation risks	The reputation and brand of Norwood and its individual products are important in attracting potential corporate customers. Any reputational damage or negative publicity around Norwood or its CORONA service could adversely impact on the Company's business.	12.1(n)
New technology risk	The CORONA and EUROPA services are new technologies, which Norwood has recently launched. As with any new technology there may be unexpected issues, which arise with the commercial roll out of the service which may affect the operation of the CORONA and EUROPA services and any future potential revenues which may be generated from the CORONA and EUROPA services.	12.1(o)

	<p>Further the adoption and success of such new technology is reliant on acceptance of such technology by relevant stakeholders including corporate organisations (as the party contracting with Norwood) and the end user of the service (the employee of a corporate organisation). If the CORONA or EUROPA systems are not accepted by such stakeholders it may have an adverse consequence on Norwood's ability to successfully achieve its business objectives regarding the CORONA and EUROPA systems with resulting effects on revenue and financial performance.</p>	
Retention and recruitment of key personnel	<p>The emergence of Norwood and development of its CORONA and EUROPA systems has been in large part due to the talent, effort, experience and leadership of its management team, including its CEO and founder Paul Ostergaard. Norwood is substantially dependent on the continued service of its existing management team due to the complexity of its services and products. There is no assurance that the Company will be able to retain the services of such persons</p> <p>Furthermore Norwood expects to grow its sales and marketing teams in both Australia and internationally. Norwood is currently conducting an international search for an experienced sales & marketing executive. An inability to attract quality sales and marketing personnel may adversely impact on Norwood's growth plans and any first mover advantage.</p>	12.1(p)
Additional requirements for capital	<p>The funds raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's</p>	12.1(q)

	<p>activities and future projects may result in delay and indefinite postponement of their activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.</p>	
<p>Protection of intellectual property rights</p>	<p>Norwood is the applicant of pending patent applications. The prospect of attaining patent protection for products and the technology such as those proposed to be used in the Norwood 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 Norwood'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 being significantly less than the scope of protection sought by Norwood. As a result, Norwood's patent application may not proceed to an issued patent and, if issued, may not be of commercial benefit to Norwood, or may not afford Norwood adequate protection from competing products. In particular, objections have been raised in relation to Norwood's international patent application in the Mobility patent application family based on the novelty and inventive step requirements, citing an existing patent owned by a third party. If Norwood is not able to overcome these objections, there is a risk that the patent will not be awarded to it. Alternatively, in modifying the relevant claims to address the objections, there is a risk that the scope of protection in the issued patent being significantly less than the scope of protection sought by Norwood.</p> <p>In addition, since most patent applications remain secret for eighteen months from the time of filing, and since publication of discoveries in the scientific or patent literature often lags behind actual discoveries, Norwood cannot be certain that it is the first to make the inventions covered by the pending</p>	<p>12.1(r)</p>

	<p>patent applications or that its patent application for its invention was the first to be filed.</p> <p>Even if Norwood succeeds in obtaining patent protection for its products, its patents could be partially or wholly invalidated following challenges by third parties.</p>	
Liquidity risk	<p>Upon reinstatement of the Company's Shares to quotation on the ASX, a significant portion of the Shares on issue will be subject to escrow restrictions imposed by the Listing Rules. Investors may consider that there is an increased liquidity risk as a large portion of the issued capital may not be able to be traded freely for a period of up to 24 months. Please see Section 6.16 for further information on escrow arrangements.</p>	12.1(t)
User experience	<p>Norwood's business model is based on recurring revenue arising from usage. Poor user experience may affect customer take-up, retention and level of usage of Norwood's products. Factors which may contribute to poor customer experience include:</p> <ul style="list-style-type: none"> • ease of setting up and commencing use of the products offered; • simplicity and reliability of customer usage; or • quality of call services provided; • level of customer support provided. <p>In particular, Norwood notes it is targeting corporate travellers with its CORONA and EUROPA services by differentiating itself from VoIP services by offering a superior call quality similar or equivalent to cellular roaming. If Norwood is not able to provide this targeted level of call quality then it is likely to lead to a loss of customers and an adverse impact on the operating results and financial position of Norwood.</p> <p>Poor customer support experiences may result if the Company loses key customer service personnel, fails to provide adequate training and resources for customer service personnel or there is a disruption to monitoring and account management systems utilised by customer service personnel.</p> <p>Poor user 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</p>	12.1(v)

	occur, it may adversely impact the Company's revenues.	
Proposed use of funds and other key terms of the Offer		
What is the proposed use of funds raised under the Public Offer?	<p>The funds raised under the Public Offer are proposed to be used to fund the following key business activities:</p> <ul style="list-style-type: none"> • Marketing and business development of CORONA and EUROPA systems; • Further research & development and ongoing support and maintenance of Norwood's cloud based platforms; • Fund outstanding trade creditors of Norwood; • Provide general working capital; and • Pay the costs of the Offers. 	6.8
Will the Company be adequately funded after completion of the Public Offer?	The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its business objectives as set out in Section 7.6.	7.6
What rights and liabilities attach to the Shares being offered?	All Shares issued under the Public Offer and the Norwood Vendor Offer will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 15.1.	15.1
What are the terms and conditions of the Performance Shares being offered?	<p>There are two classes of Performance Shares being offered which will convert into Shares (on a one for one basis) following the achievement of the performance milestones before the expiry date as outlined below:</p> <ul style="list-style-type: none"> •Norwood Class A Performance Shares which convert into Shares upon Norwood generating gross revenue of at least \$200,000 from two separate third party contracts in any 12 month period (which may be the same 12 month period or different 12 month periods for each contract). The expiry date for the Norwood Class A Performance Shares is 5.00 pm on the date that is 30 months after the date of Completion; and •Norwood Class B Performance Shares which 	15.3

	convert upon Norwood generating gross revenue for any 12 month consecutive period of at least \$3,000,000. The expiry date for the Norwood Class B Performance Shares is 5.00 pm on the date that is 36 months after the date of Completion.	
What are the terms and conditions of Norwood Acquisition Options being offered?	The Norwood Acquisition Options are each exercisable at \$0.02 on or before the date that is three years from the date of grant. Further terms and conditions of the Norwood Acquisition Options are described in Section 15.2.	15.2
Will the Securities issued under the Offer be listed on the ASX?	<p>The Company will apply for listing of the Shares offered under the Public Offer and the Norwood Vendor Offer on the ASX under the ASX code 'NOR' within seven days of the date of this Prospectus. Completion of the Offer is conditional on ASX approving this application.</p> <p>The Company will not apply for listing of the:</p> <ul style="list-style-type: none"> • The Performance Shares offered under the Norwood Vendor Offer; or • the Norwood Acquisition Options offered under the Option Offer. 	6.7
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	6.11
Who is the lead manager to the Public Offer?	The Company has appointed Azure Capital Ltd as the Lead Manager to the Public Offer. The Lead Manager will receive 6% of the total amount raised under the Public Offer by Azure.	6.12
What are the tax implications of investing in Securities under the Offers?	The tax consequences of any investment in Securities will depend upon your particular circumstances. Prospective investors should obtain their own tax advice before deciding to invest.	6.24
What is the Company's dividend policy?	<p>The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the Norwood business.</p> <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such</p>	6.21

	<p>as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.</p>	
<p>How do I apply for Shares under the Public Offer?</p>	<p>Applications for Shares under the Public Offer must be made by completing a Public Offer Application Form and must be accompanied by a cheque in Australian dollars (or a direct transfer to the bank account advised by the Company) for the full amount of the application being \$0.02 per Share. Cheques must be made payable to “Monteray Mining Group Limited – Share Application Account” and should be crossed “Not Negotiable”.</p>	<p>6.13(a)</p>
<p>How do I apply for Securities under the Norwood Vendor Offer?</p>	<p>The Norwood Vendor Offer is an offer to the Norwood Vendors only.</p> <p>Only the Norwood Vendors may accept the Norwood Vendor Offer. A personalised Norwood Vendor Offer Application Form will be issued to each Norwood Vendor together with a copy of this Prospectus. The Company will only provide the Norwood Vendor Offer Applications Forms to the persons entitled to participate in the Norwood Vendor Offer.</p>	<p>6.13(b)</p>
<p>How do I apply for Options under the Option Offer?</p>	<p>The Option Offer is an offer to the Option Offer Participants only. Only these parties may apply under the Option Offer. A personalised Option Offer Application Form in relation to the Option Offer will be issued to each person eligible to participate in the Option Offer together with a copy of this Prospectus. The Company will only provide the Option Offer Applications Forms to the persons entitled to participate in the Option Offer.</p>	<p>6.13(c)</p>
<p>When will I receive confirmation that my application has been successful?</p>	<p>It is expected that holding statements will be sent to successful applicants by post on or about 11 May 2015.</p>	<p>6.14</p>
<p>How can I find out more about the</p>	<p>Questions relating to the Offers can be directed to the Company on +61 8 9482 0560. Questions</p>	<p>6.25</p>

Prospectus of Offer?	relating to applications for Securities can be directed to the Share Registry, Link Market Services Limited, on 1300 554 474.	
Board and Management		
Who are the directors of the Company?	<p>The Existing Directors of the Company are:</p> <ul style="list-style-type: none"> • Michael Edwards (Non-Executive Director) • Andrew Habets (Non-Executive Director) • Sandy Barblett (Non-Executive Director) <p>On completion of the Acquisition and the Offers, changes will be made to the Board, with the resignation of Andrew Habets and Sandy Barblett and the appointment of the Proposed Directors, so that the Board will then comprise:</p> <ul style="list-style-type: none"> • Paul Ostergaard (Managing Director) • Amit Pau (Non-Executive Director) • Michael Edwards (Non-Executive Director) <p>Under the Company Long Form Share Sale Agreement the Company will appoint three nominees of Norwood to the Board of the Company.</p> <p>Norwood is considering a third nominee to nominate to be appointed as an independent chairman. The remaining Director appointment is expected to be finalised after the Offers have closed and details will be announced.</p>	13.1 & 13.2
Who are the key management personnel?	<p>From completion of the Acquisition, the key management personnel will include:</p> <ul style="list-style-type: none"> • Paul Ostergaard (Managing Director) • David Wilson (Chief Technology Officer) <p>Norwood is currently conducting an international search for an experienced sales & marketing executive.</p>	13.2 & 13.3
What are the significant interests of Directors?	<p>The interests of the Directors are detailed in Section 13.4.</p> <p>The security holdings of the Directors are set out in Section 13.5</p> <p>Section 13.8 sets out details of related party transactions with the Company from which the Directors may benefit.</p>	13.4, 13.5 & 13.8

	<p>One of the Company’s Proposed Directors, Mr Paul Ostergaard, is a Director and entities related to him are shareholders of Norwood and will receive a portion of the Consideration Securities on Completion of the Acquisition (being 193,023,577 Shares, 41,362,173 Norwood Class A Performance Shares and 41, 362,173 Norwood Class B Performance Shares). In addition, an entity related to Mr Ostergaard is intending to participate in the Public Offer (to the extent of up to 5,000,000 Shares). As a result, Mr Ostergaard will hold a relevant interest in Shares of the Company of greater than 20% following completion of the Acquisition and the Offers. The Company is seeking Shareholder approval for the issue of a portion of the Consideration Securities to Mr Ostergaard and his related entities and for his related entity to participate in the Public Offer for the purposes of section 611 of the Corporations Act 2001, and Listing Rule 10.11 and Chapter 2E of the Corporations Act (for the participation in the Public Offer) at the May General Meeting.</p> <p>Directors, Mr Michael Edwards and Mr Sandy Barblett are intending to participate in the Public Offer (to the extent of up to 2,500,000 Shares and 1,500,000 Shares respectively). Shareholder approval for this participation is being sought for the purposes of Listing Rule 10.11 and Chapter 2E of the Corporations Act at the May General Meeting.</p>	
<p>What are the relationships between the Company and parties involved in the Acquisition and Offers relevant to investors?</p>	<p>The Company has engaged Azure Capital Limited as the lead manager in relation to the Public Offer and to act as the Company’s corporate advisor in respect to the Acquisition, the Company’s re-compliance with Chapters 1 and 2 of the Listing Rules and the Public Offer under this Prospectus. Directors and shareholders of Azure are also shareholders of Norwood and will receive Shares and Performance Shares as consideration for the purchase of their Norwood shares as part of the proposed Acquisition.</p> <p>Further, the Company has engaged Ventnor Capital Pty Ltd as the compliance manager in relation to the Offers and the Company’s re-compliance with Chapters 1 and 2 of the Listing Rules. Mr John Hannaford is a director and shareholder of Ventnor. Mr Hannaford is also a significant shareholder of the</p>	<p>13.8</p>

	<p>Company, holding an interest greater than 5% in Company shares. Mr Morgan Barron is a director and shareholder of Ventnor and is also a shareholder of the Company. Further, Mr Brett Tucker, the Company Secretary of the Company is also an employee of Ventnor.</p> <p>One of the Company's Proposed Directors, Mr Amit Pau is the managing director of Ariadne Capital Limited (Ariadne), an advisory firm based in London that has been engaged to act as business advisor to Norwood. Refer to section 13.8 for details of the agreement with Ariadne.</p>	
Miscellaneous		
What material contracts is the Company a party to?	<p>The material contracts of the Company comprise:</p> <ul style="list-style-type: none"> • The Share Sale Agreements; • Executive Service Agreement – Mr Paul Ostergaard (Managing Director); • Executive Service Agreement – Mr David Wilson (Chief Technology Officer); • Lead Manager Mandate; and • Compliance Manager Mandate. 	15
What is the financial position of the Company and Norwood post completion of the Offers and the Acquisition?	<p>The Company is currently listed on ASX and its financial history, including its 2014 Annual Report is available on its website (www.monteraymining.com.au).</p> <p>Norwood's historical operations have been focussed on the development of the necessary technology to be ready to commercialise the Norwood product and therefore has historically incurred significant start-up costs and generated only limited revenue since incorporation, being nil for financial year 2013 and \$1,263 for financial year 2014.</p> <p>Further financial information regarding the Company and Norwood is considered in Sections 9 and 10 of this Prospectus.</p>	10 & 11
Will any Shares be subject to escrow?	<p>No Shares issued under the Public Offer will be subject to escrow.</p> <p>Subject to the Company's Shares being reinstated to trading on the ASX, certain Shares and Performance</p>	6.13

	Shares in the Company related to the Norwood Vendor Offer and Option under the Option Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement.	
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5. Letter from the Board

Dear Investor,

On behalf of the board of directors of Monteray Mining Group Ltd (**Company**), I am pleased to present this Prospectus to you and invite you to participate in the offer of up to 275,000,000 Shares at an offer price of \$0.02 each to raise up to \$5,500,000 before costs.

The Company is proposing to change its activities from a mineral exploration company to a telecommunications technology services company via the acquisition of Norwood Systems Pty Ltd (**Norwood**). Norwood was incorporated in 2011 with the objective of developing and supplying high-quality, low-cost voice global voice roaming solutions to travellers who have access to a sufficient quality data network. Norwood has successfully, developed and tested its cloud based system; CORONA™ (**CO**rporate **RO**aming **N**etwork **A**ccess), targeting mid to large sized organisations and is in the advanced stages of development of EUROPA™ (**End-User RO**aming **P**ersonal **A**ccess), targeting professional individual frequent travellers.

Upon completion of the Acquisition, the Company will change its name to “Norwood Systems Ltd” and the Board and management of the Company will change to reflect the new direction of the Company.

The Company is seeking to raise a minimum of \$4,000,000 and up to a maximum of \$5,500,000 before costs under this Prospectus. Funds raised will primarily be applied towards growing the Norwood business, including by seeking to commercialise its products, CORONA and when launched EUROPA, through sales and marketing.

The Offer is subject to various conditions which are summarised in Section 6.4. Of particular note, the Company will convene a general meeting of shareholders on 4 May 2015, at which the Company will, among other things, seek the approval of Shareholders to the Acquisition.

In addition to the purpose of raising funds under the Offer and issuing the consideration to the Norwood Vendors, this Prospectus is also issued for the purpose of re-complying with the admission requirements under Chapters 1 & 2 of the ASX Listing Rules following a change to the nature and scale of the Company’s activities.

An investment in the Company is subject to certain risks which are highlighted in Section 12. I encourage you to read this Prospectus carefully and in its entirety. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyers, accountant or other professional adviser without delay.

On behalf of the Board, I am pleased to present this Prospectus to you and invite you to take part in this exciting investment opportunity.

Yours faithfully



Michael Edwards

Non-Executive Director

6. Details of the Offers

6.1 The Public Offer

By this Prospectus, the Company offers 200,000,000 Shares at an issue price of \$0.02 each to raise a minimum subscription amount of \$4,000,000 (before costs). Oversubscriptions of up to a further 75,000,000 Shares at an issue price of \$0.02 each to raise up to an additional \$1,500,000 (before costs) may be accepted. The maximum amount which may be raised under this Prospectus is therefore \$5,500,000 (before costs). The Public Offer is open to the general public.

The Shares issued pursuant to the Public Offer will rank equally with the existing Shares on issue. Please refer to Section 15.1 for further information regarding the rights and liabilities attaching to the Shares.

6.2 The Norwood Vendor Offer

The Company is also offering up to 368,058,888 Shares and 157,739,522 Performance Shares comprising:

- 78,869,761 Norwood Class A Performance Shares which convert into 78,869,761 Shares upon Norwood generating gross revenue of at least \$200,000 from two separate third party contracts in any 12 month period (which may be the same 12 month period or different 12 month periods for each contract) on or before the date that is 30 months from the date of Completion of the Acquisition; and
- 78,869,761 Norwood Class B Performance Shares which convert into 78,869,761 Shares upon Norwood generating gross revenue for any 12 month consecutive period of at least \$3,000,000 on or before the date that is 36 months from the date of Completion of the Acquisition,

to the Norwood Vendors in consideration for the acquisition of all the issued capital in Norwood.

All Shares issued pursuant to the Norwood Vendor Offer will rank equally with the existing Shares on issue. Please refer to Section 15.1 for further information regarding the rights and liabilities attaching to the Shares. The terms and conditions attaching to the Performance Shares to be issued pursuant to the Norwood Vendor Offer are outlined in Section 15.3.

6.3 The Option Offer

The Company is also offering up to 43,593,213 Norwood Acquisition Options to certain past and present employees and advisors of Norwood.

The terms and conditions attaching to the Norwood Acquisition Options to be granted pursuant to the Option Offer are outlined in Section 15.2.

6.4 Conditions of the Offer

The Public Offer under this Prospectus is conditional upon the following events occurring:

- the Company raising the Minimum Subscription being the amount of \$4,000,000 under the Public Offer (refer to Section 6.1);

- Shareholders approving the Acquisition Resolutions at the May General Meeting (refer to Section 6.5);
- completion of the Acquisition (refer to Section 15.2); and
- ASX approving the Company's re-compliance with the admission requirements under Chapters 1 and 2 of the Listing Rules (refer to Section 6.7),

(together the **Conditions of the Offers**).

If the Conditions of the Offers are not satisfied then the Company will not proceed with the Public Offer and will repay all Application Monies (without interest) in accordance with the Corporations Act. If the Company does not proceed with the Public Offer it will not proceed with the Norwood Vendor Offer and the Option Offer.

6.5 May General Meeting

At the May General Meeting to be held on 4 May 2015 at 10am at CWA House, 1174 Hay Street, West Perth WA 6005, the Company will seek Shareholder approval for the:

- (a) issue of the Consideration Securities to the Norwood Vendors (and/or their nominees);
- (b) creation of the Performance Shares as a new class of shares in the Company;
- (c) issue of a portion of the Consideration Securities and Shares under the Public Offer to the Ostergaard Shareholders
- (d) change in nature and scale of the activities of the Company as a result of the Acquisition;
- (e) issue of the Norwood Acquisition Options;
- (f) Public Offer under this Prospectus;
- (g) change of the Company's name to "Norwood Systems Limited";
- (h) appointment of Mr Paul Ostergaard and Mr Amit Pau to the Board;
- (i) participation by related parties, Mr Michael Edwards, Mr Sandy Barblett, Mr John Hannaford and Chillcast (an entity related to Mr Paul Ostergaard) in the Public Offer; and
- (j) issue of 15,000,000 options to an advisor of the Company, on the same terms and conditions as the Norwood Acquisition Options (terms and conditions given at Section 15.2).

The Acquisition Resolutions relate to those resolutions associated with the approval of items (a) to (h) above.

6.6 Minimum Subscription

The minimum level of subscription for the Public Offer is 200,000,000 Shares to raise \$4,000,000 (before costs). No Shares will be issued until the Minimum Subscription has been received. If the Minimum Subscription is not received within four months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any Securities under this Prospectus and will repay all Application Monies (without interest) in accordance with the Corporations Act.

6.7 Re-compliance with Chapters 1 and 2 of the Listing Rules

At the May General Meeting to be held on 4 May 2015 the Company will seek Shareholder approval for, amongst other things, a change in the nature and scale of the Company's activities as a result of the Acquisition. To give effect to these changes, ASX requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.

The Company will be suspended from trading from the time of the May General Meeting and will not be reinstated until the Company has satisfied the Conditions of the Offer, including re-compliance with Chapters 1 and 2 of the Listing Rules.

There is a risk that the Company may not be able to meet the requirements for re-quotations on the ASX. In the event the Conditions of the Offer are not satisfied or the Company does not receive conditional approval for re-quotations on ASX then the Company will not proceed with the Public Offer and will repay all Application Monies received (without interest). If the Company does not proceed with the Public Offer it will not proceed with the Norwood Vendor Offer and the Option Offer.

The Company will apply to ASX no later than seven days from the date of this Prospectus for Official Quotation of the Shares issued pursuant to this Prospectus. If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

The Company will not apply for Official Quotation of the Performance Shares or the Norwood Acquisition Options.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

6.8 Purpose of the Offers

The purposes of the Public Offer is to:

- Meet the requirement that the Company re-complies with the ASX's admission requirements under Chapters 1 and 2 of the Listing Rules;
- Provide equity capital to fund the marketing of Norwood's CORONA and EUROPA platforms to new corporate and individual customers;
- Provide additional funds to enable Norwood to continue to develop its existing global roaming systems as well as potentially new technologies;
- Provide Norwood with access to equity capital markets for future funding needs;
- Enhance the public profile of Norwood and the Company;
- Meet the costs of the Offers; and

- Provide working capital.

The primary purpose of the Norwood Vendor Offer and Option Offer is to remove the need for an additional disclosure document upon the sale of the Shares issued under those offers in the 12 months following their respective dates of issue and the issue of Shares upon the exercise of the Options and any subsequent on-sale of those Shares in the 12 months following the date of their issue.

6.9 Proposed use of Funds

The table below sets out the intended use of funds raised under the Prospectus on the basis of the Company raising the Minimum Subscription (\$4,000,000) and the Maximum Subscription (\$5,500,000) under the Public Offer in the twelve months following completion of the Offers:

Source of funds	Minimum Subscription	Maximum Subscriptions
Cash on hand	\$350,000	\$350,000
Capital Raised under Public Offer	\$4,000,000	\$5,500,000
Total Funds Available	\$4,350,000	\$5,850,000
Use of funds		
Sales & Marketing	\$1,237,226	\$2,131,154
Corporate & Admin	\$861,763	\$875,450
Research & Development Costs	\$622,211	\$872,279
CORONA / EUROPA Platform Support	\$578,926	\$828,307
General Working Capital	\$99,874	\$102,810
Payment of Trade Creditors	\$500,000	\$500,000
Costs of the Offers	\$450,000	\$540,000
Total	\$4,350,000	\$5,850,000

If the Company raises more than the Minimum Subscription but less than the Maximum Subscription, the Company intends to apply these funds firstly to pay additional costs of the Offers. Additional funds will then be allocated on a pro-rata basis between sales & marketing, corporate & administration, research & development and CORONA / EUROPA platform support costs.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and commercialisation activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives as set out in the table above.

It is possible that costs to commercialise the CORONA and EUROPA systems may exceed the current or projected financial resources of the Company and it is expected that these costs would be funded by project finance and/or equity issues (subject to any required Shareholder approvals).

The use of further debt or equity funding will only be considered by the Board where it is appropriate to accelerate a specific project or capitalise on further opportunities.

6.10 Capital Structure

The proposed pro forma capital structure of the Company following completion of the Offers and the Acquisition is as follows:

Capital Structure	Post-Completion	
	Minimum Subscription	Oversubscriptions
Existing Shares on issue at the date of this Prospectus	130,800,710	130,800,710
Shares to be issued under the Public Offer	200,000,000	275,000,000
Shares to be issued to Norwood Vendors under the Norwood Vendor Offer ¹	368,058,888	368,058,888
Total Shares following completion of the Offers²	698,859,598	773,859,598
Existing performance shares on issue at the date of this Prospectus	2,000,000	2,000,000
Performance Shares to be issued to Norwood Vendors under the Norwood Vendor Offer ³	157,739,522	157,739,522
Existing Options on issue at the date of this Prospectus ⁴	9,000,000	9,000,000
Options to be issued under the Option Offer ⁵	43,593,213	43,593,213
Options to be issued to an advisor of the Company following Completion of the Offer ⁶	15,000,000	15,000,000
Fully Diluted Share Capital	924,192,333	1,001,192,333

Notes:

1. These shares are to be issued as part of the consideration for the Company acquiring all of the issued share capital in Norwood. See Section 15.2 for further information.
2. Refer to Section 15.1 for the rights and liabilities attaching to Shares.
3. The Company proposes to issue 78,869,761 Norwood Class A Performance Shares and 78,869,761 Norwood Class B Performance Shares as part of the consideration for the Company acquiring all of the issued share capital in Norwood. See Section 15.2 for further information (see Section 15.3 for a summary of the terms and conditions of the Performance Shares).
4. Comprising the following Options on issue:-
 - 2,000,000 Options each exercisable at \$0.25 on or before 30 November 2015;
 - 4,000,000 Options each exercisable at \$0.25 on or before 30 November 2015;
 - 1,000,000 Options each exercisable at \$0.30 on or before 8 October 2015;
 - 1,000,000 Options each exercisable at \$0.40 on or before 8 October 2016; and
 - 1,000,000 Options each exercisable at \$0.25 on or before 30 November 2016.
5. Refer to Section 15.2 for a summary of the terms and conditions of the Norwood Acquisition Options.

6. The Company proposes to issue 15,000,000 Options to an advisor of the Company as consideration for advisory and professional services provided in connection with the Acquisition on the same terms and conditions as Norwood Acquisition Options (refer to Section 15.2 for a summary of the terms and conditions of the Norwood Acquisition Options).

6.11 No underwriting

The Public Offer is not underwritten.

6.12 Lead Manager

The Company has appointed Azure Capital Ltd as the Lead Manager to the Public Offer. The Lead Manager will receive 6% of the total amount raised under the Public Offer by the Lead Manager. A summary of the terms of the Lead Manager Mandate is set out in Section 14.3.

6.13 Applications

(a) Public Offer

Applications for Shares under the Public Offer can only be made using the Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the back of the form.

Applications under the Public Offer must be for a minimum of 100,000 Shares (\$2,000) and then in increments of 25,000 Shares (\$500). Cheques must be made payable to "Monteray Mining Group Limited – Share Application Account" and should be crossed "Not Negotiable".

(b) Norwood Vendor Offer

The Norwood Vendor Offer is an offer to the Norwood Vendors only.

Only the Norwood Vendors may accept the Norwood Vendor Offer. A personalised Application Form will be issued to each Vendor together with a copy of this Prospectus. The Company will only provide the Norwood Vendor Offer Applications Forms to the persons entitled to participate in the Norwood Vendor Offer.

(c) Option Offer

The Option Offer is an offer to certain past and present advisors and employees of Norwood. Only these parties may apply for Options under the Option Offer. A personalised Application Form in relation to the Option Offer will be issued to each person eligible to participate in the Option Offer together with a copy of this Prospectus. The Company will only provide Option Offer Application Forms to persons entitled to participate in the Option Offer.

(d) General

Completed Application Forms and (accompanying cheques or payment to the bank account advised by the Company in the case of a Public Offer) must be received by the Company before 5:00pm WST on the Closing Date at either of the following address:

Delivered to:

Monteray Mining Group Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Mailed to:

Monteray Mining Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Applicants are urged to lodge their Application Forms as soon as possible as the Offers may close early without notice.

An original, completed and lodged Application Form for Shares (together with a cheque for the Application Monies or a payment to the bank account advised by the Company if making an application under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an application as valid and how to construe, amend or complete the Application Form is final. However an Applicant will not be treated as having applied for more Shares under the Public Offer than is indicated by the amount of the cheque for the Application Monies.

6.14 Allocation of Shares

The Directors will determine the recipients of the Shares under the Public Offer in consultation with the Lead Manager. The Directors (in conjunction with the Lead Manager) reserve the right to reject any application or to issue a lesser number of Shares than that applied for. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus Application Monies will be promptly refunded by cheque to the Applicant without interest.

Subject to ASX granting approval for quotation of the Shares, the issue of Shares will occur as soon as practicable after the Offers close. Securities under the other Offers will be issued on or about the same date as the Shares are issued under the Public Offer. Holding statements will be dispatched as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their holding statement will do so at their own risk.

6.15 Application Monies to be held in trust

Until the Shares are issued under this Prospectus, the Application Monies for Shares under the Public Offer will be held by the Company on trust on behalf of Applicants in a separate bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus. If the Shares to be issued under this Prospectus are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

6.16 Escrow Arrangements

Currently the Company has neither Shares nor Options on escrow.

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules and the Company's Shares being reinstated to trading on the ASX, certain Shares, Performance Shares and Options in the Company will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The securities likely to be subject to escrow are Shares and Performance Shares to be issued to the Norwood Vendors and Options to be issued to the participants in the Option Offer and an advisor of the Company.

None of the Shares issued pursuant to the Public Offer are expected to be escrowed.

It is estimated that 234,676,731 Shares will be subject to escrow as follows:

- a. 218,814,872 Shares for 24 months from the date on which quotation of Shares re-commences (primarily held by Directors and promoters); and
- b. 15,861,859 Shares for 12 months from the date of issue (primarily held by seed investors).

It is estimated 78,869,761 Norwood Class A Performance Shares will be subject to escrow as follows:

- c. 49,837,086 Norwood Class A Performance Shares for 24 months from the date on which quotation of Shares re-commences (primarily held by Directors and promoters); and
- d. 29,032,675 Norwood Class A Performance Shares for 12 months from the date of issue, to be completed after the date of Official Quotation (primarily held by seed investors).

It is estimated 78,869,761 Norwood Class B Performance Shares will be subject to escrow as follows:

- e. 49,837,086 Norwood Class B Performance Shares for 24 months from the date of Official Quotation (primarily held by Directors and management); and
- f. 29,032,675 Norwood Class B Performance Shares for 12 months from the date of issue, to be completed after the date of Official Quotation (primarily held by seed investors).

It is estimated that all 58,593,213 Options to be granted to the participants in the Option Offer and an advisor of the Company will be subject to escrow for 24 months from the date on which quotation of Shares re-commences.

Prior to the Company's Shares being reinstated to trading on the ASX, the Company will enter into escrow agreements with the recipients of the restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Shares and Performance Shares required to be held in escrow.

The Company will announce to the ASX full details (quantity and duration) of the Shares, Performance Shares and Options required to be held in escrow prior to the Shares commencing trading on ASX.

6.17 Chess and Issuer Sponsorship

The Company participates in the Clearing House Electronic Subregister System (**CHES**). All trading on the ASX in existing Shares is, and in new Shares will be, settled through CHES. ASX Settlement Pty Ltd (**ASXS**), a wholly-owned subsidiary of the ASX, operates CHES in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry operates an electronic issuer sponsored sub-register and an electronic CHES sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHES, the Company will not issue certificates to Shareholders. Instead, Shareholders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASXS will send a CHES statement.

The CHES statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Company's share registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHES statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Security holding changes. Shareholders may request a statement at any other time, however a charge may be made for additional statements.

6.18 Risks

As with any investment in securities, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 12 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

6.19 Overseas Investors

This Prospectus does not, and is not intended to, constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register this Prospectus, qualify the Securities, or otherwise to permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside of Australia. It is the responsibility of non-Australian resident Applicants to obtain all necessary approvals for the issue to them of Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

6.20 Commissions on Public Offer Application Forms

The Company has engaged Azure Capital Limited (**Azure**) to act as the lead manager in relation to the Public Offer. The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amount raised under the Public Offer to Azure. Any selling fees required to be paid to third party licensed financial advisors will be paid by Azure from this fee at a rate of up to 4% of relevant funds raised.

6.21 Dividend Policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the Norwood business. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any franking credits may attach to dividends.

6.22 Forecasts

Given the nature of the Norwood business and the fact that it is proposing to move from a development stage to a growth and commercialisation stage of operations, there are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis and after considering ASIC Regulatory Guide 170, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings and accordingly financial forecasts have not been included in this Prospectus.

6.23 Privacy Policy

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC, the Australian Taxation Office and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares may not be processed. 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. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained, corrected and updated by that Shareholder through contacting the Company or the Share Registry.

6.24 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. Neither

the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

6.25 Enquiries

This is an important document and should be read in its entirety. Investors should consult with their professional advisers before deciding whether to apply for Shares under this Prospectus. Any investment in the Company under this Prospectus should be considered highly speculative.

Questions relating to the Offers can be directed to the Company on +61 8 9482 0560.

Questions relating to the completion of an Application Form can be directed to the Share Registry on 1300 554 474.

7. Company and Norwood Overview

7.1 Company Strategy

On 9 December 2014, the Company executed a term sheet pursuant to which the Management Shareholder agreed to sell, and agreed to assist the Company to seek the agreement of the other shareholders and convertible noteholders of Norwood to sell, all of their issued capital in Norwood to the Company. The Share Sale Agreements in respect of the Acquisition are summarised in Section 15.2.

The Company has called for a General Meeting to be held on 4 May 2015 at 10am (WST) at CWA House, 1174 Hay Street, West Perth WA 6005 to seek Shareholder approval for, among other things, the Acquisition of Norwood and the change in the nature and scale of the Company's activities.

If the Acquisition completes, following reinstatement of Shares to the Official List of ASX, the Company's primary focus will be onto develop the business of Norwood in line with its business model.

7.2 Overview of Norwood

Norwood was incorporated by Paul Ostergaard and his team in 2011 to develop and supply high-quality global telephony mobility and roaming solutions for mid-size to large organisations. The founders of Norwood believed that smartphones, powered by Apple's iOS and Google's Android operating systems, would soon be powerful enough to support the service architecture they envisaged, namely an enterprise-centric service platform capable of supporting mobile devices seamlessly and globally, integrated closely with existing corporate telephony infrastructure.

Norwood's corporate-focused cloud services offering – **CORONA™** (**CO**rporate **RO**aming **NE**twork **Access**) – is an integrated global telecommunications solution for enterprise customers (ie, customers with more than 500 employees). CORONA is accessible to validly registered users on a global basis, subject to the user being able to access a sufficient quality data network, either via "Wi-Fi" or data roaming, of a sufficient quality as determined by the software logic in the system. CORONA connects employees' smartphone devices securely and seamlessly with their employer's existing voice network, while at the same time providing automatic access to low-cost, high-quality legacy landline telephony services located nearby when employees are travelling and have access to a sufficient quality data network.

CORONA was launched for public use at the beginning of 2014, following a three-year period of intensive development and internal testing. Since launch, the Company has secured significant independent external recognition, including 2014 WAIITTA awards for Best New Product and best industrial application, as well as winning the 2014 National iAward for Best New Product for CORONA.

WAIITTA (the WA Information Technology and Telecommunications Alliance) has been conducting an annual award since 1991 with the purpose to recognise outstanding performance and contributions by members of the information and communication technology community in Western Australia.

The iAwards are hosted by the Australian Information Industry Association (AIIA) with the goal of discovering and rewarding information and communication technology innovations that have the potential to have a positive impact on the community - at home, in the office and on a global scale.



Norwood Systems’ latest service platform – EUROPA™ (End User ROaming Personal Access) – extends CORONA’s networking platform and business model to service end-user consumers directly, specifically targeting “prosumers” at the premium end of the market. EUROPA has been under development since 2014 and is targeted for launch later in 2015. Since inception through to 31 December 2014, Norwood has incurred total expenditure of approximately \$3.7m in forming the company and developing its products.

7.3 Business Model

CORONA and EUROPA address a “two-sided” market by linking low-cost regional landline telephony network service providers to nearby roaming corporate travellers who need access to low-cost, high-quality telephony services. CORONA and EUROPA seamlessly connect their end-user clients to nearby legacy landline telephony services, subject to access to a sufficient quality data network – using the same protocol that the international cellular telephony networks use for roaming between their networks – to drive down roaming call costs and improve contactability.

In this regard, Norwood is targeting a similar business model to other emerging “Shared Economy” or “Business to Business to Consumer (B2B2C)” businesses. B2B2C is an emerging e-commerce model that combines Business to Business (B2B) and Business to Consumer (B2C) for a complete product or service transaction. Well known examples of businesses incorporating Shared Economy business models include Uber, Lyft and AirBnB.

Norwood’s development of CORONA and EUROPA is based on the premise that corporate travelling employees have multiple core needs, including access to services such as:

- Transportation,
- Accommodation, and
- Communications

Business travellers’ core needs	Traditional means to service need		Shared economy:
	Low-end	Premium	“Premium service at lower cost”
Transportation:			Uber
Accommodation:	 Backpackers	 Commercial Hotel	AirBnB
Communication:	Skype Voice over IP	Telstra Cellular Roaming	

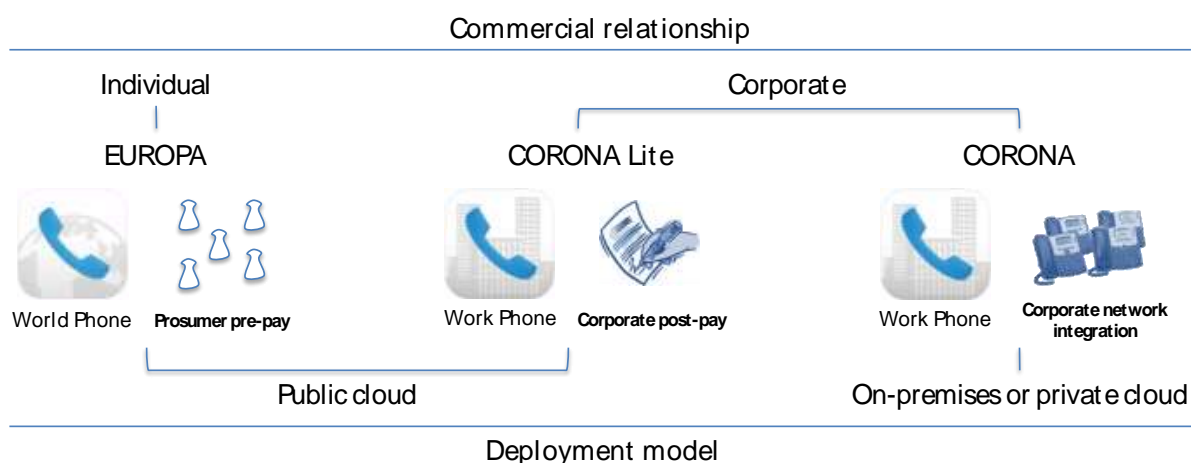
Norwood is servicing the perceived gap in the market for Shared Economy Communications services, similarly to Uber delivering Shared Economy Transportation services.

Shared Economy market opportunities are characterised by an ability to offer discounted, simple access to excess capacity, or downtime, on high-quality service providers’ assets – for example, Uber’s enablement of access to black town car limo services.

In the telecommunications sector, legacy worldwide landline telephony networks similarly have significant excess capacity. The combination of excess capacity and fierce competition has driven down the unit cost of long-distance telephony to approximately a few cents per minute to most destinations. Despite these attractive low costs, corporate travellers historically have been unable to obtain straightforward access to such telephony services; instead they have had to resort to more expensive cellular roaming services or, alternatively, less reliable VoIP services.

Norwood has developed CORONA and EUROPA as service platforms that provide corporate travellers with easy access to such low-cost telephony service providers, using simple, but powerful smartphone apps that act as the “on-ramp” to the CORONA and EUROPA services, subject to access to a sufficient quality data network either via “Wi-Fi” or data roaming.

While EUROPA ostensibly targets a different market to CORONA, namely individual consumers versus enterprise customers, the two platforms are designed to work together. There is a defined migration path from one (EUROPA) to the other (CORONA), allowing potential corporate clients to enjoy the benefits of EUROPA’s services for selected employees before committing to a wider deployment using CORONA.



7.4 The CORONA and EUROPA Service Networks

Norwood’s high-quality CORONA and EUROPA services are underpinned by the Company’s worldwide network of service provider relationships and Points of Presence (PoPs) that provide local low-cost access to high-quality landline network resources.

By providing local access via a sufficient quality data network to such nearby high-quality telephony networks, CORONA and EUROPA address one of the core shortcomings of generic VoIP services, namely that such services operate over the Internet, whose real-time performance degrades with distance and/or the number of router hops needed to bridge a connection between two parties.

Leveraging Norwood’s technologies, clients on CORONA and EUROPA dynamically seek out the nearest available PoP (in terms of router hops and associated metrics) to route telephony traffic from a user via a sufficient quality data network into the international telephone network. Experience gained by the Company since the launch of CORONA has shown this to be a very effective strategy to improve call quality and reliability.

The diagram below shows the locations of Norwood’s current partner network PoPs. End user access on all six continents is delivered via these PoPs, subject to local wireless access. Norwood is constantly assessing the suitability of PoP locations and expects to add further PoP locations over time.

Local service partners deliver high-quality telephony access in each region



7.5 The Work Phone and World Phone Apps

Norwood has developed the following proprietary smartphone apps that deliver easy-to-use end-user access to CORONA and EUROPA.

Work Phone



Corporate travellers use the Work Phone App on their smartphone to access the full CORONA service, as well as to gain access to their employer's corporate telephony infrastructure. Available on both the iOS and Android platforms, Work Phone has already been successfully used by corporate travellers on six continents and has carried more than 2 million seconds of telephony airtime.

When travelling, corporate travellers use Work Phone to roam onto nearby CORONA service nodes as effortlessly as roaming onto a visited cellular network using their cellular handset.

Work Phone has been designed to integrate seamlessly into corporate telephony systems, delivering access to key telephony features such as short-form dialling, simultaneous ringing and follow-me services, as well as supporting integration with directory services, such as Active Directory and Open Directory if these features are provided within the



corporate telephony system. When employees use Work Phone within an organisation's on-premises environments, the App acts as a native phone extension of the organisation's telephony network.

Work Phone/CORONA is deployed on post-paid contractual terms with an organisation as the client, offering centralised billing and reporting in line with administrative needs.

World Phone



World Phone, which is currently under development, is Norwood's newest App, specifically designed to access the Company's EUROPA service, while building upon the learning the Company has gained with CORONA and Work Phone. "World Phone" is the name provisionally chosen for this service, however Norwood is currently seeking legal advice about its ability to use the name and, if needed, an alternative name will be selected prior to launch.

World Phone is currently scheduled for release as an iPhone App during the first half of 2015, with an Android version following as soon as possible thereafter.

World Phone directly targets Prosumers without having to contract with their employer's procurement or IT department. End-users transact directly with World Phone using the in-app purchasing mechanism available both on the iTunes App Store and Google Play, purchasing minutes and/or recurring service plans straight from within the App using their iTunes or Google Play account, without needing to share credit card or other financial information with Norwood.

World Phone has a built-in viral sharing mechanism that also differentiates it from Work Phone. Users downloading the World Phone initially receive a certain number of minutes of free calling on the EUROPA service network. Once they have downloaded World Phone, they are encouraged to share the App with their contacts and members of their social media networks, incentivised by additional bonus minutes of calling that are granted for every friend successfully invited to download World Phone and use the service.

7.6 Norwood's Technology Platform

Norwood's technology platform represents a leading technological solution able to provide a robust and scalable environment suitable for Norwood's proposed growth.

The technology, code and managerial practices are all managed in-house by Norwood using industry standard bug-tracking and software development methodologies and tools.

In house, as opposed to outsourced development, provides a strong level of control over the ownership of the platform. Open source libraries and standard tools are used where possible to allow the in-house developers to focus on functionality that is unique to the product.

The CORONA platform has a modular design with client applications for Work Phone and World Phone (including iPhone and Android apps) communicating with server infrastructure. All components interact using standard Web Services over secure channels (HTTPS).

The servers are built on the Ruby on Rails web framework, which emphasises the use of well-known software engineering patterns and paradigms, while the applications are built with the appropriate tools and technologies for the platform.

Connectivity to the Public Switched Telephone Network (PSTN) is achieved by the use of wholesale SIP Trunk services providing carrier-grade lines from local telecommunications providers through high-quality gateways. Several such providers have been tested with the platform to avoid over-reliance on any single supplier.

The Norwood servers run on virtual infrastructure provided by suppliers such as DigitalOcean and Web24. By choosing to outsource Norwood’s production environment to hosting services providers with international standard security certification, Norwood is able to cost-effectively provide the highest possible availability, security, and scalability protection for its platform.

7.7 Sales Strategy & Pipeline

Monetisation Strategy and Pricing

Norwood uses a differentiated approach for pricing of its EUROPA and CORONA services:

World Phone / EUROPA: Once launched publicly, call minutes are intended to be available for purchase on a pre-paid basis, through an App Store, either the iTunes App Store or Google Play.

Users can purchase 20 or 60 minute blocks of airtime starting from approximately AU 32¢ per minute plus applicable data usage charges where they apply, based on current iTunes App Store exchange rates.

Calls are charged against the available credit on a per second basis.

Users can also purchase a flat-rate monthly subscription for AU\$56.99 per month, uncapped minutes (subject to an acceptable use policy).

Work Phone / CORONA: Call minutes are billed to a central corporate account on a post-paid 14-day terms basis.

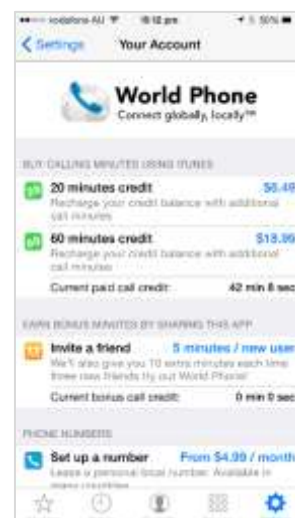
Calls are intended to be charged starting from AU 45¢ per minute plus applicable data usage charges where they apply, with pro rata charging for partial minutes. Norwood also offers corporate customers a bulk purchase flat rate plan of AU\$45 /month/user for a minimum of 100 users (subject to an acceptable use policy).

Sales Pipeline

Through 2014, Norwood invited selected companies and individuals to pilot the CORONA platform. The feedback from users to date has been positive, with an increasing level of usage per user per month.

Norwood is currently in discussions with a number of parties regarding the potential rollout of a series of CORONA and CORONA Lite pilots with several multi-national organisations, with some already trialling CORONA Lite as a precursor to full implementation of CORONA.

A CORONA Lite pilot is provided by Norwood for target customers to trial CORONA through the Work Phone application without a full integration of CORONA into their corporate voice infrastructure.



Pilots are seen by Norwood as an essential part of building a deeper customer relationship within its targeted client-base. Enthusiastic end-users can often influence prioritization of implementations, and ensure a favourable outcome.

Sales Strategy

Direct focus:

In line with the approach of other successful Software as a Service (SaaS) firms targeting enterprise customers, Norwood plans to build a strong direct sales capability, adding sales personnel as the volume of sales leads increases and its overall business grows. Making direct sales has several advantages over indirect sales, including:

- Immediate customer feedback
- Continuous improvement of sales process
- Ability to reward sales efforts with stock options in lieu of commissions
- Higher retained sales margins (to offset increased operating costs)

Indirect leverage:

The Company recognises that it is common for the majority of telephony vendors and service providers to enterprise customers to have developed substantial reseller channels, accounting for as much as 50% of their sales. Norwood aims to recruit such resellers, using them to accelerate sales growth and reduce sales cycles, recognising:

- Resellers are trusted partners with our target customers
- Their salespeople have ready access to key decision makers
- One experienced Norwood salesperson can support several resellers



Norwood anticipates that as reference customers grow, the credibility of CORONA is established and the incremental margin potential becomes known, regional and national resellers will be motivated to promote CORONA. As this begins to happen, Norwood will contract resellers on a non-exclusive basis.

Norwood intends to retain the billing relationship with the end-user, and pay reseller commission in arrears. This policy is typical of recurring revenue contracts in Australia and mitigates bad debt risk.

In summary, Norwood will develop two primary channels to market:

- a) Its own direct sales capability in Australia to drive early-adopter growth, and
- b) Resellers to accelerate growth by leveraging the strengths inherent in indirect sales channels.

Viral Enterprise channel:



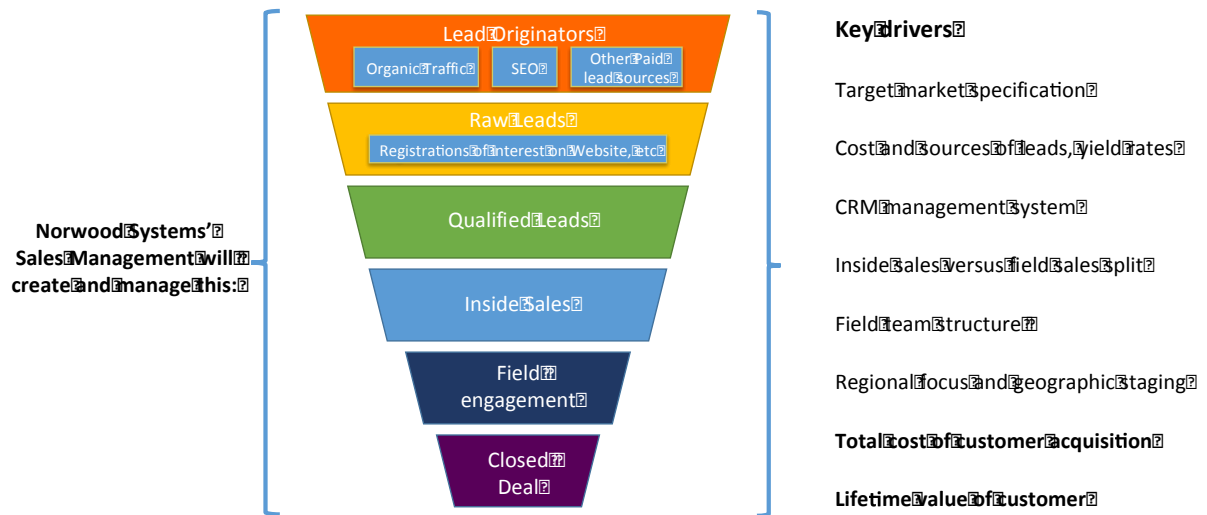
In addition to these two traditional approaches to selling telecommunications systems and solutions, following the launch of the World Phone App, Norwood will be launching a third channel into the market for enterprise customers. This channel will involve a direct viral pitch to Prosumers who are the roaming end users (ie,

corporate travellers) who work inside internationally focused companies, using the built-in viral sharing mechanism in World Phone and the associated EUROPA network described above to penetrate organisations and seed them with initial users of the service.

Norwood is positioning World Phone as a strategy to shorten the sales cycle of Work Phone and CORONA through targeted adoption of World Phone/EUROPA by key users within the organisation to promote endorsement within the organisation and externally.

Sales pipeline structure and management:

Norwood’s lead generation process is based on a mix of directly sourced contacts from personal networking and referrals from pilot participants, as well as paid search and lead generation activities. The majority of targeted organisations are based in Australia and in the energy, resources and professional services sectors. The diagram below highlights the overall process that Norwood is following in developing direct sales originated accounts.



As noted, Norwood will also be developing a complementary indirect approach using value-added resellers with national coverage. The presence of such resellers, who already service the enterprise market with voice telephony systems, can accelerate Norwood’s own direct go-to-market approach.

Marketing Strategy

Marketing and promotion of CORONA and EUROPA will be ramped up over the 12 months following completion of the Acquisition and the Offers.

Key marketing objectives include:

- Create brand and product awareness in Australia.
- Develop strategy to put out the right message, and to continuously communicate it.
- Maximize available budget.

Key marketing tactics will include:

- Website – create specific site to ensure value proposition is simple, and explanation of product and benefits are clear.
- Improve discovery - use search engine optimisation (SEO)/Adwords techniques
- Publicity – to identify Norwood as a key player, and inform potential customers, using
 - Press
 - Blogs/webinars/thought leadership
 - Trade shows
- Remarketing / customer relationship management (CRM) – focusing on lead generation and conversion process
- Promotion – above the line – professional magazine ads / billboards
- Avoid expense – go for innovation where possible

Norwood is currently conducting an international search for an experienced sales & marketing key executive.

As described above, World Phone specifically includes a “viral” growth mechanism, wherein end-users are encouraged to share the App in exchange for bonus minutes of calling credit. Additional bonus minutes will be granted when sharing exceeds minimum threshold parameters.

Norwood envisages that growth in World Phone adoption by itself will also drive product awareness and create individual champions within work environments who will work with Norwood’s sales consultants to migrate from individual pre-paid World Phone accounts to corporate post-paid CORONA contracts.

Norwood has commenced a number of discussions for “white label” partnerships, where there is an opportunity for brands to “add value” for their customers by supplying an own-brand version of World Phone supported by EUROPA.

Pricing Strategy

Norwood is positioning its service quality above VoIP and service pricing below current Telco roaming tariffs, electing to reference savings with customers as a basis for its pricing, rather than simply marking up the cost of its wholesale services.

Norwood will continue to develop a flexible pricing strategy, to ensure that promised savings are delivered.

Account Management and Customer Retention

Norwood's business model is based on recurring revenue arising from usage. Accordingly, Norwood considers that it is critical for it to develop or source the necessary monitoring systems and account management resources to monitor usage patterns and identify drop-off and churn-out risk, and to take action to recover customer engagement.

International Expansion Strategy

Norwood's initial priority is to create and prove the sales model in Australia, ensure it is scalable and repeatable, and then take it to international markets.

Key considerations in determining Norwood's targeted international markets include identifying markets where Norwood can:

- leverage its Australian installed customer base through references and referrals
- get the economic balance right, in terms of direct versus indirect sales and anticipated rate of growth
- learn and adapt from its experiences in Australia

When ready, Norwood plans to add further geographic sales points of presence (comprised of offices and personnel) in high-potential markets, including in the short-term the following regions:

- South East Asia
- Middle-East
- Europe

7.8 Overview of Norwood’s Intellectual Property

Norwood has a portfolio of patent applications, trade mark applications and in-house know-how to protect aspects of its business.

Patent Applications

Norwood is the owner of twelve individual patent applications within five ‘families’ of patent application.

Each of the patent application families has arisen from a process of research and development within Norwood. Two of the five application families have some relevance to the CORONA platform, and one of those two also has some relevance to the EUROPA platform. The other three patent families relate to technologies that are relevant to the current state of the art and have potential either to be commercialised by Norwood, or licensed for use by other companies.

Patent Application Family	Full Title	Priority Date	Commercialisation
Mobility	A System, Method, Computer Program and Data Signal for the Re-routing of Enterprise Voice Traffic	20 Feb 2013	Applicable to CORONA and EUROPA
Configuration	Method and Device for Configuring a Communication System	14 Jul 2011	Applicable to CORONA
Topology	Method, Device and System for Determining Topology of a Wireless Communication Network	14 Jul 2011	Potential for future commercialisation or licensing
Head Loss	Determining Effects on Communication Signals	5 Apr 2013	Potential for future commercialisation or licensing

'Wi-Fi' Handover	Communications	29 Apr 2011	Potential for future commercialisation or licensing
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The prospect of attaining patent protection for products and the technology such as those proposed to be used in the Norwood business is highly uncertain and involves complex and continually evolving factual and legal questions. 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 being significantly less than the scope of protection sought by Norwood. As a result, Norwood's patent application may not proceed to an issued patent and, if issued, may not be of commercial benefit to Norwood, or may not afford Norwood adequate protection from competing products.

The potential protection offered by patents notwithstanding, CORONA, EUROPA, Work Phone and World Phone collectively comprise sophisticated telecommunication systems that have had significant engineering time invested in their development by engineers skilled and experienced in bringing such telecommunication platforms and services to market. Norwood believes that an investment of this magnitude in intellectual property itself offers a reasonable barrier to imitation with or without patent protection. Norwood does not believe that the non-grant of any of the patent applications described below will prevent it from continuing with its business operations, or from implementing its business strategy, as outlined in this Prospectus. Norwood is not aware of the existence of any third party patents that would prevent its activities or impact on its business model.

Patent Applications Applicable to CORONA

Mobility

The CORONA platform has the ability to route voice traffic off an IP network (such as the internet) and instead through the Public Switched Telephone Network (**PSTN**) based on the invention described in the patent applications in the Mobility patent application family.

The Mobility patent application family broadly covers inventions relating to technology for re-routing enterprise voice traffic data, allocating an identification to a communications device, and reconfiguring such identifications. This patent application family includes a pending patent application in Australia and a pending International patent application under the Patent Cooperation Treaty, comprised of:-

Official Number	Country	Status
2013200960	Australia	Examination Report received; priority application for international application
PCT/AU2014/000152	WO (international)	Application filed; International Search Report and Written Opinion issued addressing Norwood's first response. Norwood preparing further response

The written opinion issued in relation to the international patent application in the Mobility patent application family includes objections to the application based on the novelty and inventive step requirements, citing an existing patent owned by a third party. These objections have been raised in two versions of the written opinion – the first opinion was issued in response to Norwood's initial application under the PCT, and the second opinion was issued following Norwood's response to the first written opinion.

Norwood's view is that the cited third party patent makes general references to multiple varieties of communication networks, which in and of themselves do not address Norwood's unique intellectual property, specifically the intent to choose one network over another based on cost or quality criteria. Norwood intends to further amend the claims the subject of its patent application to highlight the novelty of Norwood's innovation. It should be noted that it is not unusual, in the course of pursuing a patent to have such objections raised – a patent application can be an iterative process that involves the refinement of the claims the subject of the application to address objections raised by the relevant examiner. Norwood management is confident in the uniqueness and novelty of its intellectual property and is working with its patent attorneys to maximise the likelihood of patents being granted. However, there is a risk that Norwood will not be awarded a PCT patent if it is not able to satisfy the examiner that the application meets the novelty and inventive step requirements. Norwood has until 19 April 2015 to respond to the second written opinion.

Norwood has not yet responded to the Examination Report received in response to its Australia patent application in the Mobility patent application family at this stage – it has until 29 October 2015 to overcome all objections to the application. The Australian examiner is not bound by the findings of the international examiner, but the international examiner's opinion may be used as a guide during the Australian examination process.

Configuration

Another important feature of the CORONA platform is the ability to associate a user's Work Phone application (on their smartphone) to their existing office phone number. This feature is based on the invention broadly covered by the Configuration patent application family and differentiates the CORONA platform from other voice services in the market as it simplifies the experience for both the user and those who need to call that user.

The Configuration patent application family broadly covers an invention relating to technology for configuring a communication system. This patent application family includes pending patent applications in Australia, Europe, and the USA, comprised of:-

Official Number	Country	Status
2011902814	Australia	Priority application for international application
PCT/AU2012/000849	WO (international)	National/regional phase entered
2012283687	Australia	Examination requested
12811348.7	European Patent Convention	Application filed
14/232,688	USA	Application filed

Patent Applications with Potential for Future Commercialisation or Licensing

Overview

Current technology presents opportunities for the fusion of sensor data to associate real world locations with wireless environments. For example, 'WiFi positioning' observes that a given set of signal readings can probably only occur at one physical location. Norwood has conducted R&D in this space and a number of ideas emerged that were considered patentable:

- A method for developing a spatial description of the layout of a wireless network by utilising the full range of sensors now available in handheld devices is described under the heading **Topology** below. With consideration of position, direction and acceleration, more meaningful use can be made of radio signal information that is traditionally used for this purpose.
- When a smartphone, with a range of sensors, is held to the ear such as during a call, it causes a predictable change in the radio environment experienced by the device. This observation forms the basis for the invention described under the heading **Head Loss** below, which provides even more information to automatically construct better spatial mapping of wireless infrastructure.
- Finally, the spatial information built with the inventions described under the headings **Topology** and **Head Loss** below can be used by the invention described under the heading **WiFi Handover** below to improve the continuity of the user experience within a complex wireless network, such as the WiFi network for a business or a campus. Traditionally, a device would select a base station and cling to it until the signal degrades before searching for a new station. With WiFi Handover a number of sensors are used to provide better predictive and pre-emptive handover to provide the best possible connectivity.

Topology

The Topology patent application family broadly covers an invention relating to technology for determining topology of a wireless communication system. This patent application family includes pending patent applications in Australia, Europe, and the USA, comprised of:-

Official Number	Country	Status
2011902807	Australia	Priority application for international application
PCT/AU2012/000848	WO (international)	National/regional phase entered
2012283686	Australia	Examination requested
12810647.3	European Patent Convention	Application filed
14/232,696	USA	Application filed

Head Loss

The Head Loss patent application family broadly covers an invention relating to technology for determining effects of factors, such as anisotropic signal reception properties of a wireless communication enabled device and proximity to a source of interference, on a property, such as attenuation of a signal received by the wireless communication device. This patent application

family includes a pending patent application in Australia and a pending International patent application under the Patent Cooperation Treaty, comprised of:-

Official Number	Country	Status
2013202735	Australia	Application filed
PCT/AU2014/000369	WO (international)	Application filed; International Search Report and Written Opinion issued. Response pending.



WiFi Handover

The WiFi Handover patent application family broadly covers inventions relating to technology for implementing an action, such as a handover decision, in a wireless communication network, and for estimating and correcting an estimate of a state, such as position or velocity, of a mobile device in the wireless communication network. This patent application family includes pending patent applications in Australia and the USA, comprised of:-

Official Number	Country	Status
2011901585	Australia	Priority application for international application
PCT/AU2012/000438	WO (international)	National/regional phase entered
2012248121	Australia	Examination requested
14/114,637	USA	Application filed

Trade Mark Applications

Norwood's trade mark portfolio consists of four pending Australian trade mark applications related to the words 'Norwood Systems', the Norwood Systems logo, the word 'CORONA' and the CORONA logo. These trade mark applications consist of:

	Official Number	Country	Classes	Status
NORWOOD SYSTEMS – Word	1608213	Australia	38, 42	Application filed – examination report received
	1608215	Australia	38, 42	Application filed – examination report received
CORONA – Word	1608214	Australia	38, 42	Application filed – examination report received
	1608216	Australia	38, 42	Application filed – examination report received

Objections have been raised by the relevant examiner in all cases to the wording of the services claimed and, in the case of the Norwood marks only, on the basis of allegedly similar trade marks on the Trade Marks register. There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered. While this may not prevent Norwood from continuing to trade under the relevant brands, it may limit Norwood's ability to prevent a competing product from being made available by another party using the same or similar branding.

7.9 Financial Information

Information relating to the financial information of the Company and Norwood is in Sections 9 & 10 of this Prospectus.

7.10 Company overview and current assets

The Company was reinstated to the Official List of the ASX on 23 August 2010 following a recapitalisation with the primary purpose of acquiring, exploring and evaluating with a view to exploiting mineral resource projects including gold at the 'Triple 3' Project located in the Pilbara region of Western Australia and to seek new acquisitions in the resources sector, both in Australia and overseas. Subsequently the Company acquired interests in a strategic suite of exploration tenements prospective for gold, located in Burkina Faso and relinquished the Triple 3 Project.

The Company, through wholly owned subsidiaries, currently holds the following interests in the mining tenements set out in the table below.

Tenement	Type	Location	Prospective for	Interest
2012-327 "Kana"	Exploration license ⁽¹⁾	Burkina Faso	Precious Metals	Option to acquire 100%
2011-066 "Bilakongo"	Exploration license ⁽¹⁾	Burkina Faso	Precious Metals	100%
2012-072 "Tigan"	Exploration license ⁽¹⁾	Burkina Faso	Precious Metals	100%
2011-005 "Dabokuy"	Exploration license ⁽²⁾	Burkina Faso	Precious Metals	100%

(1) On 27 March 2014 the Company signed an agreement with SEMAFO Inc (TSX:SMF) ("SEMAFO") to grant SEMAFO a three year working right and option to acquire a 90% interest in the Bilakongo and Tigan licenses and a 100% interest in the Kana license in return for an exploration funding commitment of US\$800,000 and staged payments to the Company of US\$230,000 over three years, as well as a cash payment to the vendors of the Kana permit of US\$90,000.

The remaining 10% interest held by the Company in the Bilakongo and Tigan permits is to be free carried, unless SEMAFO exercises an option to purchase the remaining interest for an additional payment of USD\$1,500,000 to the Company.

(2) On 30 May 2014 the Company signed an agreement with SEMAFO to grant SEMAFO a three year working right and option to acquire a 100% interest in the Dabokuy license in return for an exploration funding commitment of US\$200,000 on the license and staged payments to the Company of US\$70,000 over three years.

Upon SEMAFO acquiring a 100% interest in the licence, the Company is to be granted a Net Smelter Return royalty of 1%. SEMAFO has the option to purchase the NSR from the Company prior to production at the Dabokuy license for US\$1,000,000.

Due to difficult market conditions in the mining and exploration sector, the Company has been evaluating high quality and value adding investment opportunities outside the commodities industry to take advantage of global market trends and maximise the value of its Shares. On 27 March 2015 the Company announced that it had terminated an option agreement to acquire its interests in remaining Burkina Faso tenements that were not subject to an option agreement with SEMAFO, being the "Pepin" and "Guimbe" tenements.

8. Industry Overview

8.1 Telecommunications Market

International Mobile Roaming

International Mobile Roaming (**IMR**) is a service that allows mobile users to continue to use their mobile phone or other mobile device to make and receive calls and text messages, browse the internet, and send and receive emails, while visiting another country.

Roaming extends the coverage of the home operator's retail voice and SMS service, allowing the mobile user to continue using their home operator phone number and data services within another country. The seamless extension of coverage is enabled by a wholesale roaming agreement between a mobile user's home operator and the visited mobile operator network. The roaming agreement addresses the technical and commercial components required to enable the service.

The most common international roaming services are:

- **Voice:** Making and receiving calls to or from home country, visited country or a third country, while abroad
- **SMS:** Sending and receiving text messages to or from home country, visited country or a third country, while abroad
- **Email:** Reading and replying to emails while abroad
- **Mobile broadband:** Using mobile devices or dongles to access the internet, including to download images, MP3s, films and software, while abroad
- **Applications:** Using mobile applications while abroad that require mobile data, such as location based services and language translators

How Does IMR Work

When a mobile user is abroad and turns on their mobile device, the device attempts to communicate with a visited mobile network. The visited network picks up the connection from the user's mobile, recognizes whether it is registered with its system, and attempts to identify the user's home network. If there is a roaming agreement between the home network and one of the mobile networks in the visited country, the call is routed by the visited network towards an international transit network. The international transit network carrier is responsible for the call delivery to the destination network. Once this is done, the destination network will connect the call.

The visited network also requests service information from the home network about the user, such as whether the phone being used is lost or stolen, and whether the mobile device is authorized for international use. If the phone is authorized for use, the visited network creates a temporary subscriber record for the device and the home network updates its subscriber record on where the device is located so if a call is made to the phone it can be appropriately routed.

How big is the IMR Market

Total worldwide mobile operator revenues generated from IMR in 2014 was estimated to be US\$57 billion, an increase of approximately 25% from the US\$45 billion estimated for 2012.

Global Comparison of IMR Prices

Regulators from around the world have expressed concern about the transparency of IMR prices, bill shock, and high prices. There are a number of factors which can influence the IMR prices in different jurisdictions and can go some way to explain the large variances that can exist from country to country. These factors can include:

- Differing tariff bundles – IMR prices are often just one element within an overall tariff bundle for the total mobile service that a consumer purchases. This bundle can include the price of a mobile handset, the monthly rental, domestic call charges, SMS charges, volume discounts and contract term
- Per-capita income – customers income has a significant effect on tariff structure and demand
- Mobile penetration rates – the demand for IMR depends in part on the demand for access to the mobile network, and the rate at which access to mobile networks is growing
- Percentage of population that travel internationally – the demand for IMR not only depends on the number of consumers with access to mobile services, but also of those that do, the number that travel abroad
- Network coverage – whilst network coverage is improving, in some regions it remains a technological challenge as operators continue to roll-out and upgrade their networks
- Government – see below under the heading Regulation of IMR

Regulation of IMR

Over recent years, governments and their regulatory authorities have attempted to regulate wholesale and/or retail pricing for roaming services. Examples include the European Union's (EU) efforts to eliminate roaming charges for travellers roaming from one country to another inside the EU, as well as the Australian and New Zealand governments' recent efforts to regulate trans-Tasman roaming. Effective global scale regulation would require a significant portion of the 200 countries and 500 mobile network operators globally to co-operate to impose such regulation.

Potential Substitute Services to IMR

Substitutes exist for the voice and data components of the IMR services, including:

- Voice roaming substitutes: Voice over IP (VoIP) services such as Skype and Viber, calling cards, callback services and local SIMs
- Data roaming substitutes: local "Wi-Fi" access and local SIMs

Despite the ready availability of these various alternatives, total IMR revenues have continued to grow in absolute terms, highlighting perhaps how attractive the seamless nature of IMR is for travellers. A study carried out for the Australian Government in 2008, highlighted that, while substitutes exist, they were all of an "imperfect" nature (i.e. not seamless)

- With calling cards and call back services, physical access to a fixed telephone line is typically required, while the pattern of setting up a call is markedly different from a normal telephone call.
- With VoIP services, users have the complication that VoIP doesn't work reliably all the time. This is especially an issue for business travellers who have commercial needs to maintain high-quality lines of communication with their clients and colleagues.

With local SIMs, corporate IT managers find that they have to maintain additional hardware, as well as dealing with potential loss and breakage of SIMs issued to roaming staff members.

9. Summarised Financial Information

The summarised financial information contained in this Section 9 has not been reviewed by Ernst & Young in their role as Investigating Accountant and as such is not covered within its Independent Limited Assurance Report included at section 10.8.

9.1 The Company

This Section contains certain historical information of the Company, that the Directors consider relevant to investors:

(i) historical information of the Company derived from the audited annual financial statements of the Company for the years ended 30 June 2012 (“FY 2012”), 30 June 2013 (“FY 2013”) and 30 June 2014 (“FY 2014”) and the reviewed interim financial statements for the half year ended 31 December 2014 (“Half Year – 31 Dec 2014”); and

(ii) historical consolidated statements of profit or loss and other comprehensive income for the Half Year – 31 Dec 2014 and the Half Year to 31 Dec 2013 (“Half Year – 31 Dec 2013”) and the historical consolidated statements of changes in equity of the Company for the Half Year – 31 Dec 2014 and the Half Year - 31 Dec 2013, extracted from the interim financial report of the Company for the respective periods specified.

Historical Information	FY 2012 actual	FY 2013 actual	FY 2014 actual	Half year – 31 Dec 2014 actual
Interest income	103,544	37,956	8,928	-
Other revenue	-	-	-	3,344
Total expenses	(848,192)	(1,648,482)	(2,834,518)	(312,835)
Loss before income tax	(744,648)	(1,610,526)	(2,825,590)	(309,491)
Income tax	-	-	-	-
Loss for the period	(744,648)	(1,610,526)	(2,825,590)	(309,491)
Current Assets	1,906,870	805,039	359,435	536,195
Non-current assets	892,500	2,351,147	-	75,000
Total assets	2,799,370	3,156,186	359,435	611,195
Current liabilities	66,734	78,244	107,083	68,967
Total liabilities	66,734	78,244	107,083	68,967
Net assets / (liabilities)	<u>2,732,636</u>	<u>3,077,942</u>	<u>252,352</u>	<u>542,228</u>
Total equity	<u>2,732,636</u>	<u>3,077,942</u>	<u>252,352</u>	<u>542,228</u>

The historical information presented is in an abbreviated form and does not contain all of the presentation and disclosures that are usually contained in annual statutory financial statements prepared in accordance with the Corporations Act 2001.

The financial report of the Company for the FY 2012, FY 2013 and FY 2014 were audited by BDO Audit (WA) Pty Ltd in accordance with Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued unmodified audit opinions on the financial statements for FY 2012 and FY 2014. For FY 2013 financial statements, BDO Audit (WA) Pty Ltd issued an unmodified audit opinion which contained an emphasis of matter paragraph relating to going concern. The interim financial statements for the Half Year – 31 Dec 2014 was reviewed by BDO Audit (WA) Pty Ltd who issued an unmodified limited conclusion on it.

The audited financial statements (inclusive of significant account policies) of the Company for the FY2012, FY 2013 and FY 2014 are available on the Company's website at www.monteraymining.com.au or (free of charge) by request to the Company on +61 8 9482 0560.

Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income	Half year - 31 Dec 2014 \$	Half year - 31 Dec 2013 \$
Revenue	3,344	6,698
Administration expenses	(94,699)	(88,020)
Directors' benefit expense	(41,063)	(40,969)
Exploration and evaluation expenses	(137,447)	(47,560)
Other expenses	(6,180)	(23,644)
Project analysis and due diligence	(33,446)	-
Loss before income tax expense	(309,491)	(193,495)
Other comprehensive income	-	-
Total comprehensive loss for the period	(309,491)	(193,495)
Basic and diluted loss per share (cents)	(0.35)	(0.30)

The above Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes from the financial statements from which it is extracted as described earlier.

Historical Consolidated Statement of Changes in Equity				
	Share Capital	Share Option Reserve	Accumulated Losses	Total Equity
Half year – 31 December 2014	\$	\$	\$	\$
Total equity at 1 July 2013	11,909,484	2,015,107	(10,846,649)	3,077,942
Total Comprehensive Loss for the period				
Loss for the period	-	-	(193,495)	(193,495)
Total other comprehensive income	-	-	-	-
Transactions with Equity Holders				
Shares issued, net of transactions	-	-	-	-
Total Equity at 31 December 2013	11,909,484	2,015,107	(11,040,144)	2,884,447
Total equity at 1 July 2014	11,909,484	2,015,107	(13,672,239)	252,352
Total Comprehensive Loss for the period				
Loss for the period	-	-	(309,491)	(309,491)
Total other comprehensive income	-	-	-	-
Transactions with Equity Holders				
Shares issued, net of transactions	599,367	-	-	599,367
Total Equity at 31 December 2014	12,508,851	2,015,107	(13,981,730)	542,228

The above Historical Consolidated Statement of Changes in Equity should be read in conjunction with the notes from the financial statements from which it is extracted as described earlier.

A Historical and Pro Forma Historical Consolidated Statement of Financial Position as at 31 December 2014 for the Company is contained in Section 10.4.

9.2 Norwood

Norwood was incorporated on 2 February 2011 and subsequent business operations have been limited to research and development of the CORONA and EUROPA global roaming platforms. Accordingly Norwood is essentially a start-up company with limited trading history. Norwood is now in the commercialisation phase of the business cycle and as such carries the normal risks of a start-up business. Given the limited trading history of Norwood, no assurance can be given that Norwood will

achieve commercial viability through the implementation of its business plan and should therefore be considered high risk.

For the period from inception through to 31 December 2014, Norwood has incurred total expenditure of approximately \$3.7m in forming the company and developing its products. Investors should note, given Norwood's limited operating history, the ability to achieve its commercialisation objectives is high risk.

This section contains certain historical information of Norwood comprising the following that the Directors consider relevant to investors:

(i) historical information of Norwood derived from the audited financial statements for the financial period from incorporation on 2 February 2011 to 30 June 2012 ("2012 period since incorporation"), FY 2013, FY 2014 and Half Year–31 Dec 2014.

(ii) the historical consolidated statements of profit or loss and other comprehensive income for the Half Year – 31 Dec 2014 and Half Year – 31 Dec 2013 and the historical consolidated statements of changes in equity for Half Year – 31 Dec 2014 and Half Year – 31 Dec 2013, extracted from the interim financial report of Norwood for the respective periods specified.

The historical information of Norwood presented is in an abbreviated form and does not contain all of the presentation and disclosures that are usually contained in annual statutory financial statements prepared in accordance with the Corporations Act 2001.

Historical Information	2012 period since incorporation actual \$	FY 2013 actual \$	FY 2014 actual \$	Half year to 31 Dec 2014 actual \$
Interest income	1,197	2,558	1,434	171
Other revenue	173,879	299,590	331,074	263
Operating expenses	(641,024)	(917,385)	(1,502,589)	(676,144)
Loss before income tax	(465,948)	(615,237)	(1,170,081)	(675,710)
Income tax	-	-	-	-
Loss for the period	(465,948)	(615,237)	(1,170,081)	(675,710)
Current assets	326,665	409,234	356,439	360,022
Non current assets	4,768	1,812	1,268	2,316
Total assets	331,433	411,046	357,707	362,338
Current liabilities	297,157	242,007	1,358,749	1,964,090
Total liabilities	297,157	242,007	1,358,749	1,964,090
Net assets / (liabilities)	<u>34,276</u>	<u>169,039</u>	<u>(1,001,042)</u>	<u>(1,601,752)</u>
Total equity	<u>34,276</u>	<u>169,039</u>	<u>(1,001,042)</u>	<u>(1,601,752)</u>

Norwood's financial report for 2012 period since incorporation, FY 2013 and FY 2014 were audited by Ernst & Young in accordance with Australian Auditing Standards. Ernst & Young issued unmodified audit opinions, which contained an emphasis of matter paragraph relating to going concern, on the financial statements for these periods. Norwood's interim financial statements for the six month

period ended 31 December 2014 have been reviewed by Ernst & Young who issued an unmodified limited assurance conclusion which contained an emphasis of matter paragraph relating to going concern.

The audited financial statements (inclusive of significant account policies) of Norwood described above are available by request (free of charge) from the Company on +61 8 9482 0560.

Norwood Systems Pty Ltd		
Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income	Half year – 31 Dec 2014	Half year – 31 Dec 2013
	\$	\$
Interest income	-	171
Other income	-	263
Employee and director benefits expense	(277,072)	(338,801)
Consultancy and subcontractor fees	(197,559)	(6,246)
Travel and entertainment	(7,799)	(34,872)
Legal fees	(6,451)	-
Rent	(46,501)	(60,574)
Research and development expenses	(48,526)	(4,229)
Other expenses	(16,361)	(11,095)
Accountancy costs	(19,298)	(30,282)
Interest expense	(44,845)	(1,025)
Administration expenses	(6,305)	(855)
Electricity and telephone	(4,993)	(2,476)
Loss before income tax expense	(675,710)	(490,021)
Income tax benefit	-	-
Loss for the period attributable to members of Norwood Systems Pty Ltd	(675,710)	(490,021)
Other comprehensive income	-	-
Total comprehensive loss for the period	(675,710)	(490,021)
Basic and diluted loss per share (cents)	(0.43)	(0.31)

The above Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes from the financial statements from which it is extracted.

Norwood Systems Pty Ltd			
Historical Consolidated Statement of Changes in Equity			
For the six months ended 31 Dec 2014	Issued Capital	Accumulated Losses	Total Equity
	\$	\$	\$
Balance at 1 July 2013	1,250,224	(1,081,185)	169,039
Loss for the period		(490,021)	(490,021)
Total Equity at 31 December 2013	1,250,224	(1,571,206)	(320,982)
Balance at 1 July 2014	1,250,224	(2,251,266)	(1,001,042)
Loss for the period		(675,710)	(675,710)
Transactions with Equity Holders			
Shares issued, net of transactions	75,000		75,000
Total Equity at 31 December 2014	1,325,224	(2,926,976)	(1,601,752)

The above Historical Consolidated Statement of Changes in Equity is to be read in conjunction with the notes from the financial statements from which it is extracted.

10. Historical and Pro Forma Historical Financial Information & Independent Limited Assurance Report

10.1 Introduction

This section sets out the historical financial information of the Company and the pro forma historical financial information of the Company.

The Acquisition of Norwood by the Company is based on consideration for 100% of the shares in Norwood whereby the Company will issue 368,058,888 Consideration Shares to the shareholders of Norwood. In substance, the Acquisition involves Norwood shareholders gaining accounting control of the Company. As the Company does not meet the definition of a “business” under Australian Accounting Standards, the ongoing consolidated financial statements of the Company will represent the continuation of Norwood. Accordingly, the Acquisition has been accounted for as a share based payment by which Norwood acquires the net assets and listing status of the Company.

The Historical and Pro Forma Historical Financial Information has been prepared on the basis of the Company being a going concern. In arriving at this position, the Directors have had regard to the fact that the Company has sufficient cash and other assets to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this Prospectus.

The historical and pro forma historical financial information has been prepared by management and adopted by the Directors. The Directors are responsible for the inclusion of all historical and pro forma historical financial information in this section 10. The purpose of the inclusion of the historical and pro forma historical financial information is to illustrate the effects of the Acquisition and the issue of shares contemplated under this Prospectus. The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation, disclosures, statements and comparatives required by Australian Accounting Standards and other mandatory reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

The basis for preparation and presentation of the financial information is set out below.

10.2 Historical Financial Information

The historical financial information for the Company comprises the historical consolidated statement of financial position of the Company as at 31 December 2014 (**Historical Financial Information**).

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed by the Australian Accounting Standards issued by the Australian Accounting Standards Board.

The Historical Financial Information of the Company as at 31 December 2014 has been derived from the interim financial report of the Company for the half-year ended 31 December 2014, which has been reviewed by BDO Audit (WA) Pty Ltd and on which an unmodified limited assurance conclusion was issued.

10.3 Pro-Forma Historical Financial Information

The pro forma historical financial information for the Company has been prepared to illustrate the effect of the acquisition of Norwood by the Company on the basis of assumptions and adjustments as described in section 10.5 and the issue of shares contemplated under this Prospectus and comprises:

- The pro forma historical consolidated Statement of Financial Position at 31 December 2014 based on the raising of the minimum subscription of \$4 million
- The pro forma historical consolidated Statement of Financial Position at 31 December 2014 based on the raising of the maximum subscription of \$5.5 million

(collectively, **the Pro Forma Historical Financial Information**)

(the **Historical Financial Information and the Pro Forma Historical Financial Information**, together, is referred to as **the Financial Information**)

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company and the historical financial information of Norwood, after adjusting for the pro forma adjustments described in section 10.5 below.

The Pro Forma Historical Financial Information has been prepared in a manner consistent with the recognition and measurement principles contained in the Australian Accounting Standards, applied to the Historical Financial Information, and the events or transactions to which the pro forma adjustments relate, as described in section 10.5 below as if those events or transactions had occurred as at 31 December 2014.

The Pro Forma Historical Financial Information is not necessarily indicative of the financial position of the Company on the date of the completion of the Acquisition and the capital raising contemplated under this prospectus. The significant accounting policies which have been adopted in the preparation of the Historical Financial Information are those of the Company and for Pro Forma Historical Financial Information are those of the accounting acquirer, Norwood. A preliminary assessment of Norwood and the Company's accounting policies adopted in the preparation of the Pro Forma Historical Financial Information has not identified any material differences. These policies are detailed in section 10.7.

The following table in section 10.4 sets out the Historical and Pro Forma Historical Financial Information described above.

Ernst & Young has prepared an Independent Limited Assurance Report in respect of the Historical and Pro Forma Historical Financial Information of the Company as set out in Section 10.8 of the Prospectus. The company's shareholders should note the scope and limitations of the report.

10.4 Historical and Pro Forma Historical Consolidated Statement of Financial Position

As at 31 December 2014

		<i>Historical Company 31 Dec 2014</i>	<i>Historical Norwood 31 Dec 2014</i>	<i>Pro-forma Adjustment</i>	<i>Pro-forma Historical (Minimum Subscription) 31 Dec 2014</i>	<i>Pro-forma Adjustment Additional Subscription</i>	<i>Pro-forma Historical (Maximum Subscription) 31 Dec 2014</i>
	<i>Notes</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
CURRENT ASSETS							
Cash and cash equivalents	2	523,605	27,793	3,879,050	4,430,448	1,410,000	5,840,448
Trade and other receivables	1(g)	12,590	332,229	11	344,830	-	344,830
TOTAL CURRENT ASSETS		536,195	360,022	3,879,061	4,775,278	1,410,000	6,185,278
NON CURRENT ASSETS							
Deferred exploration and evaluation costs	1(a)	-	-	850,000	850,000	-	850,000
Prepaid investment	1(k)	75,000	-	(75,000)	-	-	-
Plant & equipment		-	2,316	-	2,316	-	2,316
TOTAL NON-CURRENT ASSETS		75,000	2,316	775,000	852,316	-	852,316
TOTAL ASSETS		611,195	362,338	4,654,061	5,627,594	1,410,000	7,037,594
CURRENT LIABILITIES							
Trade and other creditors	3	68,967	1,094,871	(332,745)	831,093	-	831,093
Convertible notes	4	-	869,219	(869,219)	-	-	-
TOTAL CURRENT LIABILITIES		68,967	1,964,090	(1,201,964)	831,093	-	831,093
TOTAL NON-CURRENT LIABILITIES		-	-	-	-	-	-
TOTAL LIABILITIES		68,967	1,964,090	(1,201,964)	831,093	-	831,093
NET ASSETS/ (LIABILITIES)		542,228	(1,601,752)	5,856,025	4,796,501	1,410,000	6,206,501
EQUITY							
Issued capital	5	12,508,851	1,325,224	(4,328,676)	9,505,399	1,410,000	10,915,399
Option reserve	6	2,015,107	-	(1,429,175)	585,932	-	585,932
Accumulated losses	7	(13,981,730)	(2,926,976)	11,613,876	(5,294,830)	-	(5,294,830)
TOTAL EQUITY		542,228	(1,601,752)	5,856,025	4,796,501	1,410,000	6,206,501

The above should be read in conjunction with the accompanying notes.

10.5 Notes to the Financial Information As at 31 December 2014

1. Pro Forma Adjustments and Assumptions

The Pro Forma Historical Financial Information give effect to the Acquisition of Norwood by the Company and the capital raising contemplated under this Prospectus as if they had occurred on the date being presented, being 31 December 2014. Unless specifically described, the Pro Forma Historical Financial Information does not include adjustments for the Company's business occurring after 31 December 2014 that do not relate to the Acquisition or the capital raising contemplated under this Prospectus. The pro forma adjustments are as follows:

- (a) As consideration for 100% of the shares in Norwood, the Company will issue 368,058,888 Consideration Shares to the shareholders of Norwood. As a result of the share exchange, the former shareholder of Norwood will acquire accounting control of the Company. The Acquisition will be accounted for as an asset acquisition via a share based payment. The excess of the estimated fair value of the equity instruments that Norwood is deemed to have issued to acquire the Company (the **Deemed Consideration**), plus the transaction costs (together, the **Consideration**) over the estimated fair value of the Company's net assets will be recorded as a charge to profit or loss (for the purposes of the pro forma to the accumulated losses). This charge effectively represents the cost of acquiring the listing status of the Company. For the purpose of the pro forma adjustment, the estimated fair value of the equity instruments deemed to be issued by Norwood amounts to \$2,485,213, based on the last traded share price of the Company as at 31 December 2014 and the number of Shares on issue in the Company prior to the issue of the Consideration Shares. See table below:

Deemed Consideration	\$
Valuation per Share	0.019
Deemed Consideration (130,800,710 Shares)	2,485,213

For the purposes of the Pro Forma Historical Financial Information it is assumed that the Company's Options on issue as at 31 December 2014 would not result in a material adjustment to the Deemed Consideration, noting that the exercise price of these options well exceeds the last traded share price as at 31 December 2014.

The Company will also issue a total of 157,739,522 Performance Shares as part of the acquisition but no value has been allocated to the Performance Shares due to the significant uncertainty of meeting the two performance milestones which are based on future events.

On the assumption that the net assets of the Company are recorded at their fair value after recognising the fair value of the exploration and evaluation assets of the Company as valued by an independent expert, and the Acquisition occurred on 31 December 2014, the Consideration would be allocated as follows:

Allocation of Consideration	Pro-forma	
	\$	
	Minimum subscription	Maximum subscription
<u>Deemed Consideration</u>	<u>2,485,213</u>	<u>2,485,213</u>
Fair value of exploration and evaluation assets (as determined by independent valuation)	850,000	850,000
Fair value of net assets of the Company at 31 December 2014	542,228	542,228
Cost of listing status acquired by Norwood charged to accumulated losses	1,092,985	1,092,985
<u>Consideration for net assets of Company</u>	<u>2,485,213</u>	<u>2,485,213</u>

In accordance with relevant accounting standards, the fair value of the shares will be determined in reference to the last traded share price of the shares prior to the allotment of the consideration shares to the vendors of Norwood. Accordingly this may change the fair value of the deemed shares issued.

- (b) To determine the minimum and maximum subscription, the issue of 200,000,000 Shares and 275,000,000 Shares respectively, at an issue price of \$0.02 per Share to raise \$4,000,000 and \$5,500,000 before transaction costs has been proposed. All Shares issued pursuant to this Prospectus will be issued as fully paid and will rank equally in all respects with the Shares already on issue;
- (c) Total costs expected to be incurred in connection with the issue of shares for the minimum and maximum subscription of \$450,000 and \$540,000 respectively are recognised directly in equity. These costs will vary due to a fee of 6% of amount raised payable to the Lead Manager, Azure Capital Limited, under their Mandate letter (see Section 14.3 of the Prospectus);
- (d) The issue of convertible notes in Norwood for the purpose of raising funds for working capital requirements prior to completion of the Acquisition with a principal value of \$329,050. These convertible notes are converted to shares in Norwood prior to completion of the Acquisition per pro forma adjustment (e);
- (e) Conversion of all Norwood convertible notes totalling \$1,198,269, including as described above into 497,321 shares in Norwood prior to completion of the Acquisition. The shares in Norwood will be converted to 82,042,337 shares in the Company which is included in the total 368,058,888 consideration shares being issued. The fair value of Company shares to be issued will be \$1,640,847 based on issue price of \$0.02. As a result of the conversion, the Company will incur a loss due to the difference of between the convertible note amount and the fair value of shares received for extinguishing the liability;

- (f) The issue of 110,994 Norwood shares as satisfaction of Norwood trade creditors to the value of \$307,839. The shares in Norwood will be converted to 18,302,230 shares in the Company which is included in the total 368,058,888 consideration shares being issued. The fair value of Company shares to be issued will be \$366,045 based on issue price of \$0.02. As a result of the conversion, the Company will incur a loss due to the difference of between the creditor amount and the fair value of shares received for extinguishing the liability;
- (g) The issue of 55,000 Norwood shares to original Norwood investors for a subscription value of \$11. The shares in Norwood will be converted to 9,073,265 shares in the Company which is included in the total 368,058,888 consideration shares being issued. The fair value of Company shares to be issued will be \$181,465 based on issue price of \$0.02. As a result of the conversion, the Company will incur a loss due to the difference of between the creditor amount and the fair value of shares received for extinguishing the liability;
- (h) Satisfaction of an outstanding loan of \$24,906 from the Ostergaard Family Trust to Norwood through the issue of 9,579 Norwood shares. The shares in Norwood will be converted to 1,580,266 shares in the Company which is included in the total 368,058,888 consideration shares being issued. The fair value of Company shares to be issued will be \$31,605 based on issue price of \$0.02. As a result of the conversion, the Company will incur a loss due to the difference of between the creditor amount and the fair value of shares received for extinguishing the liability;
- (i) The issue of 43,593,213 unlisted options at an exercise price of \$0.02 and exercisable on or before three years from the date of grant to advisors and employees of Norwood, valued at \$435,932 based on a Black-Scholes method of valuation using a grant date of 31 December 2014;
- (j) The issue of 15,000,000 unlisted options at an exercise price of \$0.02 and exercisable on or before three years from the date of grant to advisors of the Company as consideration for corporate services in relation to the Norwood acquisition, valued at \$150,000 based on a Black-Scholes method of valuation using a grant date of 31 December 2014; and
- (k) Reversal of non-refundable deposit of \$75,000 made by Company to Norwood as part of the Acquisition consideration.

2. Cash and Cash Equivalents

	<i>Pro Forma Historical</i>	
	<i>Minimum</i>	<i>Maximum</i>
	<i>Subscription</i>	<i>Subscription</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	\$	\$
Historical Balance of Company	523,605	523,605
Historical Balance of Norwood	27,793	27,793
<i>Pro Forma Adjustments:</i>		
Shares issued pursuant to this Prospectus (refer 1(b))	4,000,000	5,500,000
Share issue costs (refer 1(c))	(450,000)	(540,000)
Issue of Norwood convertible notes (refer 1(d))	329,050	329,050
Closing Balance	4,430,448	5,840,448

3. Trade and other creditors

	<i>Pro Forma Historical</i>	
	<i>Minimum</i>	<i>Maximum</i>
	<i>Subscription</i>	<i>Subscription</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	\$	\$
Historical Balance of Company	68,967	68,967
Historical Balance of Norwood	1,094,871	1,094,871
<i>Pro Forma Adjustments:</i>		
Issue of Norwood shares to satisfy trade creditors (refer 1(f))	(307,839)	(307,839)
Issue of Norwood shares to satisfy outstanding loan from the Ostergaard Family Trust (refer 1(h))	(24,906)	(24,906)
Closing Balance	831,093	831,093

4. Convertible notes

	<i>Pro Forma Historical</i>	
	<i>Minimum</i>	<i>Maximum</i>
	<i>Subscription</i>	<i>Subscription</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
	\$	\$
Historical Balance of Company	-	-
Historical Balance of Norwood	869,219	869,219
<i>Pro Forma Adjustments:</i>		
Issue of Norwood convertible notes (refer 1(d))	329,050	329,050
Conversion of all Norwood convertible notes (refer 1(e))	(1,198,269)	(1,198,269)
Closing Balance	-	-

5. Issued Capital

			<i>Pro Forma Historical</i>	
	<i>Minimum Subscription Unaudited</i>	<i>Maximum Subscription Unaudited</i>	<i>Minimum Subscription Unaudited</i>	<i>Maximum Subscription Unaudited</i>
	No of shares	No of shares	\$	\$
Historical fully paid share capital – Company	130,800,710	130,800,710	12,508,851	12,508,851
<i>Pro forma adjustments:</i>				
Acquisition of Norwood – consideration (refer 1(a))	185,558,366	185,558,366	2,485,213	2,485,213
Less acquisition deposit paid (refer 1(k))	-	-	(75,000)	(75,000)
Fully paid share capital – Norwood	-	-	1,325,224	1,325,224
Elimination of Monterey equity – reverse acquisition accounting	-	-	(12,508,851)	(12,508,851)
Issue of shares pursuant to the Public Offer (refer 1(b))	200,000,000	275,000,000	4,000,000	5,500,000
Share issue costs (refer 1(c))	-	-	(450,000)	(540,000)
Issue of Monterey shares upon conversion of convertible notes (refer 1(e))	82,042,337	82,042,337	1,640,847	1,640,847
Issue of Monterey shares to creditors (refer 1(f))	18,302,230	18,302,230	366,045	366,045
Issue of Monterey shares (refer 1(g))	9,073,265	9,073,265	181,465	181,465
Issue of Monterey shares to settle loan (refer 1(h))	1,580,266	1,580,266	31,605	31,605
Total	698,859,598	773,859,598	9,505,399	10,915,399

6. Reserves

			<i>Pro Forma Historical</i>	
	<i>Minimum Subscription Unaudited</i>	<i>Maximum Subscription Unaudited</i>	<i>Minimum Subscription Unaudited</i>	<i>Maximum Subscription Unaudited</i>
	No of options	No of options	\$	\$
Historical option reserve – Company	9,000,000	9,000,000	2,015,107	2,015,107
<i>Pro Forma Adjustments:</i>				
Elimination of Company's equity	-	-	(2,015,107)	(2,015,107)
Issue of options to Norwood advisors and management (refer 1(i))	43,593,213	43,593,213	435,932	435,932
Issue of advisor options (refer 1(j))	15,000,000	15,000,000	150,000	150,000
Total	67,593,213	67,593,213	585,932	585,932

7. **Accumulated Losses**

	<i>Pro Forma Historical</i>	
	<i>Minimum</i>	<i>Maximum</i>
	<i>Subscription</i>	<i>Subscription</i>
	<i>Unaudited</i>	<i>Unaudited</i>
	\$	\$
Historical accumulated losses - Company	(13,981,730)	(13,981,730)
<i>Pro Forma Adjustments:</i>		
Acquisition of Norwood	(2,926,976)	(2,926,976)
Elimination of Company equity	13,981,730	13,981,730
Cost of listing status acquired by Norwood (refer 1(a))	(1,092,985)	(1,092,985)
Issue of options to Norwood advisors and management (refer 1(i))	(435,932)	(435,932)
Issue of options to Norwood advisors (refer 1(j))	(150,000)	(150,000)
Cost associated with Issue of Monteray shares upon conversion of convertible notes (refer 1(e))	(442,578)	(442,578)
Cost associated with Issue of Monteray shares to creditors (refer 1(f))	(58,206)	(58,206)
Cost associated with Issue of Monteray shares (refer 1(g))	(181,454)	(181,454)
Cost associated with Issue of Monteray shares to settle loan (refer 1(h))	(6,699)	(6,699)
	<u>(5,294,830)</u>	<u>(5,294,830)</u>

10.6 **Subsequent Events**

The Directors expect the following costs to be incurred after 31 December 2014 up to the date of completion of the Acquisition which are not included in the pro forma adjustments described in section 10.5 above:

- Costs of \$25,000 for the technical due diligence in relation to the Acquisition by Company;
- Corporate and administration costs of \$156,500 by Company; and
- Operating expenditure of \$420,000 by Norwood;

The Directors are not aware of any other subsequent events.

10.7 **Summary of Significant Accounting Policies**

The significant accounting policies which have been adopted in the preparation of the Historical Financial Information are those of the Company and for Pro Forma Historical Financial Information are those of the accounting acquirer, Norwood. A preliminary assessment of Norwood and the Company's accounting policies adopted in the preparation of the Pro Forma Historical Financial Information has not identified any material differences. These are as follows:

10.7 Summary of Significant Accounting Policies (continued)

(a) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(b) Cash and cash equivalents

Cash and cash equivalents in the historical and pro forma historical statement of financial position comprises cash at bank and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

(c) Trade and other receivables

Trade receivables are generally paid on 30 day settlement terms and are recognised and carried at original invoice amount less an allowance for impairment. Trade receivables are non-interest bearing. Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified.

(d) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(e) Income tax and other taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date. Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- (i) when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the historical and pro forma historical statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

10.7 Summary of Significant Accounting Policies (continued)

(f) Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method. Exploration and evaluation expenditure is capitalised provided the rights to tenure of the area of interest are current and either:

- (i) the exploration and evaluation activities are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- (ii) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

The carrying value of capitalised exploration and evaluation expenditure is assessed annually for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Impairment exists when the carrying amount of an asset or cash generating unit exceeds its estimated recoverable amount. The asset or cash generating unit is then written down to the recoverable amount. Any impairment losses are recognised in the statement of comprehensive income.

Similarly where an asset or cash generating unit has an estimated recoverable amount above its carrying amount impairment losses can be reversed and are recognised in the statement of comprehensive income.

(g) Share-Based Payments

Where the Company operates equity –settled share-based payment employee share and option schemes, the fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model, which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Share-based payment transactions also include transactions where the Company receives goods and services as consideration for equity instruments in the entity. In situations where equity instruments are issued and some or all of the goods and services received by the Company as consideration cannot be specifically identified, the unidentified goods and services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods and services received at the grant date. This is then capitalised or expensed as appropriate.

10.7 Summary of Significant Accounting Policies (continued)

(h) Significant Accounting Judgement, Estimates and Assumptions

The preparation of the Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts in the Financial Information. Management continually evaluates its judgments and estimates in relation to assets, liabilities and contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

10.8 Independent Limited Assurance Report on the Historical and Pro Forma Historical Financial Information

Refer to the next page for the independent Limited Assurance Report on the Historical and Pro Forma Historical Financial Information.

The Board of Directors
Monteray Mining Group Limited
PO Box 902
WEST PERTH WA 6872

9 April 2015

Dear Directors

Independent Limited Assurance Report on Historical Financial Information and Pro Forma Historical Financial Information

1. Introduction

We have been engaged by Monteray Mining Group Limited ("Monteray") to report on the historical financial information and pro forma historical financial information of Monteray for inclusion in the Prospectus to be dated on or about 9 April 2015 ("Prospectus"), and to be issued by Monteray, in respect of the offer of 200,000,000 shares at an issue price of \$0.02 each in order to raise up to a minimum of \$4,000,000 and a further 75,000,000 shares at an issue price of \$0.02 each to raise up to an additional \$1,500,000 (the "Offer") for the proposed acquisition of the entire issued capital of Norwood Systems Pty Ltd ("Norwood") ("Proposed Transaction").

Expressions and terms defined in the Prospectus have the same meaning in this report.

2. Scope

Historical financial information

You have requested Ernst & Young to review the following historical financial information comprising:

- ▶ the historical consolidated statement of financial position as at 31 December 2014 for Monteray as set out in Section 10.4 of the Prospectus.

(Hereafter 'the historical financial information')

The historical financial information of Monteray has been derived from the interim financial report of Monteray for the half year ended 31 December 2014, which was reviewed by BDO Audit (WA) Pty Ltd in accordance with Australian Auditing Standards on which an unmodified limited assurance conclusion has been issued.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles prescribed by the Australian Accounting Standards issued by the Australian Accounting Standards Board.

Pro forma historical financial information

You have requested Ernst & Young to review the following pro forma historical financial information of Monteray comprising:

- ▶ the pro forma historical consolidated statement of financial position as at 31 December 2014 for Monteray based on the raising of the minimum subscription of \$4,000,000 as set out in Section 10.4 of the Prospectus; and
- ▶ the pro forma historical consolidated statement of financial position as at 31 December 2014 for Monteray based on the raising of the maximum subscription of \$5,500,000 as set out in Section 10.4 of the Prospectus.

(Hereafter the 'pro forma historical financial information').

(Collectively, the 'financial information').

The pro forma historical financial Information has been derived from the historical financial information of Monteray and the historical financial information of Norwood and adjusted for the effects of pro forma adjustments described in Note 1 to Section 10.5 of the Prospectus.

The stated basis of preparation used in the preparation of the pro forma historical financial information is, in a manner consistent with the recognition and measurement principles contained in Australian Accounting Standards, applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Note 1 to Section 10.5 of the Prospectus, as if those events or transactions had occurred as at 31 December 2014.

Due to its nature, the pro forma historical financial Information does not represent Monteray's actual or prospective financial position.

The Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

3. Directors' responsibility

The directors of Monteray are responsible for the preparation and presentation of the historical financial information and pro forma historical financial information, including the basis of preparation, selection and determination of pro forma adjustments made to the historical financial information and included in the Pro Forma Historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express a limited assurance conclusion on the historical financial information and pro forma historical financial information based on the procedures performed and the evidence we have obtained.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other limited assurance procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusions

Historical financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information comprising:

- ▶ the historical consolidated statement of financial position as at 31 December 2014 for Monteray as set out in Section 10.4 of the Prospectus.

Is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 10.2 of the Prospectus.

Pro forma historical financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical financial information comprising:

- ▶ the pro forma historical consolidated statement of financial position as at 31 December 2014 for Monteray based on the raising of the minimum subscription of \$4,000,000 as set out in section 10.4 of the Prospectus; and
- ▶ the pro forma historical consolidated statement of financial position as at 31 December 2014 for Monteray based on the raising of the maximum subscription of \$5,500,000 as set out in Section 10.4 of the Prospectus.

Is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 10.3 of the Prospectus.

6. Restriction on use

Without modifying our conclusions, we draw attention to Section 10.1 of the Prospectus, which describes the purpose of the financial information. As a result, the financial information may not be suitable for use for another purpose.

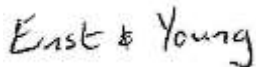
7. Consent

Ernst & Young has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

8. Independence or disclosure of interest

Ernst & Young does not have any interests in the outcome of the offer or the proposed transaction other than in the preparation of this report for which normal professional fees will be received.

Yours faithfully



Ernst & Young

11. Patent Report

Contact: Chris Juhasz
Principal/Associate: Chris Juhasz

8 April 2015

The Board of Directors
Monteray Mining Group Ltd
Ground Floor
16 Ord Street
WEST PERTH WA 6005

Dear Sirs

Intellectual Property Report
Norwood Systems Pty Ltd
Our ref: 255218:CGJ:wm

This Report has been prepared for inclusion in a Prospectus dated on or about 8 April 2015 to be issued by Monteray Mining Group Ltd (hereinafter 'Monteray') to offer up to 200,000 shares to raise AUD\$4,000,000 with oversubscriptions of up to a further 75,000,000 shares to raise an additional AUD\$1,500,000. The Prospectus contemplates the acquisition of 100% of Norwood Systems Pty Ltd (hereinafter 'Norwood') by Monteray. Accordingly, the Directors of Monteray have requested this Intellectual Property Report on Norwood for inclusion in the Prospectus.

Contents

1.0 Executive Summary

Section 2.0 sets out a brief overview of the Norwood intellectual property portfolio and the basis of the summary of the patent applications and trade mark applications given in this Report.

Section 3.0 provides general comments on patent protection, patent procedures, and requirements for patentability.

Section 4.0 provides general comments regarding potential limitations of patent protection.

Section 5.0 describes the families of patent applications in the name of Norwood.

Section 6.0 provides general comments on trade mark protection, trade mark procedures, and requirements for registered trade mark protection.

Section 7.0 describes the families of trade mark applications in the name of Norwood.

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Section 8.0 addresses Norwood know-how.

Section 9.0 provides a disclaimer and describes limitations of this Report.

Section 10.0 provides a statement of independence regarding preparation of this Report.

2.0 Overview

Norwood has a portfolio of patent applications, trade mark applications, trade secrets and in-house know-how to protect aspects of its business.

This Report has been prepared by Wrays Patent and Trade Marks Attorneys. The status summary of patent applications and trade mark applications provided in this Report is correct to the best of our knowledge at the date of this Report.

Patent Applications

Norwood is the owner of twelve individual patent applications within five “families” of patent applications.

A patent application family is a set of patent applications for the same invention(s) in various countries and arises when a first patent application for the invention(s) is then extended to other countries.

The invention(s) of each of the patent application families has arisen from a process of research and development within Norwood. We understand that two of the five patent application families have particular relevance to the platform provided under the trade mark CORONA™ and that one of those two patent application families is also relevant to the platform provided under the trade mark EUROPA™. The other three patent families relate to technologies that are relevant to the current state of the art and have potential either to be commercialised by Norwood, or licensed for use by other companies.

The five patent application families relate to Mobility, Configuration, Topology, Head Loss, and WiFi Handover technologies, respectively, and are summarised in the table below.

Patent Application Family	Full Title	Priority Date	Commercialisation
Mobility	A System, Method, Computer Program and Data Signal for the	20 Feb 2013	Applicable to CORONA™ platform

	Re-routing of Enterprise Voice Traffic		and EUROPA™ platform
Configuration	Method and Device for Configuring a Communication System	14 Jul 2011	Applicable to CORONA™ platform
Topology	Method, Device and System for Determining Topology of a Wireless Communication Network	14 Jul 2011	Potential for future commercialisation or licensing
Head Loss	Determining Effects on Communication Signals	5 Apr 2013	Potential for future commercialisation or licensing
WiFi Handover	Communications	29 Apr 2011	Potential for future commercialisation or licensing

Patent Applications Applicable to CORONA™ Platform

Mobility

The CORONA™ platform has the ability to route voice traffic off an IP network (such as the internet) and instead through the Public Switched Telephone Network (PSTN) based on the invention(s) described in the Mobility patent application family.

The Mobility patent application family broadly covers inventions relating to technology for re-routing enterprise voice traffic data, allocating an identification to a communications device, and reconfiguring such identifications. This patent application family includes a pending Australian patent application and a pending International patent application under the Patent Cooperation Treaty.

Configuration

Another important feature of the CORONA™ platform is the ability to associate a user's Work Phone application (on their smartphone) to their existing office phone number. This feature is based on the invention described in the Configuration patent application family and differentiates the CORONA™ platform from other voice services in the market as it simplifies the experience for both the user and those who need to call that user.

The Configuration patent application family broadly covers an invention relating to technology for configuring a communication system. This patent application family includes pending patent applications in Australia, Europe, and the United States of America.

Patent Applications with Potential for Future Commercialisation or Licensing

Current technology presents opportunities for the fusion of sensor data to associate real world locations with wireless environments. For example, 'WiFi positioning' observes that a given set of signal readings can probably only occur at one physical location. Norwood has conducted research and development in this space and a number of ideas emerged:

- A method for developing a spatial description of the layout of a wireless network by utilising the full range of sensors now available in handheld devices is described under the heading Topology below. With consideration of position, direction and acceleration, more meaningful use can be made of radio signal information that is traditionally used for this purpose.
- When a smartphone, with a range of sensors, is held to the ear such as during a call, it causes a predictable change in the radio environment experienced by the device. This observation forms the basis for the invention described under the heading Head Loss below, which provides even more information to automatically construct better spatial mapping of wireless infrastructure.
- Finally, the spatial information built with the inventions described under the headings Topology and Head Loss below can be used by the invention described under the heading WiFi Handover below to improve the continuity of the user experience within a complex wireless network, such as the WiFi network for a business or a campus. Traditionally, a device would select a base station and cling to it until the signal degrades before searching for a new station. With WiFi Handover a number of sensors are used to provide better predictive and pre-emptive handover to provide the best possible connectivity.

Topology

The Topology patent application family broadly covers an invention relating to technology for determining topology of a wireless communication system. This patent application family includes pending patent applications in Australia, Europe, and the United States of America.

Head Loss

The Head Loss patent application family broadly covers an invention relating to technology for determining effects of factors, such as anisotropic signal reception properties of a wireless communication enabled device and proximity to a source of interference, on a property, such as attenuation of a signal received by the wireless communication device. This patent application family includes a pending Australian patent application and a pending International patent application under the Patent Cooperation Treaty.

WiFi Handover

The WiFi Handover patent application family broadly covers inventions relating to technology for implementing an action, such as a handover decision, in a wireless communication network, and for estimating and correcting an estimate of a state, such as position or velocity, of a mobile device in the wireless communication network. This patent application family includes pending patent applications in Australia and the United States of America.

Trade Mark Applications

Norwood is the applicant for four pending Australian trade mark applications, directed to trade marks used in their business.

3.0 Patent Protection, Patent Procedures and Requirements for Patentability

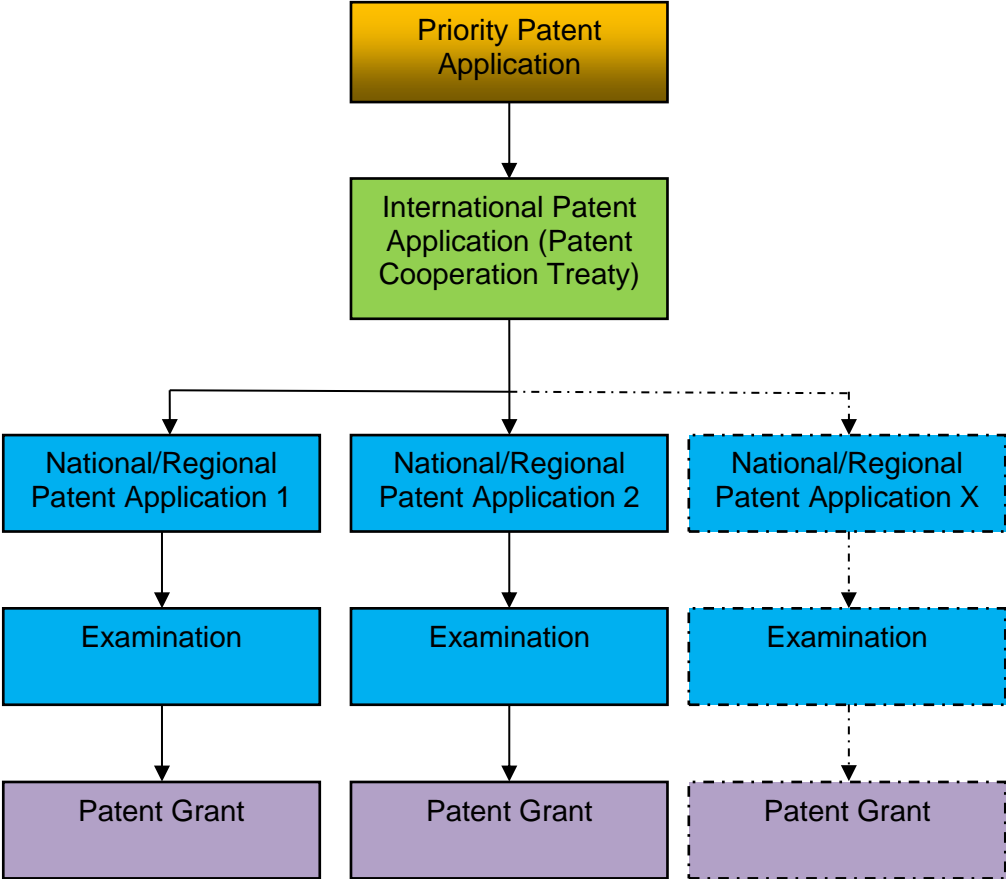
Patent rights constitute an important component of intellectual property, and provide a statutory monopoly for new (novel), non-obvious (inventive) and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities.

Patent rights are essentially national rather than trans-national and a patent must be obtained in each country where protection of an invention is required. A fundamental requirement of the patent system is that the invention be 'new' at the time of lodging a patent application. Newness in this sense is judged in relation to what was publicly known or used at the date of the application. Another requirement is for a distinct inventive advance over what was previously known. This means that valid patent protection cannot be obtained for trivial or obvious developments. A further requirement is that the invention must be suitable subject

matter for a patent. For example, patent protection for computer implemented and so called “business method” inventions may be difficult to obtain.

Pursuant to the Paris Convention, the filing of an initial patent application in, for example, Australia establishes a priority date for the invention in Australia and all other countries that are a party to this Convention, including countries such as the United States, Canada, New Zealand, Europe and Japan.

The below flow chart generally sets out the major steps involved in obtaining a patent in Australia and other countries in respect of an invention. Norwood has adopted a patenting strategy following these steps.



The usual steps towards obtaining a patent in Australia and other countries in respect of an invention begin by the filing of a priority patent application accompanied by a patent specification. The filing of a priority application establishes the priority date in respect of the invention disclosed in the accompanying specification.

Typically, for Australian inventions, the priority application is a provisional patent application accompanied by a provisional patent specification.

Within twelve months from the date of the filing of the provisional application, a complete application must be lodged otherwise the provisional application, which remains pending for only one year, lapses, along with the priority date set thereby. Thus, if no complete application is filed within one year of the provisional application, the priority date is no longer valid. The complete patent application is accompanied by a complete patent specification including a set of claims defining the invention and the scope of protection being sought.

Within the one year pendency of the provisional application, in order to obtain protection in other countries, the applicant may file separate national patent applications in each of the countries in which protection is required. Alternatively, the applicant may file a single International application under the provisions of the Patent Cooperation Treaty (generally referred to as a 'PCT' application or an 'International' application) in which it is possible to designate countries or regions in which protection is required. The International application itself does not mature into a worldwide patent, but at the end of the international phase, generally 30 or 31 months from the priority date, steps can be taken to file the application in any or all of the countries or regions designated in the original International application.

Regional patent applications, such as a European regional application, may also be filed. A European application may designate any or all countries that are a party to the European Patent Convention. A European patent application may also be extended to certain other jurisdictions including those that are not full signatories to the European Patent Convention. The European patent application is processed centrally and in a single language and, if ultimately successful, can mature into a granted European patent, which must then be validated in each country in which protection is sought, some of which require translation into that country's native language. The term 'European patent' thus constitutes a bundle of national patent rights, each of which can be enforced separately through national Courts.

In most countries, a patent application is subjected to examination for novelty and obviousness, and other requirements, before a patent is granted. Typically, during the

examination stage an Examiner at the Patent Office in the relevant jurisdiction will conduct a search for prior art documents relevant to the novelty and inventiveness of the invention the subject of the application and raise objections as deemed appropriate on the basis of the search results. An opportunity is provided to overcome any objections raised by the Examiner, typically by filing arguments and/or allowable amendments to the claims of the specification.

An examination stage also occurs as part of the international phase of a PCT application, resulting in opinion on whether the subject invention is patentable. Whilst the opinion is non-binding, it is used by the Patent Offices of most countries as a guide during subsequent examination of the national/regional phase patent applications.

In Australia and most other countries, patent rights may be kept in force for a period of up to 20 years from the date of filing of the complete application on which the patent is granted, upon payment of regular renewal fees, and while the patent is in force the owner has the exclusive right to exploit the invention.

4.0 Potential Limitations of Patent Protection

There can be no assurance that each of the patent applications set out in Section 5.0 will result in the grant of a patent, or that the scope of protection provided by any granted patent will be identical to the scope of the application as originally filed or currently pending. Furthermore, the scope of protection provided by a granted patent in one jurisdiction may differ from that provided by a granted patent in another jurisdiction, due to differences in examination and scope of available protection.

Additionally, in many countries, an opportunity is provided for third parties to oppose the grant of a patent application either prior to it proceeding to grant or shortly thereafter.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid then the patent is unenforceable. For example, relevant prior disclosures may be discovered that were not raised during examination, which may limit the scope of patent protection sought, perhaps to a very narrow field.

Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent.

5.0 The Norwood Patent Portfolio

5.1 Background

This Report summarises the status of patent applications.

In compiling this Report, the filing particulars have been confirmed and the current status ascertained. The patent applications set out in this Section are currently in force, although they are subject to required actions and the payment of periodic (mainly annual) fees in order to maintain them in force.

Norwood is the applicant and owner of the five patent application families discussed below. A Confirmatory Deed of Assignment confirming Norwood's ownership of the five patent application families has been prepared and executed.

We provide the details for the patent applications of each patent application family, coloured corresponding to their step in the patent procedure flow chart presented in Section 3 above.

For convenience, we also set out below aspects of the invention(s) of each patent application family corresponding to the 'independent' claims as are present at this time. An 'independent' claim is a claim that is not dependent upon another. Such claims are generally considered to be the broadest definition of any invention claimed in a patent/application.

5.2 Norwood Patent Families

5.2.1 Patent Family 1: Mobility

A System, Method, Computer Program and Data Signal for the Re-Routing of Enterprise Voice Traffic

The priority application for this family was an Australian standard complete patent application, rather than an Australian provisional patent application.

PCT Number: PCT/AU2014/000152
Applicant: Norwood Systems Pty Ltd
Priority Date: 20 February 2013
Inventors: Ostergaard, Paul Frederick Norwood; Mason, Andrew Phillip;
 Wilson, David Alexander

Official Number	Country	Status
2013200960	Australia	Examination Report issued; priority application for PCT application
PCT/AU2014/000152 WO (International)		International Search Report and first Written Opinion issued and responded to; second Written Opinion issued

The 30 month deadline for filing national/regional phase patent applications from Application PCT/AU2014/000152 is 20 August 2015.

Outline of the Technology

Two inventions have been identified in this patent application family.

In this regard, in most jurisdictions, a patent can only be granted in respect of a single invention. In such jurisdictions, the identification of more than one invention during examination of a patent application will lead to an adverse finding regarding unity of invention (i.e. that there is more than one invention claimed). When this occurs, an opportunity will be provided for Norwood to amend the claims so that they relate to one invention only. If the amendment requires the deletion of one or more additional inventions, then an opportunity will be provided for Norwood to file divisional patent application(s) to continue to seek patent protection for the deleted invention(s), if that is desired.

First Invention

An aspect of the first invention is directed to a method for re-routing voice data from a first communications device to a second communications device via one of a plurality of networks, wherein at least one of the plurality of networks is a Public Switched Telephone Network (PSTN). The method comprises the steps of a computing system including a network access point communicating with the first communications device to receive data and/or information associated with the first communications device and/or with the second communications

device, and to determine the location of the first communications device and the location of the second communications device on the basis of the received data and/or information. Upon determining the location of both the first communications device and the second communications device, the computing system selects one of the plurality of networks to connect the first communications device and the second communications device.

Underlining in the preceding paragraph indicates amendments made to the broadest aspect of the invention when responding to the first Written Opinion on Application PCT/AU2014/000152, discussed below.

Other aspects of the first invention are directed to a corresponding: system; computer program including at least one command, which, when executed on a computing system, is arranged to perform the method; computer-readable medium incorporating the computer program; and data signal encoding at least one command and being arranged to be receivable by at least one computing device, wherein, when the encoded command is executed on the computing system, the computing system performs the method.

In addition to including independent claims corresponding to the above aspects of the first invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed), and “omnibus” method and system claims.

Omnibus claims are only allowable in certain jurisdictions, including Australia under the patent legislation applicable to Application 2013200960, and, generally speaking, are construed as being limited to the features of the invention identified by the subject of the claim, in their preferred form as described in the specification. This means that they are usually of very narrow scope.

The most relevant published disclosures (“the prior art”) of which we are aware in relation to the first invention (and second invention, discussed further below) are the patent specification D1: US 7,362,768, publication D2: Perkins, C.E., “Mobile IP”, IEEE Communications Magazine, May 1997, Volume 35, Issue 5, Pages 84-99, and patent specifications D3: US 2006/0142011, D4: EP 1952652, and D5: US 7,433,673.

Of these documents, D1 – D4 were cited in a Patent Examination Report No.1 on Application 2013200960.

In the Report No. 1, there was an adverse finding regarding unity of invention in that there were allegedly two inventions (i.e. the first and second inventions) claimed. Consequently, the Report No.1 withheld any finding on claims relating to the second invention pending response to the Report No. 1. On such response, the search area may be extended and a further Examination Report issued.

There was an adverse finding in the Report No. 1 that, other than the omnibus claims, the claims defining the first invention allegedly did not meet the requirements for novelty and/or inventive step when compared to the prior art documents.

There was a positive finding in the Report No. 1 that the omnibus claims allegedly met the requirements for novelty and inventive step in light of the cited prior art documents.

There is a current postponement of acceptance in place in respect of Application 2013200960 that is required to be removed before the application will be accepted. In keeping with our usual practice, we requested that acceptance be postponed to ensure that an opportunity would be provided for filing voluntary amendments to the specification before the application proceeds to acceptance.

The issue date of the Report No. 1 sets a deadline of 29 October 2015 for overcoming all objections to the application, requesting removal of the postponement of acceptance, and obtaining its acceptance by IP Australia.

There is a risk that all objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of Application 2013200960.

Prior art documents D1 – D4 were also cited in the International Search Report and first Written Opinion on Application PCT/AU2014/000152, along with D5. In the first Written Opinion, there was an adverse finding regarding unity of invention in that there were allegedly two inventions (i.e. the first and second inventions) claimed. There was an adverse finding in the first Written Opinion that the independent claims, and most of the dependent claims, of the first invention and the second invention allegedly did not meet the requirements for novelty, and allegedly none of the claims of the first invention and the second invention met the requirements for inventive step, when compared to the cited prior art documents. There was also an adverse finding in the first Written Opinion with respect to the alleged clarity of certain dependent claims and in respect of the omnibus claims (which, as mentioned above, are only allowable in certain jurisdictions).

In regard to the requirement of Industrial Applicability of the invention claimed, there was a positive finding in the first Written Opinion that all claims of the first invention and the second invention met that requirement.

A response to the first Written Opinion was filed seeking to address the findings thereof. The response included amendments to the broadest aspects of the first and second inventions as identified herein.

A second Written Opinion issued following filing of the response, in which the findings of the first Written Opinion were largely maintained, with the exception of the alleged unity of invention and the alleged clarity of certain claims.

The issue date of the second Written Opinion sets a deadline of 19 April 2015 for (optionally) responding thereto.

As herein described under Section 3.0, the opinion during the international phase of an International patent application is non-binding during subsequent examination of any national/regional phase applications. Whilst it is used by the Patent Offices of most countries as a guide during such examination, and a positive finding in the opinion may thus positively influence prosecution of a national/regional phase application, an adverse finding will not prevent national/regional phase applications being filed. Furthermore, opportunities will be provided to overcome any objections that may be raised during examination of any national/regional phase applications,

Second Invention

An aspect of the second invention is directed to a method for allocating an identification to a communications device in a system for re-routing voice data from the communications device via one of a plurality of networks, wherein at least one of the plurality of networks is a Public Switched Telephone Network (PSTN). The method comprises the steps of a computing system including a network access point arranged to communicate with the communications device to receive data and/or information associated with the communications device, to determine the location of the communications device on the basis of the received data, analyze a plurality of identifications on the basis of decision criteria including the determined location to determine an identification available for allocation to the communications device,

and dynamically allocate the determined available identification to the communications device on the basis of the decision criteria.

A further aspect of the second invention is directed to a method for reconfiguring a plurality of identifications, each identification of the plurality of identifications allocated or available for allocation to a corresponding communications device in a system for re-routing voice data from a first communications device to a second communications device via one of a plurality of networks, wherein at least one of the plurality of networks is a Public Switched Telephone Network (PSTN). The method comprises the steps of a computing system including a network access point arranged to communicate with the first communications device to receive data and/or information associated with the first communications device, to determine the location of the first communications device on the basis of the received data, analyze the plurality of identifications on the basis of decision criteria including the determined location to determine an identification available for allocation to the first communications device, dynamically allocate the determined available identification to the first communications device, and reconfigure the plurality of identifications on the basis of the allocation.

Other aspects of the second invention are directed to a corresponding: system; computer program including at least one command, which, when executed on a computing system, is arranged to perform the method; computer-readable medium incorporating the computer program; and data signal encoding at least one command and being arranged to be receivable by at least one computing device, wherein, when the encoded command is executed on the computing system, the computing system performs the method.

In addition to including independent claims corresponding to the above aspects of the second invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed), and omnibus method and system claims.

5.2.2 Patent Family 2 : Configuration

Method and Device for Configuring a Communication System

<i>PCT Number:</i>	PCT/AU2012/000849
<i>Applicant:</i>	Norwood Systems Pty Ltd
<i>Priority Date:</i>	14 July 2011
<i>Inventors:</i>	Ostergaard, Paul Frederick Norwood; Wilson, David Alexander

<i>Official Number</i>	<i>Country</i>	<i>Status</i>
2011902814	Australia	Priority application for PCT application
PCT/AU2012/000849	WO (International)	National/regional phase entered
2012283687	Australia	Examination Report issued
12811348.7	European Patent Convention	Application filed
14/232,688	United States of America	Application filed

Outline of the Technology

An aspect of the invention of this family is directed to a method for configuring a communication system comprising an exchange. The method comprises: identifying a type of the exchange; selecting a configuration module adapted to communicate with the identified type of the exchange; and under the control of the selected configuration module, retrieving and analysing automatically a configuration database from the exchange, and configuring the exchange to provide communication connectivity to both a fixed network and a mobile network.

Other aspects of the invention are directed to a corresponding: device; computer program product comprising computer executable instructions adapted to cause, when executed by a processing circuit, the processing circuit to perform the method; computer program product comprising a computer-readable medium having stored thereon the computer executable instructions; computer program programmed to control a processing circuit to perform the method; computer-readable storage medium on which is stored instructions that, when executed by a computing means, causes the computing means to carry out the method; computing means programmed to carry out the method; data signal including at least one instruction being capable of being received and interpreted by a computing system, wherein the instruction implements the method; and system comprising the device.

In addition to including independent claims corresponding to the above aspects of the invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed), and omnibus method and system claims.

The most relevant prior art of which we are aware in relation to this invention are the patent specifications D1: US 6,246,678, D2: US 6,272,496, D3: US 2009/0262733, D4: US 2006/0030357, D5: JP 2001-127884, and D6: US 2010/0272098. These documents were all

cited in an International-Type Search Report on Application 2011902814 and during the international phase of Application PCT/AU2012/000849.

At the end of the examination stage of Application PCT/AU2012/000849 an International Preliminary Report on Patentability (hereinafter 'IPRP') was issued in respect thereof.

The invention was found in the IPRP on Application PCT/AU2012/000849 to be distinguishable from the prior art cited.

There was a positive finding in the IPRP that the invention met the requirements for novelty on the basis that none of the prior art documents published before the priority date individually disclosed the specific combination of features defined in the claims. In particular, there was a finding that none of the prior art documents disclose a method (and a corresponding device) for configuring a communication system comprising an exchange, comprising the steps of: identifying a type of the exchange; selecting a configuration module adapted to communicate with the identified type of the exchange; and under the control of the selected configuration module, retrieving and analysing automatically a configuration database from the exchange, and configuring the exchange to provide communication connectivity to both a fixed network and a mobile network.

There was a positive finding in the IPRP that the invention met the requirements for an inventive step on the basis that the cited prior art documents, either individually or in any obvious combination, do not teach or obviously suggest to a person skilled in the art a method (and a corresponding device) for configuring a communication system comprising the abovementioned features.

There was an adverse finding in the IPRP in respect of the omnibus claims (which, as mentioned above, are only allowable in certain jurisdictions) and with respect to the alleged clarity of certain claims.

In regard to the requirement of Industrial Applicability of the invention claimed, there was a positive finding in the IPRP that all claims of the first invention met that requirement.

Regarding D3, D4, D5, and D6, in the above mentioned International-Type Search Report they were found to be documents defining the general state of the art and not to be of particular relevance.

In a Patent Examination Report No. 1 on Application 2012283687, there was a positive finding that the claims defining the invention met the requirements for novelty and inventive step. There was an adverse finding in the Report No. 1 in regard to the alleged clarity of two of the claims as a consequence of dependency issues.

There is a current postponement of acceptance in place in respect of Application 2012283687 that is required to be removed before the application will be accepted. In keeping with our usual practice, we requested that acceptance be postponed to ensure that an opportunity would be provided for filing voluntary amendments to the specification before the application proceeds to acceptance.

The issue date of the Report No. 1 sets a deadline of 16 June 2016 for overcoming all objections to the application, requesting removal of the postponement of acceptance, and obtaining its acceptance by IP Australia.

We believe that the adverse finding regarding clarity can be readily overcome when responding to the Report No. 1. Assuming no further objections are raised, and the postponement of acceptance is removed with the response, we anticipate that the application will likely be accepted by IP Australia soon (within 1 – 2 weeks) after the response is filed.

A period of three months is provided from the date of advertisement of acceptance of the application by the Australian Patent Office during which parties may oppose the grant of a patent in respect of the application. If no opposition is filed, and the required acceptance fees are timely paid, the Letters Patent will typically be sealed soon after the expiration of the opposition period.

That said, there is a risk that following the filing of the response, the Australian Examiner will raise additional objections against the application. There is a risk that the additional objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of Australian Application 2012283687.

We have received instructions to respond to the Report No. 1, and are taking the required action.

5.2.3 Patent Family 3 : Topology

Method, Device and System for Determining Topology of a Wireless Communication System

PCT Number: PCT/AU2012/000848
Applicant: Norwood Systems Pty Ltd
Priority Date: 14 July 2011
Inventors: Ostergaard, Paul Frederick Norwood; Wilson, David Alexander

<i>Official Number</i>	<i>Country</i>	<i>Status</i>
2011902807	Australia	Priority application for PCT Application
PCT/AU2012/000848	WO (International)	National/regional phase entered
2012283686	Australia	Examination Report issued
12810647.3	European Patent Convention	Search Report issued
14/232,696	United States of America	Application filed

Outline of the Technology

An aspect of the invention of this family is directed to a method for determining a topology of a wireless communication network. The method comprises the steps of: receiving a plurality of signal strength data respectively measured at a plurality of fixed stations in the network each with respect to its neighbouring fixed stations; receiving sensor data measured at a mobile station operable to communicate with the network, wherein the sensor data comprises signal strength data measured at the mobile station and at least one of an acceleration data, an orientation data, a direction data, and a mobile station position data; and determining positions of the plurality of fixed stations based on the signal strength data measured at the plurality of fixed stations and the sensor data measured at the mobile station. Determining the topology comprises estimating at least one of a distance and a direction, using the at least one of acceleration data, orientation data, direction data, and mobile station position data, between two or more locations of a mobile station at which signal strength data has been measured, to reference positions of the fixed stations with respect to an absolute reference frame.

Other aspects of the invention are directed to a corresponding: device; system; computer program product comprising computer executable instructions adapted to cause, when executed by a processing circuit, the processing circuit to perform the method; computer program programmed to control a processing circuit to perform the method; computer-readable storage medium on which is stored instructions that, when executed by a computing means, causes the computing means to carry out the method; computing means programmed to carry out the method; data signal including at least one instruction being

capable of being received and interpreted by a computing system, wherein the instruction implements the method.

In addition to including independent claims corresponding to the above aspects of the invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed), and omnibus method and system claims.

The most relevant prior art of which we are aware in relation to this invention are the patent specifications D1: CA 2628121, D2: US 2006/0217131, D3: WO 2002/080597, D4: US 2005/0227724, D5: US 5,802,473, D6: US 2009/0005052, D7: US 6,754,488, D8: US 2011/012781, and publication D9: Priyantha N B et al, "Mobile-assisted localization in wireless sensor networks", INFOCOM 2005, 24th Annual Joint Conference of the IEEE Computer and Communications Societies, Proceedings IEEE Miami, FL, USA, 13 – 17 March 2005, Piscataway, NJ, USA, vol.1, 13 March 2005, pages 172 – 183.

Of these documents: D1 – D7 were cited in an International-Type Search Report on Australian Application 2011902807; D1, D2, and D3 were also cited during the international phase of Application PCT/AU2012/000848; and D1 was also cited in a Patent Examination Report No. 1 on Australian Application 2012283686. D1, D3, D8 and D9 were cited in an extended supplementary European search report on European Application 12810647.3.

At the end of the examination stage of Application PCT/AU2012/000848 an IPRP was issued in respect thereof.

The invention was found in the IPRP on Application PCT/AU2012/000848 to be distinguishable from the prior art cited.

There was a positive finding in the IPRP that the invention met the requirements for novelty on the basis that, the closest prior art document D1, only discloses determining the topology of wireless communication networks based on the plurality of scan data (including signal strength data) from the plurality of wireless client stations (e.g. mobile stations) in the network with respect to reference stations with known positions (abstract, page 5 paragraphs 3-4). The IPRP found that none of the prior art discloses the sensor data that includes at least one of an acceleration data, an orientation data, a direction data, and a mobile station position data; and determining topology by estimating at least one of a distance and a direction, using the sensor data, between two or more locations of a mobile station at which

signal strength data has been measured, to reference positions of the fixed stations with respect to an absolute reference frame.

There was a positive finding in the IPRP that the invention met the requirements for an inventive step on the basis that D1 (considered most relevant), does not teach or obviously suggest to a person skilled in the art a method for determining a topology of a wireless communication network, the method comprising the abovementioned feature. The IPRP found that it would not be obvious to a person skilled in the art in the light of common general knowledge either by itself or in combination with document D1.

There was an adverse finding in the IPRP in respect of the omnibus claims (which, as mentioned above, are only allowable in certain jurisdictions) and with respect to the alleged clarity of certain claims.

In regard to the requirement of Industrial Applicability of the invention claimed, there was a positive finding in the IPRP that all claims of the first invention met that requirement.

Regarding D2, D3, D5, D6, and D7, in the above mentioned International-Type Search Report they were found to be documents defining the general state of the art and not to be of particular relevance.

There was a positive finding in a Patent Examination Report No. 2 on Australian Application 2012283686 (following response to the above mentioned Patent Examination Report No. 1) that the claims defining the invention met the requirements for novelty and inventive step.

There is a current postponement of acceptance in place in respect of Australian Application 2012283686 that is required to be removed before the application will be accepted. In keeping with our usual practice, we requested that acceptance be postponed to ensure that an opportunity would be provided for filing voluntary amendments to the specification before the application proceeds to acceptance.

The issue date of the Report No. 1 sets a deadline of 29 April 2016 for overcoming all objections to the application, requesting removal of the postponement of acceptance, and obtaining its acceptance by IP Australia.

As there have been no objections raised against the application in the Report No. 2, the only matter presently preventing the application from proceeding to acceptance is the

postponement of acceptance. A response requesting removal of the postponement of acceptance may be filed at any time by the abovementioned 29 April 2016 deadline.

Assuming no further objections are raised following the response, we anticipate that the application will likely be accepted by IP Australia soon (within 1 – 2 weeks) after the response is filed.

A period of three months is provided from the date of advertisement of acceptance of the application by the Australian Patent Office during which parties may oppose the grant of a patent in respect of the application. If no opposition is filed, and the required acceptance fees are timely paid, the Letters Patent will typically be sealed soon after the expiration of the opposition period.

That said, there is a risk that following the filing of the response, the Australian Examiner will look to developments in corresponding European Application 12810647.3, discussed below, and a further Examination Report may issue with findings along the lines of those in the extended supplementary European search report. If such occurs, or if other objections are raised against the application, there is a risk that the additional objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of Australian Application 2012283686.

In the Search Opinion of the extended supplementary European search report on European Application 12810647.3, there was an adverse finding that the claims do not meet the requirements for inventive step in the light of prior art documents D1 and D3. There was also an adverse finding regarding the clarity of several of the claims. A response to the Search Opinion must be filed by 19 August 2015.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of European Application 12810647.3.

5.2.4 Patent Family 4 : Head Loss

Determining Effects on Communication Signals

The priority application for this family was an Australian standard complete patent application, rather than an Australian provisional patent application.

Applicant: Norwood Systems Pty Ltd
Priority Date: 5 April 2013
Inventors: Ostergaard, Paul Frederick Norwood; Mason, Andrew Phillip; Wilson, David Alexander

<i>Official Number</i>	<i>Country</i>	<i>Status</i>
2013202735	Australia	Examination Report issued
PCT/AU2014/000369	WO (International)	International Search Report and Written Opinion issued and responded to

The 30 month deadline for filing national/regional phase patent applications from Application PCT/AU2014/000369 is 5 October 2015.

Outline of the Technology

An aspect of this invention is directed to a system for determining effects of one or more factors on one or more properties of a signal received by a wireless communication enabled device. The system comprises at least one sensor for sensing and gathering sensor data relating to a state of the wireless communication enabled device or a state of the environment surrounding the wireless communication enabled device. The system further comprises decision means for receiving input including the sensor data and determining whether one or more criteria are satisfied based on the input, each criteria being associated with a respective factor affecting a respective property, and determining the effects on the one or more properties of the signal on the basis of the criteria determination, wherein the one or more factors include proximity to a source of at least potential obstruction or interference, and wherein the source comprises the head of a user or operator of the wireless communication enabled device.

Underlining in the preceding paragraph indicates amendments made to the broadest aspect of the invention when responding to the Written Opinion on Application PCT/AU2014/000369, discussed below.

Other aspects of the invention are directed to a corresponding: method; computer program including at least one command, which, when executed on a computing system, is arranged to perform the method; computer-readable medium incorporating the computer program; and a data signal encoding at least one command and being arranged to be receivable by at least one computing device, wherein, when the encoded command is executed on the computing

system, the computing system performs the method; and a wireless communication enabled device for use with the system.

In addition to including independent claims corresponding to the above aspects of the invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed), and omnibus method and system claims.

The most relevant prior art of which we are aware in relation to the invention are the patent specifications D1: US 2011/0117924, D2: US 2010/0130206, D3: US 2003/0043073, D4: US 2010/0003939, D5: US 2005/0185615, D6: US 2006/0099952, D7: US 7,840,227, D8: US 2008/0299927, and D9: WO 2012/066559.

Prior art documents D1 – D9 were cited in a Patent Examination Report No.1 on Application 2013202735. In the Report No. 1, there was an adverse finding that, with the possible exception of the omnibus claims, allegedly none of the claims defining the invention met the requirements for novelty (and inventive step) when compared to the prior art. There are conflicting statements in the Report No. 1 as to findings regarding the novelty and inventiveness of the omnibus claims.

There is a current postponement of acceptance in place in respect of Application 2013202735 that is required to be removed before the application will be accepted. In keeping with our usual practice, we requested that acceptance be postponed to ensure that an opportunity would be provided for filing voluntary amendments to the specification before the application proceeds to acceptance.

The issue date of the Report No. 1 sets a deadline of 28 February 2016 for overcoming all objections to the application and obtaining its acceptance by IP Australia.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of Australian Application 2013202735.

Prior art documents D1 – D9 were also cited in an International Search Report and Written Opinion on Application PCT/AU2014/000369. In the Written Opinion, there was an adverse finding that allegedly none of the claims defining the invention met the requirements for novelty (and inventive step) when compared to the prior art.

There was also an adverse finding in the Written Opinion in respect of the omnibus claims (which, as mentioned above, are only allowable in certain jurisdictions).

In regard to the requirement of Industrial Applicability of the invention claimed, there was a positive finding in the Written Opinion that all claims of the invention met that requirement.

A Demand for International Preliminary Examination of Application PCT/AU2014/000369 and response to the Written Opinion were timely filed. The response included amendments to the broadest aspects of the invention as identified herein. We are presently waiting for further correspondence from the Patent Office regarding the success of the response.

5.2.5 Patent Family 5 : WiFi Handover

Communications

PCT Number: PCT/AU2012/000438
Applicant: Norwood Systems Pty Ltd
Priority Date: 29 April 2011
Inventors: Ostergaard, Paul Frederick Norwood; Mason, Andrew Phillip; Wilson, David Alexander

<i>Official Number</i>	<i>Country</i>	<i>Status</i>
2011901585	Australia	Priority application for PCT application
PCT/AU2012/000438	WO (International)	National/regional phase entered
2012248121	Australia	Examination Report issued
14/114,637	United States of America	Application filed

Outline of the Technology

Three inventions have been identified in this family.

As described herein, the identification of more than one invention during examination of a patent application will lead to an adverse finding regarding unity of invention (i.e. that there is more than one invention claimed). When this occurs, an opportunity will be provided for Norwood to amend the claims so that they relate to one invention only. If the amendment requires the deletion of one or more additional inventions, then an opportunity will be

provided for Norwood to file divisional patent application(s) to continue to seek patent protection for the deleted invention(s), if that is desired.

First Invention

An aspect of the first invention is directed to system for implementing an action on or associated with a wireless communication network. The system comprises a wireless communication enabled device operable to communicate with the wireless communication network and at least one sensor for sensing and gathering sensor data relating to a state of the wireless communication enabled device or a state of the environment surrounding the wireless communication enabled device. The wireless communication enabled device comprises a plurality of estimation means for receiving the sensor data and generating a plurality of estimates of the state of the wireless communication enabled device based on the sensor data, and a decision means for determining whether to implement the action based on the plurality of estimates of the state of the wireless communication enabled device.

Other aspects of the first invention are directed to a corresponding: method; computer-readable storage means storing instructions that, when executed by a computing means, causes the computing means to carry out the method; computing means programmed to carry out the method; and data signal including at least one instruction being capable of being received and interpreted by a computing system, wherein the instruction implements the method.

In addition to including independent claims corresponding to the above aspects of the first invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed).

The most relevant prior art of which we are aware in relation to the first invention are the patent specifications D1: US 2005/0079880, D2: EP 2120470, D3: US 2008/0318622, D4: US 2010/0161084, D5: US 7,683,835, D6: US 2010/0134276, D7: US 2005/0285793, and D8: EP 2306773. Prior art documents D1 to D7 were cited during the international phase of Application PCT/AU2012/000438.

At the end of the examination stage of Application PCT/AU2012/000438 an IPRP was issued in respect thereof.

The first invention was found in the IPRP on Application PCT/AU2012/000438 to be distinguishable from the prior art cited.

In the IPRP, there was an adverse finding regarding unity of invention in that there were allegedly three inventions (i.e. the first, second, and third inventions) claimed.

There was a positive finding in the IPRP that the first invention met the requirements for novelty on the basis that the closest prior art document D1 does not disclose the feature “wherein the wireless communication enabled device comprises a plurality of estimation means for receiving the sensor data and generating a plurality of estimates of the state of the wireless communication enabled device based on the sensor data”.

There was a positive finding in the IPRP that the first invention met the requirements for an inventive step on the basis that the cited prior art documents, either alone or in any obvious combination, do not obviously suggest to a person skilled in the art the abovementioned feature. The IPRP found that the above said feature would not be obvious to a person skilled in the art in the light of common general knowledge either by itself or in combination with any of documents D1 to D7.

In regard to the requirement of Industrial Applicability of the invention claimed, there was a positive finding in the IPRP that all claims of the first invention met that requirement.

Regarding D8, it (along with D2 and D7) was cited in an International-Type Search Report on Application 2011901585, which found it to be a document defining the general state of the art and not to be of particular relevance.

D7 was also referred to in a Patent Examination Report No. 1 on Australian Application 2012248121. In the Report No. 1, there was an adverse finding regarding unity of invention in that there were allegedly three inventions (i.e. the first, second, and third inventions) claimed. Consequently, the Report No. 1 withheld any finding on claims relating to the second and third inventions pending response to the Report No. 1. On such response, the search area may be extended and a further Examination Report issued.

There was a positive finding in the Report No. 1 that the claims defining the first invention met the requirements for novelty and inventive step.

There is a current postponement of acceptance in place in respect of Application 2012248121 that is required to be removed before the application will be accepted. In keeping with our

usual practice, we requested that acceptance be postponed to ensure that an opportunity would be provided for filing voluntary amendments to the specification before the application proceeds to acceptance.

The issue date of the Report No. 1 sets a deadline of 23 September 2016 for overcoming all objections to the application, requesting removal of the postponement of acceptance, and obtaining its acceptance by IP Australia.

We believe that the adverse finding regarding unity of invention can be readily overcome when responding to the Report No. 1 (by, for example, amending the claims to delete the second and third inventions, in respect of which divisional patent applications may be filed as herein described). Assuming no further objections are raised, and the postponement of acceptance is removed with the response, we anticipate that the application will likely be accepted by IP Australia soon (within 1 – 2 weeks) after the response is filed.

A period of three months is provided from the date of advertisement of acceptance of the application by the Australian Patent Office during which parties may oppose the grant of a patent in respect of the application. If no opposition is filed, and the required acceptance fees are timely paid, the Letters Patent will typically be sealed soon after the expiration of the opposition period.

That said, there is a risk that following the filing of the response, the Australian Examiner will raise additional objections against the application. There is a risk that the additional objections may not be able to be overcome, and accordingly a risk that a patent may not be granted in respect of Australian Application 2012248121.

We have received instructions to respond to the Report No. 1, and are taking the required action.

Second Invention

An aspect of the second invention of this family is directed to a system for correcting an estimate of a state of a wireless communication enabled device estimated by a dead reckoning method. The system comprises a first estimation means for producing a first estimate of the state of the wireless communication enabled device, and an adjustment means for correcting said estimate based on one or more other estimates of the state of the wireless communication enabled device.

Other aspects of the second invention are directed to a corresponding: method; computer-readable storage means storing instructions that, when executed by a computing means, causes the computing means to carry out the method; computing means programmed to carry out the method; and data signal including at least one instruction being capable of being received and interpreted by a computing system, wherein the instruction implements the method.

In addition to including independent claims corresponding to the above aspects of the second invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed).

The second invention has not been the subject of prior art searching or examination at this stage.

Third Invention

An aspect of the third invention of this family is directed to a system for estimating a state of a wireless communication enabled device. The system comprises an estimation means for receiving data and estimating the state of the wireless communication enabled device based on the received data.

Other aspects of the third invention are directed to a corresponding: method; computer-readable storage means storing instructions that, when executed by a computing means, causes the computing means to carry out the method; computing means programmed to carry out the method; and data signal including at least one instruction being capable of being received and interpreted by a computing system, wherein the instruction implements the method.

In addition to including independent claims corresponding to the above aspects of the third invention, the specification of the patent application family includes dependent claims (introducing additional features further defining the invention claimed).

The third invention has not been the subject of prior art searching or examination at this stage.

6.0 Trade Mark Protection, Procedures, and Requirements

Trade marks are a tradable property right that are particularly important and valuable once a product or a process enters the market. A trade mark may be for example, a word, phrase, letter, number, sound, smell, shape, logo, picture, aspect of packaging or a combination of these used to denote the trade source of goods and/or services.

The exclusive right of trade mark owners serves the function of consumer protection as well as protection of interests of traders in both the goodwill associated with their trade marks and the value of a registered trade mark as a property right. An Australian registered trade mark gives the owner the legal right to use, license or sell it within Australia for the goods and services for which it is registered.

Trade marks are categorised into one or more of 45 available international classes, specifying the goods and/or services provided in connection with the trade mark.

After lodgement, an Australian trade mark application is examined by IP Australia (the Australian Trade Marks Office).

If there are grounds for objecting to the application, an examination report will issue.

The most common grounds for objecting to a trade mark application are:

- (a) whether the trade mark is distinctive; and
- (b) whether the trade mark is substantially identical with or deceptively similar to an earlier lodged trade mark application or registration.

A period is provided for responding to the examination report and overcoming any objections raised.

Upon overcoming all objections the trade mark application will be accepted. The acceptance of the trade mark application will be advertised and the application will be open to opposition by a third party. If no opposition is lodged within the two month period from the date of advertisement of acceptance provided for doing so, or if the opposition is unsuccessful, the trade mark will be registered subject to the payment of a registration fee.

The registration will then be in force for a period of 10 years from the date of application.

Renewal of the registration is required every 10 years, commencing from the date the application was initially filed, in order to keep the registration active.

7.0 The Norwood Trade Marks

7.1 Background

Norwood's trade mark portfolio consists of four pending Australian trade mark applications.

In compiling this Report, the filing particulars have been confirmed and the current status ascertained. The trade mark applications set out in this Section are currently in force, although they are subject to required actions and the payment of periodic (mainly renewal) fees in order to maintain them in force.

It should be noted that no searching was conducted prior to filing the applications to determine whether the subject trade marks are available for use and/or registration by Norwood.

7.2 The Norwood Trade Marks


Norwood has a number of pending trade mark applications in Australia, which are capable of being registered overseas. We understand that Norwood is actively using these trade marks in the course of its business.

Mark 1: NORWOOD SYSTEMS – Word

Applicant: Norwood Systems Pty Ltd

Status: Application filed – examination report issued

Country	Number	Classes
Australia	1608213	38, 42

In the examination report, the Examiner raised objections to the application on the basis of the existence of allegedly similar trade marks on the Trade Marks Register (Trade Mark Registration No. 841722  *Norwood* in the name of Norwood Trading Co. Pty Ltd, and Trade Mark Registration No. 884459 "Norwood" in the name of Norwood Industries Pty Ltd), an alleged lack of distinctiveness due to "NORWOOD" being a geographical location in Australia, and the wording of services claimed. The issue date of the examination report sets

a deadline of 10 July 2015 (extendable to 10 January 2016) for overcoming all objections to the application and obtaining its acceptance by IP Australia.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered.


Mark 2: NORWOOD SYSTEMS with 3 Blade Impeller Logo – Word and Device



Applicant: Norwood Systems Pty Ltd
Status: Application filed – examination report issued

Country	Number	Classes
Australia	1608215	38, 42

In the examination report, the Examiner raised objections to the application on the basis of the existence of allegedly similar trade marks on the Trade Marks Register (Trade Mark

Registration No. 841722  *Norwood* in the name of Norwood Trading Co. Pty Ltd, and Trade Mark Registration No. 884459 “Norwood” in the name of Norwood Industries Pty Ltd) and the wording of services claimed. The issue date of the examination report sets a deadline of 25 June 2015 (extendable to 25 December 2015) for overcoming all objections to the application and obtaining its acceptance by IP Australia.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered.

Mark 3: CORONA – Word

Applicant: Norwood Systems Pty Ltd
Status: Application filed – examination report issued

Country	Number	Classes
Australia	1608214	38, 42

In the examination report, the Examiner raised objections to the application on the basis of the wording of services claimed. The issue date of the examination report sets a deadline of 25 June 2015 (extendable to 25 December 2015) for overcoming all objections to the application and obtaining its acceptance by IP Australia.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered.

Mark 4: CORONA with 3 Ellipse Logo – Word and Device



Applicant: Norwood Systems Pty Ltd

Status: Application filed – examination report issued

Country	Number	Classes
Australia	1608216	38, 42

In the examination report, the Examiner raised objections to the application on the basis of the wording of services claimed. The issue date of the examination report sets a deadline of 25 June 2015 (extendable to 25 December 2015) for overcoming all objections to the application and obtaining its acceptance by IP Australia.

There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered.

The specification of goods and services for each of Norwood's trade mark applications is as follows:

Class	Description
38	Telecommunications services; provision of digital content by telecommunications; information, data, image and sound storage and transmission; transfer of information, data, images and sounds by telecommunications; communications by computer terminals; computer aided storage and transmission of information, data, images and sounds; electronic

	mail; operation of telecommunications apparatus, instruments, equipment, installations and systems; interactive telecommunications services; provision of wireless application protocol services, including those utilising a secure communications channel; wireless communications services; data interchange services; computer communications services; telecommunication of information (including web pages), computer programs, and any other data; information services relating to telecommunications traffic; providing information, including online, about telecommunications; advisory and consultancy services related to the aforesaid.
42	Development and design of computer software and hardware, wireless communications and telecommunications apparatus, instruments, equipment, installations and systems; maintenance and updating of computer software and hardware; consultancy in the field of computer software and hardware, wireless communications and telecommunications; computer programming; computer systems analysis; cloud computing; data security services; computer security services; advisory and consultancy services related to the aforesaid.

8.0 Norwood Trade Secrets and Know-How

We understand that Norwood undertakes considerable research and development activity. This activity gives rise to a pool of knowledge, some of which provides a basis for formalised protection (such as patents) and some of which is retained confidentially for internal use to aid subsequent development activities (such as trade secrets and confidential know how). That is, in our opinion, Norwood has a degree of know-how and trade secrets that extends beyond the formalised protection described above. Further, in addition to the above, we understand that Norwood takes steps to prevent leakage of IP through a combination of:

- Taking active steps within the organisation to ensure that trade secrets and know-how are treated and managed as highly confidential information;
- Maintaining a database to document, record and manage the storage, transfer and release of trade secrets and know-how;
- Incorporating confidentiality clauses into agreements to ensure the information stays within Norwood; and
- Entering into confidentiality agreements with potential collaborators, partners and other third parties prior to any disclosure of detailed technical information.

9.0 Disclaimer and Limitations

The Report is not to be construed as a legal opinion as to the registrability of patent applications or trade mark applications. It should also be appreciated that the Report is not a validity opinion. No conclusions on validity based on the Report should be made. Moreover, the Report does not provide any guarantee that the subject inventions may be commercially exploited or trade marks used without risk of infringement of earlier rights.

9.1 Patent Disclaimer

Examination Reports in One Country Not Binding In Other Countries

In most countries, patent applications undergo an independent search and examination by the local Patent Office, the results of which are not binding in other jurisdictions. Similarly, international PCT search and examination reports are not binding on national patent applications during subsequent examination in the national phase. Such reports should therefore be regarded as indicative only and not determinative of patentability. It should also be appreciated that the grant of a patent in one country provides no guarantee that patents will be granted in other jurisdictions.

Scope of Claims May Vary during Examination

It is often necessary during the examination of a patent application to define the invention more specifically by amendment of the claims, so as to distinguish relevant prior art. As a result of this process, there may be variations in the claims between countries, reflecting in part the different examination procedures and threshold requirements for patentability, according to national laws. Whilst this is a relatively standard procedure, in certain circumstances, such amendments may affect the scope and hence the commercial significance of the resultant patent protection.

Grant of Patent Provides No Guarantee of Validity

A granted patent provides no guarantee of validity. In most jurisdictions, a patent application undergoes a substantive examination process before proceeding to grant which confers an initial presumption of validity. However, the validity of a patent may be challenged at any time after grant, by way of revocation proceedings filed in a Court of competent jurisdiction.

Grant of Patent Provides No Guarantee of Non-Infringement

The grant of a patent provides no guarantee that the patentee is entitled to commercially exploit the patented invention, since the working of an invention, even if validly patented, may infringe an earlier patent or other intellectual property rights.

9.2 Trade Mark Disclaimer

This Report is based upon the Australian Trade Marks Office records of registered, published and pending trade marks. Our searches included only those trade mark applications and registrations that had been filed, indexed, and made available online at the date of our search. There may be a delay of a day or two (but occasionally more) between the date on which an application is filed and the date on which it first becomes available online. Accordingly, it is possible that relevant applications filed shortly before our search was conducted remain undetected. In addition, details of trade mark applications are not entered on the database records strictly in accordance with their order of receipt by the Trade Marks Office. Hence it is possible that records covered by our search do not include some trade mark applications that were filed shortly before our search was conducted. It is also possible that a relevant application that was not filed until after the search was conducted may (under the Paris Convention for the Protection of Industrial Property) claim a priority date of up to six months earlier from a trade mark application filed in another country, and that therefore would not have been located in our search. We also point out that the Trade Marks Office does not guarantee the accuracy of its computer records.

10.0 Statement of Independence

Wrays, established in 1920, is a national patent and trade mark attorney practice, proudly representing a significant number of Australia's largest businesses, in addition to numerous international and multinational clients.

This is an independent report. When considering this Report, it should be noted that:

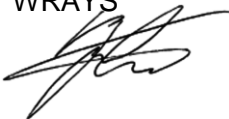
- Wrays has represented Norwood as patent and trade mark attorneys and managed Norwood's patent and trade mark portfolios. Services provided by Wrays were charged on Wrays' standard terms and conditions of engagement, being a combination of hourly rates for time spent, and fixed fees, as appropriate, for actions

performed in respect of the various matters. Where applicable, official fees have been payable to the relevant Intellectual Property Offices in respect of the various matters, and Wray's overseas associates have charged for their work in respect of the various matters in overseas jurisdictions. Wrays have invoiced AUD259,308.10 to Norwood, being Wrays professional service fees, official fees, and overseas associate's service fees, for services relating to the filing, prosecution, and maintenance to date of the Norwood patent applications and trade mark applications set out herein.

- Neither Wrays nor any of its Directors, Principals or employees that were involved in the preparation and management of Norwood's patent or trade mark portfolio, has any entitlement to any securities in Monteray or in Norwood, or has any other interest in the promotion of Monteray or in Norwood.
- Wrays will be paid a fee of AUD\$1,854 for the preparation of this Report and, the payment of fees to Wrays for the preparation of this Report is not contingent upon the outcome of the proposed acquisition of Norwood or the capital raising the subject of the Prospectus. Wrays confirms that this Report has been prepared by Chris Juhasz, Principal, who is not associated with Monteray or Norwood and has no financial interest in the outcome of the proposed acquisition of Norwood or the capital raising the subject of the Prospectus.

We have given our consent to the issue of the Prospectus with this Report appearing therein.

Yours sincerely
WRAYS



Chris Juhasz
Principal

12. Risk Factors

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

12.1 Specific Risks

(a) Reinstatement to the Official List of ASX

As part of the Company's change in nature and scale of activities, ASX will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules. The Company's Shares will be suspended after the May General Meeting. It is anticipated that the Company's Shares will remain suspended until completion of the Acquisition and Offers, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements and that its Shares will consequently remain suspended from quotation.

In the event that the Conditions of Prospectus Offer set out in Section 6.4 are not satisfied or the Company does not receive conditional approval for re-quotation on ASX, the Company will not proceed with the Public Offer and will repay all Application Monies received. In the event that the Public Offer does not proceed, the other Offers will not proceed and the Acquisition will not proceed.

(b) Limited trading history

Norwood is essentially a start-up company with limited trading history. Norwood has to date principally developed its product as well as seeking patent protection. However Norwood is now in the commercialisation phase of the business cycle and as such carries the normal risks of a start-up business. Given the limited trading history of Norwood, no assurance can be given that Norwood will achieve commercial viability through the implementation of its business plan. Whilst Norwood is now in a position to earn revenue through customers paying to use its CORONA & EUROPA services, there is no certainty around the number of customers (if any) that will use the services. Accordingly Norwood is not in a position to give any guidance around likely revenue or profitability.

(c) Uncertainty of future profitability

Norwood is in the commercialisation stage for its CORONA and EUROPA services. To date, it has funded its activities principally through issuing securities and other capital raising activities.

Whilst Norwood is in discussions with a number of potential customers, there is no guarantee these discussions will lead to commercial sales. Furthermore its 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.

(d) Regulation of the Global Voice Roaming Market

Norwood's short term objective is to develop and supply high-quality, low-cost global voice roaming solutions to travellers to exploit the business opportunity that exists as a result of the gross overcharging on roaming by the incumbent telecommunications providers. There is a risk that governments and/or regulatory bodies may seek to increase the regulation of the global voice roaming market or force structural changes to drive down the rates charged by pushing for bilateral agreements between countries and/or carriers.

Recent examples of changes in regulation include the proposed bilateral agreement between Australia and New Zealand pursuant to the Telecommunications Legislation Amendment (International Mobile Roaming) Bill 2014 and also the changes within the European Union (EU) where it was agreed to abolish mobile roaming charges within the EU by 2015. Any increased regulation that reduced global voice roaming charges may adversely impact the profitability of the Company by reducing the attractiveness of the Company's service offerings.

(e) New product development and technology risk

Moving forward, the Company will be 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 Norwood. This would adversely affect the profitability of the Company and likely value of its Securities.

(f) Dependence on third party servers and products

Part of the business model of the Company will be reliant upon leased third party servers and the performance of those servers. If servers upon which the technology of the Company depends do not operate as expected then the services that the Company provides may be adversely affected.

The majority of the products of the Company require the use of a smart phone or other similar device and as such the business model of the Company will be dependent upon the existence and ownership of these devices. There can be no guarantee that these devices will continue to be as widely used as they are currently or that they will not be replaced by alternative devices upon which the Company's technology will not function as described in this notice of meeting.

(g) Security breaches and hacker attacks

Norwood is reliant upon leased third party servers and the performance of those servers, and its CORONA and EUROPA service platforms rely on integration with certain capabilities

of wholesale telecommunications service providers using publicly available application programming interfaces (APIs).

Those servers and APIs may be subject to cyber-attacks by hackers, which could render those servers or APIs unavailable through a disrupted denial of service or other disruptive attacks. Unavailability of those servers or APIs could lead to a loss of revenues for the Company. Further, it could hinder the Company's ability to retain existing customers and attract new customers, particularly if Norwood's products were perceived to be less secure or reliable than its competitors, which would have a material adverse impact on the Company's growth.

(h) Competition

There is significant competition in the telecommunications industry generally. There is no assurance that the Company will succeed in the strategy of developing and supplying high-quality, low-cost global voice roaming solutions. Competitors' products may render CORONA, EUROPA or other related global roaming products developed by Norwood obsolete and/or otherwise uncompetitive.

Existing competitors to Norwood's current suite of service offerings include callback services, calling cards, pre-paid mobile cards, VOIP and APP services, local SIM Cards and VPN services.

These competitors have various other advantages over Norwood, including:

- greater market presence, name recognition and brand reputation;
- a larger installed base of telecommunications and networking systems with enterprise customers;
- larger and more geographically distributed services and support organizations and capabilities;
- a broader offering of telecommunications and networking products, applications and services;
- a more established international presence to address the needs of global enterprises;
- substantially larger patent and intellectual property portfolios;
- longer operating histories;
- a longer history of implementing large-scale telecommunications or networking systems;
- more established relationships with industry participants, customers, suppliers, distributors and other technology companies; and
- the ability to acquire technologies or consolidate with other companies in the industry to compete more effectively.

The Company may be unable to compete successfully against these or future competitors where aggressive policies are employed to capture market share and the quality of the service offered is comparable. Furthermore advancements in ancillary services such as an increased availability of “Wi-Fi” may also impact Norwood by increasing the quality of, and/or customer access to, Norwood’s competitors.

If the Company is successful in developing global roaming products, which may never occur, such competition could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect the Company’s potential future business, operating results and financial position.

(i) Development and commercialisation of CORONA & EUROPA

Norwood’s business model is reliant on its ability to develop and commercialise its CORONA and EUROPA services. A failure to develop and commercialise its CORONA and EUROPA services successfully would lead to a loss of opportunities and adversely impact on the operating results and financial position of Norwood. Furthermore, any third party developing superior technology or with greater commercial appeal in the fields in which Norwood operates may harm the future prospects of the Company.

(j) Norwood’s sales cycle can be lengthy and unpredictable, which makes it difficult to forecast the amount of its sales and operating expenses in any particular period

Norwood’s sales cycle can be lengthy and unpredictable. Part of its strategy is to increasingly target its sales efforts on larger enterprises. Because the sales cycle for large enterprises is generally longer than for smaller enterprises, Norwood’s sales cycle in the future may be very long. As a result, it may have limited ability to forecast whether or in which period a sale will occur. The success of its product sales process is subject to many factors, some of which it has little or no control over, including:

- the timing of enterprise customers’ budget cycles and approval processes;
- a technical evaluation or trial by potential enterprise customers;
- Norwood’s ability to introduce new products, features or functionality in a manner that suits the needs of a particular enterprise customer;
- inertia or resistance to change or adopt new products within the IT or procurement functions of potential enterprise customers;
- the announcement or introduction of competing products; and
- the strength of existing relationships between Norwood’s competitors and potential enterprise customers.

Norwood may expend substantial time, effort and money educating its current and prospective enterprise customers as to the value of, and benefits delivered by, its products and services, and ultimately fail to produce a sale. If it is unsuccessful in closing sales after expending significant resources, its operating results will be adversely affected. Furthermore, if future sales for a particular period do not occur in such period, its operating

results for that period could be substantially lower than anticipated and the market price of Norwood's shares could decline.

(k) The gross margins on Norwood's services may decrease due to competitive pressures or otherwise, which could negatively impact Norwood's profitability

It is possible that the gross margins on Norwood's services will decrease in the future in response to competitive pricing pressures, new service introductions by Norwood or its competitors, changes in the costs of inputs or other factors. If Norwood experiences decreased gross margins and is unable to respond in a timely manner by introducing and selling new, higher-margin services successfully and continually reducing the cost of delivering such services, its gross margins may decline, which will harm its business and results of operations.

(l) Customer service risk

Norwood's business model is based on recurring revenue arising 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 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.

(m) If Norwood 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

Norwood's CORONA and EUROPA service platforms rely on integration with certain capabilities of wholesale telecommunications service providers using publicly available application programming interfaces (APIs). In general, Norwood relies on the fact that such providers continue to allow Norwood access to their APIs to enable these service platform integrations. To date, Norwood has not relied on long-term written contracts to govern its relationship with such wholesale providers. Instead, Norwood 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 Norwood's relationship with any such wholesale service provider could harm its business and adversely affect its operating results.

Norwood's business may be harmed if any wholesale telecommunications service provider:

- discontinues or limits access to its APIs and/or services by Norwood;
- terminates or does not allow Norwood to renew or replace its contractual relationship;
- modifies its terms of service or other policies, including fees charged to, or other restrictions on, Norwood, other application developers, or changes how customer information is accessed by Norwood or its customers;

- establishes more favorable relationships with one or more of Norwood's competitors, or acquires one or more of Norwood's competitors and offers competing services to Norwood; or
- otherwise develops its own competitive offerings.

(n) Brand and reputation risks

The reputation and brand of Norwood and its individual products are important in attracting potential corporate customers. Any reputational damage or negative publicity around Norwood or its CORONA service could adversely impact on the Company's business.

(o) New Technology risk

The CORONA and EUROPA services are new technologies, which Norwood has recently launched. As with any new technology there may be unexpected issues, which arise with the commercial roll out of the service which may affect the operation of the CORONA and EUROPA services and any future potential revenues which may be generated from the CORONA and EUROPA services. Further the adoption and success of such new technology is reliant on acceptance of such technology by relevant stakeholders including corporate organisations (as the party contracting with Norwood) and the end user of the service (the employee of a corporate organisation). If the CORONA or EUROPA systems are not accepted by such stakeholders it may have an adverse consequence on Norwood's ability to successfully achieve its business objectives regarding the CORONA and EUROPA systems with resulting effects on revenue and financial performance.

(p) Retention and recruitment of key personnel

The emergence of Norwood and development of its CORONA and EUROPA systems has been in large part due to the talent, effort, experience and leadership of its management team, including its CEO and founder Paul Ostergaard. Norwood is substantially dependent on the continued service of its existing management team due to the complexity of its services and products. There is no assurance that the Company will be able to retain the services of such persons

Furthermore Norwood expects to grow its sales and marketing teams in both Australia and internationally. Norwood is currently conducting an international search for an experienced sales & marketing key executive. An inability to attract quality sales and marketing personnel may adversely impact on Norwood's growth plans and any first mover advantage.

(q) Additional requirements for capital

The funds raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of their activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.

(r) Protection of intellectual property rights

Norwood is the applicant of pending patent applications. The prospect of attaining patent protection for products and the technology such as those proposed to be used in the Norwood 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 Norwood'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 being significantly less than the scope of protection sought by Norwood. As a result, Norwood's patent application may not proceed to an issued patent and, if issued, may not be of commercial benefit to Norwood, or may not afford Norwood adequate protection from competing products. In particular, objections have been raised in relation to Norwood's international patent application in the Mobility patent application family based on the novelty and inventive step requirements, citing an existing patent owned by a third party. If Norwood is not able to overcome these objections, there is a risk that the patent will not be awarded to it. Alternatively, in modifying the relevant claims to address the objections, there is a risk that the scope of protection in the issued patent being significantly less than the scope of protection sought by Norwood.

In addition since most patent applications remain secret for eighteen months from the time of filing, and since publication of discoveries in the scientific or patent literature often lags behind actual discoveries, Norwood cannot be certain that it is the first to make the inventions covered by the pending patent applications or that its patent application for its invention was the first to be filed.

Even if Norwood succeeds in obtaining patent protection for its products, its patents could be partially or wholly invalidated following challenges by third parties.

(s) Infringement of third party intellectual property rights

If a third party accuses Norwood of infringing its intellectual property rights or if a third party commences litigation against Norwood for the infringement of patent or other intellectual property rights, Norwood may incur significant costs in defending such action, whether or not it ultimately prevails. Typically, patent litigation is expensive. Costs that Norwood incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, parties making claims against Norwood may be able to obtain injunctive or other equitable relief that could prevent Norwood from further developing discoveries or commercialising its products. In the event of a successful claim of infringement against Norwood, it may be required to pay damages and obtain one or more licenses from the

prevailing third party. If it is not able to obtain these licenses at a reasonable cost, if at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any of these licenses could prevent Norwood from commercialising available products and could cause it to incur substantial expenditure.

(t) Liquidity risks

Upon reinstatement of the Company's Shares to quotation on the ASX, a significant portion of the Shares on issue will be subject to escrow restrictions imposed by the Listing Rules. Investors may consider that there is an increased liquidity risk as a large portion of the issued capital may not be able to be traded freely for a period of up to 24 months. Please see Section 3.2 for further information on escrow arrangements.

(u) Trade marks

Norwood is the applicant of pending trade mark applications. Objections have been raised by the relevant examiner in all cases to the wording of the services claimed and, in the case of the Norwood marks only, on the basis of allegedly similar trade marks on the Trade Marks register. There is a risk that these objections may not be able to be overcome, and accordingly a risk that the trade mark application may not be accepted, and subsequently registered. While this may not prevent Norwood from continuing to trade under the relevant brands, it may limit Norwood's ability to prevent a competing product from being made available by another party using the same or similar branding.

(v) User experience risk

Norwood's business model is based on recurring revenue arising from usage. Poor user experience may affect customer take-up, retention and level of usage of Norwood's products. Factors which may contribute to poor customer experience include:

- ease of setting up and commencing use of the products offered;
- simplicity and reliability of customer usage; or
- quality of call services provided;
- level of customer support provided.

In particular, Norwood notes it is targeting corporate travellers with its CORONA and EUROPA services by differentiating itself from VoIP services by offering a superior call quality similar or equivalent to cellular roaming. If Norwood is not able to provide this targeted level of call quality then it is likely to lead to a loss of customers and an adverse impact on the operating results and financial position of Norwood.

Poor customer support experiences may result if the Company loses key customer service personnel, fails to provide adequate training and resources for customer service personnel or there is a disruption to monitoring and account management systems utilised by customer service personnel.

Poor user 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.

12.2 General Risks

(a) Investment risk

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Share market

Share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors including, but not limited to, the following:

- i) general economic outlook;
- ii) interest rates and inflation rates;
- iii) currency fluctuations;
- iv) changes in investor sentiment toward particular market sectors;
- v) the demand for, and supply of, capital;
- vi) terrorism or other hostilities; and
- vii) other factors beyond the control of the Company.

(c) Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the technology industry including, but not limited to, the following:

- i) general economic conditions in jurisdictions in which the Company operates;
- ii) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- iii) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the technology sector;
- vi) movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and
- v) natural disasters, social upheaval or war in jurisdictions in which the Company operates.

(d) Legal proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Notice, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

13. Directors, Key Management and Corporate Governance

13.1 Board of Directors

Subject to Completion of the Acquisition, it is intended that Andrew Habets and Sandy Barblett will retire as Directors of the Company and nominees of Norwood, being Mr Paul Ostergaard and Mr Amit Pau will be appointed to the Board of the Company. Norwood is considering a third nominee to nominate to be appointed as an independent chairman. The remaining Director appointment is expected to be finalised after the Offers have closed.

Upon completion of the Acquisition, the new Board of the Company will comprise of:

- Paul Ostergaard (Managing Director)
- Amit Pau (Non-Executive Chairman)
- Michael Edwards (Non-Executive Director)

13.2 Director profiles

Details of the Directors who will comprise the Board upon completion of the Acquisition are set out below.

Mr Paul Ostergaard Managing Director

Mr Ostergaard founded Norwood Systems in 2011 with the vision to create the world's best private cloud communications platform servicing enterprises' increasingly mobile international workforces. Mr Ostergaard is responsible for implementing Norwood's overall strategic direction, planning and day-to-day running of the business.

Mr Ostergaard has a 25-year track record of success and innovation in the high-technology sector, having worked in senior executive roles in start-ups and large corporations across the North American, European and Asia-Pacific regions. Prior to Norwood Systems, Mr Ostergaard founded several companies in the wireless communications sector including the original Norwood Systems Ltd, the award-winning technology pioneer in fixed mobile convergence platforms, founded in 1999.

Previously, Mr Ostergaard headed the global platform marketing strategy for a \$1 billion systems platform at 3Com Corporation, leading the platform's brand and core technology development across seven divisions and 37 product lines. During his tenure at 3Com, worldwide market share for this platform increased to an all-time peak of 35% with sales increasing at an average of 50% p.a. to reach \$1.2 billion in annual revenues.

Mr Ostergaard holds a Bachelor of Electronic Engineering from the University of Western Australia and an MBA from INSEAD.

Mr Amit Pau Non-Executive Director

Mr Pau has over 20 years of experience in the technology, media and telecommunications industries. Mr Pau has held previous corporate positions at Vodafone including as Managing Director for International Accounts and Business Markets in which role he was instrumental in creating strategic

OEM partnerships with Dell, IBM and HP.

Additionally, Mr Pau led the Divisional Units of AT&T and Global TeleSystems where he launched their e-commerce products which achieved significant scale.

Mr Pau has served on a number of listed and private boards such as Vodafone Spain Radamec Plc and IOS Plc and has previously been involved in a number of IPO's and trade sales in a Director capacity.

Michael Edwards
Non-Executive Director

Mr Edwards is a geologist and economist with over 20 years' experience in Senior Management in both the private and public sector. He has a Bachelor of Business (Economics and Finance) from Curtin University of Technology and a Bachelor of Science (Geology) from The University of Western Australia. He spent three years with Barclays Australia in their Corporate Finance department and then 8 years as an Exploration and Mine Geologist with companies such as Gold Mines of Australia, Eagle Mining and International Mineral Resources.

Since 2010 Mr Edwards has been consulting to numerous companies conducting project evaluations and deal structuring across a wide range of commodities and countries.

Brief profiles of the existing Directors who are proposed to retire following completion of the Acquisition are outlined below.

Andrew Habets
Non-Executive Director
(to retire upon completion of the Acquisition)

Mr Habets has over 25 years' experience working as a geologist in new business development, project generation and field exploration. He has a multi-disciplinary background that supports an extensive knowledge of the natural resource industry and a practical, hands-on approach that supports a full spectrum of the supply chain. Mr Habets has extensive experience operating in developing countries, interfacing with government and local authorities, joint venture partners and remote communities.

Mr Habets has strong entrepreneurial skills and project generation experience in over 40 countries which has led to the successful growth and expansion of resources for many of the companies with whom he has been involved. Professional qualifications and memberships include, Fellow Royal Geographic Society, London; MAusIMM, Member Royal Society of Victoria; Member Society of Economic Geology.

Sandy Barblett
Non-Executive Director
(to retire upon completion of the Acquisition)

Mr Barblett is a partner in the London based corporate finance company, Ironbridge Capital Partners. He has over 22 years senior management experience working with private and publicly listed companies.

Mr Barblett has worked in the UK, US and Hong Kong. He has advised companies on raising private equity and general fund raising, corporate strategy and mergers and acquisitions. Mr Barblett previously worked for Minter Ellison as a solicitor, is a member of the Australian Institute of Company Directors and is also a director of AIM listed Solo Oil plc.

Mr Barblett has a Bachelor of Business from Curtin University of Technology in Perth and a Bachelor of Law from the University of Queensland.

13.3 Key management

In addition to the executive capacity of Mr Paul Ostergaard who will be Managing Director of the Company upon completion of the Acquisition, the following people will comprise the key management personnel of the Company upon completion of the Acquisition.

Mr David Wilson Chief Technology Officer

Mr Wilson has more than 20 years of technology and telecommunications experience, both in software development and management. Mr Wilson is an IT generalist with an insightful approach to problem-solving and a long history of creating innovative solutions to business needs. As Chief Technology Officer at Norwood, Mr Wilson helped define Norwood's product strategy and steer the engineering team to deliver the company's vision.

Mr Wilson has previously held the roles of Chief Information Officer and Chief Financial Officer at Ocean Broadband, which has become one of Australia's largest fixed wireless providers. In 2007, Mr Wilson pioneered the first ever integration of the Application Program Interfaces of Salesforce.com with Google Earth data, an achievement that was featured in several national Australian news publications.

David holds a Bachelor of Science and a Masters of Business Administration from the University of Western Australia.

Senior Sales & Marketing Manager

Norwood is currently conducting an international search for an experienced sales & marketing executive.

Please refer to the Executive Services Agreement summaries in Section 13.7 for details of the material terms of engagement of the key management personnel.

13.4 Directors interests

Other than as set out in this Prospectus, no Director holds at the date of this Prospectus or held at any time during the last 2 years, any interest in:

- The formation or promotion of the Company;
- Property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- The Offers.

Further, other than as disclosed in this Prospectus, the Company has not paid any amount or

provided any benefit, or agreed to do so, to any Director, either to induce that Director to become, or to qualify them as a director of the Company, or otherwise, for services rendered by them in connection with the formation or promotion of the Company or the Offers.

13.5 Directors' Security holdings

Directors are not required to hold any Shares under the constitution of the Company.

Set out in the table below are details of the existing relevant interests of the Existing Directors and Proposed Directors in the Shares of the Company at the date of this Prospectus, and the anticipated relevant interest of the Existing Directors and Proposed Directors in the Shares of the Company upon completion of the Acquisition and the Offers (assuming the Minimum Subscription is raised under the Public Offer (\$4,000,000)).

Director	Existing Shares	Shares at Completion	% interest ¹
Michael Edwards	3,572,976	6,072,976 ³	0.87%
Andrew Habets	1,360,000	1,360,000	0.19%
Sandy Barblett	197,500	1,697,500 ⁴	0.24%
Paul Ostergaard ²	Nil	198,023,477	28.34%
Amit Pau	Nil	Nil	Nil

Notes:

1. Assumes that the Minimum Subscription is raised under the Public Offer and accordingly that there are 698,859,598 Shares on issue.
2. The Ostergaard Shareholders will receive 193,023,477 Shares as part of the consideration for their Norwood Shares under the Acquisition and subscribe for 5,000,000 Shares under the Public Offer. Mr Paul Ostergaard, as trustee of the Ostergaard Family Trust, will be the holder of the Shares to be issued to the Ostergaard Family Trust and he has an interest of over 20% in the issued capital of Ocean Broadband and Chillcast. Accordingly, Mr Paul Ostergaard will have a relevant interest in the Shares proposed to be issued to all of the Ostergaard Shareholders.
3. Mr Michael Edwards (and/or his nominee) intends to subscribe for 2,500,000 Shares under the Public Offer.
4. Mr Sandy Barblett (and/or his nominee) intends to subscribe for 1,500,000 Shares under the Public Offer.

Set out in the table below are details of the anticipated relevant interests of the Existing Directors and Proposed Directors in other securities of the Company upon completion of the Acquisition and the Offers (assuming the Minimum Subscription is raised under the Public Offer (\$4,000,000)).

Director	Performance Shares ²	Options
Michael Edwards	Nil	Nil
Andrew Habets	Nil	1,000,000 ³
Sandy Barblett	Nil	1,000,000 ³
Paul Ostergaard ¹	82,724,347	Nil
Amit Pau	Nil	Nil

Notes:

1. The Ostergaard Family Trust and Ocean Broadband will receive in aggregate 41,562,613 Norwood Class A Performance Shares and 41,562,613 Norwood Class B Performance Shares as part of the consideration for their Norwood Shares under the Acquisition. Mr Paul Ostergaard, as trustee of the Ostergaard Family Trust, will be the holder of the Performance Shares to be issued to the Ostergaard Family Trust and he has an interest of over 20% in the issued capital of Ocean Broadband. Accordingly, Mr Paul Ostergaard will have a relevant interest in the Performance Shares proposed to be issued to the Ostergaard Family Trust and Ocean Broadband.
2. Please see Section 15.2 for full terms of the Performance Shares.
3. Options each exercisable at \$0.25 on or before 30 November 2016.

13.6 Directors' remuneration

The Constitution provides that each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount to all non-executive Directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The current maximum amount of remuneration that may be paid to all non-executives Directors has been set at \$300,000 per annum and may be varied by ordinary resolution of the Shareholders in general meeting.

The Board has resolved that Directors' fees will be \$25,000 per annum for all non-executive Directors, exclusive of statutory superannuation contributions and reimbursement of expenses reasonably incurred in the performance of their duties as a Director.

The remuneration of the executive Directors and key management will be determined by the Board. A summary of the material terms of the employment agreements of Mr Paul Ostergaard (the proposed Managing Director of the Company) and key management personnel are set out in Section 13.7.

The annual remuneration payable to each of the Directors following Completion of the Acquisition is as follows:

Director	Annual Remuneration
Mr Paul Ostergaard	\$175,000 ⁽²⁾
Mr Amit Pau	\$ 25,000
Mr Michael Edwards	\$ 25,000 ⁽³⁾

Notes

- 1 At the date of this Prospectus, the Company does not propose to enter into any additional consulting arrangements or other agreements other than those set out above.
- 2 Annual remuneration is exclusive of superannuation. A summary of the key terms of Mr Ostergaard’s remuneration agreement with the Company is given at Section 13.7.
- 3 Mr Michael Edwards is currently the Chief Executive Officer (CEO) of the Company and will remain CEO until completion of the Acquisition. Mr Edwards became a non-executive Director of the Company on 20 January 2015, Mr Edwards was employed on a contract basis as CEO of the Company at a rate of \$1,000 (plus GST) per day or part thereof. Remuneration received by Mr Edwards for the financial years ending 30 June 2013 and 30 June 2014 was \$115,000 and \$82,500 respectively.

For details of the Directors' interests in securities in the Company refer to Section 13.5 above.

13.7 Agreements with key management personnel

(a) Mr Paul Ostergaard

Subject to the Company’s re-compliance and re-admission on ASX, the Company will engage Mr Paul Ostergaard as its Managing Director. Outlined below is a summary of the material provisions of the Executive Services Agreement between the Company and Mr Ostergaard.

Remuneration

The Company will remunerate Mr Ostergaard for his services comprising a base salary of \$175,000 per annum plus statutory superannuation.

Term

Mr Ostergaard’s employment will commence on the date of completion of the Acquisition and shall continue unless terminated in accordance with his Executive Services Agreement. Among other standard termination rights, either party may terminate the employment on 6 months' notice.

Bonus Arrangements

The Company shall pay Mr Ostergaard the following bonuses:-

- (i) an amount equal to 5% of revenues generated by the EUROPA /World Phone platform to the Company (net of payments made to re-sellers of the EUROPA/World Phone App including parties such as the Apple, Inc. App Store) in the period of 12 months following the public launch of EUROPA/World Phone; and
- (ii) an amount of \$25,000 payable on satisfaction of a gross revenue target of \$200,000 from a third party contract in a 12 month period for each of the first two separate third party contracts to achieve this target;

or such other equivalent milestone or alternate arrangement as agreed between the parties that complies with all applicable laws and regulations.

(b) **Mr David Wilson**

Subject to the Company's re-compliance and re-admission on ASX, the Company will engage Mr David Wilson as the Chief Technology Officer of Norwood. Outlined below is a summary of the material provisions of the employment agreement between the Company and Mr Wilson.

Remuneration

The Company will remunerate Mr Wilson for his services comprising a base salary of \$160,000 per annum plus statutory superannuation.

Term

Mr Wilson's employment will commence on the date of completion of the Acquisition and shall continue unless terminated in accordance with his Executive Services Agreement. Among other standard termination rights, either party may terminate the employment on 6 months' notice.

Bonus Arrangements

The Company shall pay Mr Wilson the following bonuses:-

- (i) an amount equal to 3% of revenues generated by the EUROPA /World Phone platform to the Company (net of payments made to re-sellers of the EUROPA/World Phone App (including parties such as the Apple, Inc. App Store) in the period of 12 months following the public launch of EUROPA/World Phone; and
- (ii) an amount of \$15,000 payable on satisfaction of a gross revenue target of \$200,000 from a third party contract in a 12 month period for each of the first two separate third party contracts to achieve this target.

13.8 Related party and other interested party transactions

(a) **Relationship between Proposed Director, Mr Paul Ostergaard and Norwood**

One of the Company's Proposed Directors, Mr Paul Ostergaard is a director of Norwood and he, and an entity related to him, are major shareholders of Norwood. The Company proposes to acquire the shares in Norwood held by Mr Ostergaard and his related entities as part of the Acquisition. Following Completion of the Acquisition, Mr Ostergaard and his related entities will hold an interest in Shares of the Company of greater than 20%.

Accordingly, at May General Meeting, the Company is seeking Shareholder approval under section 611 item 7 of the Corporations Act to issue Shares and Performance Shares to Mr Ostergaard and his related entities as consideration for part of the Acquisition and for a related entity of Mr Ostergaard to participate in the Public Offer (to the extent of 5,000,000 Shares). An independent expert's report on this resolution was included in the notice of general meeting.

Following completion of the Acquisition and the Offers the maximum number of Shares to be held by Mr Ostergaard (and his related entities) is 198,023,477 Shares.

Further, Mr Paul Ostergaard is a Director and major shareholder of Ocean Broadband Limited, which has a cost sharing arrangement in cost for office space, utilities and administrative services with Norwood. During the 24 months preceding lodgement of this Prospectus at the ASIC, Norwood has incurred \$120,951 in costs from Ocean Broadband Limited as its portion of costs for shared services which has not been paid.

An amount of \$105,059 of this loan is to be settled through the issue of 160,484 shares in Norwood which are to be purchased through the issue of 26,474,796 Shares in the Company pursuant to the Norwood Vendor Offer.

(b) Relationship between Proposed Director, Mr Amit Pau and Norwood

One of the Company's Proposed Directors, Mr Amit Pau is the managing director of Ariadne Capital Limited (**Ariadne**), an advisory firm based in London that has been engaged to act as business advisor to Norwood. Ariadne was engaged on 1 April 2014 for an initial term of six months, to be continued thereafter unless terminated by either party. Norwood has agreed to pay Ariadne the following fees:-

- A management fee of £6,000 per month;
- Shares in Norwood which correspond to a value of £50,000 based on a valuation of 100% of Norwood implied by the funding round completing closest to the IPO or the last funding round;
- A capital raising fee of 4% of funds raised through investors who participate in the Public Offer who are introduced by Ariadne, at the discretion of Azure Capital and the Company; and
- In the case of locating executive employees for Norwood, a success fee payable of 25% of the executive's first year base salary and a fee of £15,000.

During the 24 months preceding lodgement of this Prospectus at the ASIC, Ariadne has received \$22,551 in fees from Norwood. Prior to completion of the Acquisition, as referred to above, Ariadne will issued 50,075 shares in Norwood, which will be acquired by the Company as part of the Acquisition. On completion of the Acquisition, 8,260,766 Shares in the Company will be issued to Ariadne under the Norwood Vendor Offer as consideration for those Norwood shares.

(c) Existing Director participation in Public Offer

Two of the Company's Existing Directors, Mr Michael Edwards and Mr Sandy Barblett intend to participate in the Public Offer under this Prospectus. Mr Edwards and Mr Barblett are related parties of the Company by virtue of being directors.

Further, Mr John Hannaford, intends to participate in the Public Offer under this Prospectus. Mr Hannaford is a related party of the Company by virtue of being a director in the past six months. Mr Hannaford resigned as a director of the Company on 20 January 2015.

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to related parties without the approval of shareholders. Therefore approval is being sought under Listing Rule 10.11 for the issue of the Shares to Mr Edwards, Mr Barblett and Mr Hannaford at the May General Meeting. The Company is also seeking approval under Chapter 2E of the Corporations Act for the participation of these related parties in the Public Offer even though the Company considers that the participation of these related parties in the Public Offer is on arms length terms (because they are participating in the Public Offer on the same terms as the general public and these terms were determined by the Lead Manager).

The maximum number of Shares to be issued to Mr Edwards, Mr Barblett and Mr Hannaford (or their nominees) in the Public Offer under this Prospectus is 2,500,000, 1,500,000 and 10,000,000 shares respectively.

(d) Relationship between the Lead Manager, the Company and Norwood

The Company has engaged Azure Capital Limited (**Azure**) as the lead manager in relation to the Public Offer and to act as the Company's corporate advisor in respect to the Acquisition, the Company's re-compliance with Chapters 1 and 2 of the Listing Rules and the Public Offer under this Prospectus. Refer to Section 14.3 for a summary of the mandate with Azure.

Azure also acted as the lead manager in relation to a capital raising in Norwood through the issue of convertible notes, with capital raised used to fund development of the CORONA and EUROPA platforms.

Directors and shareholders of Azure are also shareholders of Norwood and will receive Shares and Performance Shares as consideration for the purchase of their Norwood shares as part of the proposed Acquisition.

(e) Relationship between the Compliance Manager, the Company and Norwood

The Company has engaged Ventnor Capital Pty Ltd (**Ventnor**) as the compliance manager in relation to the Offers and the Company's re-compliance with Chapters 1 and 2 of the Listing Rules. Refer to Section 14.4 for a summary of the mandate with Ventnor.

Mr John Hannaford is a director and shareholder of Ventnor. Mr Hannaford is also a significant shareholder of the Company, holding an interest greater than 5% in Company shares.

Mr Morgan Barron is a director and shareholder of Ventnor and is also a shareholder of the Company.

Further, Mr Brett Tucker, the Company Secretary of the Company is also an employee of Ventnor.

(f) Deeds of indemnity, insurance and access

The Company is party to a deed of indemnity, insurance and access with each of the Existing Directors and is proposing to enter into similar deeds with each of the Proposed Directors upon their appointment. Under these deeds, the Company indemnifies each Director to the extent permitted by the Corporations Act against any liability arising as a result of the Director acting as a director of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director and must also allow the Directors to inspect board papers in certain circumstances.

13.9 Corporate Governance

This summary identifies the key corporate governance policies and practices adopted by the Company's Board. The Board is committed to ensuring continued investor confidence in the operations of the Company and in maintaining high standards of corporate governance in the performance of their duties.

The role of the Board

The role of the Board of Directors is to provide strategic guidance to the Company (and its related bodies corporate), effective oversight of management and to provide a sound base for a culture of good corporate governance within the Company.

The Board will always retain ultimate authority over the management and staff of the Company and its related bodies corporate.

In performing its role, the Board should act, at all times:

- In recognition of its overriding responsibility to act honestly, fairly and in accordance with the law in serving the interests of the Company, its Shareholders, as well as its employees, customers and the community;
- In a manner designed to create and continue to build sustainable value for Shareholders;
- In accordance with the duties and obligations imposed upon them by the Company's Constitution and applicable law; and
- With integrity and objectivity, consistently with the ethical, professional and other standards set out in the Company's corporate governance policies.

Responsibilities of the Board

The responsibilities of the Board include:

- Represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies and performance;
- Protect and optimise the Company's performance and build sustainable value for Shareholders;
- Set, review and ensure compliance with the Company's values and governance framework; and
- Ensure that Shareholders are kept informed of the Company's performance and major developments.

Composition of the Board

Under the Company's constitution, the minimum number of Directors is three and the maximum is ten. The Board at the date of this Prospectus comprises of three Directors, namely Michael Edwards, Andrew Habets and Sandy Barblett. Upon Completion of the Acquisition, the Board will comprise of three Directors, namely Paul Ostergaard, Michael Edwards and Amit Pau. Norwood is considering a third nominee to nominate as an independent chairman of the Company who is anticipated to be appointed after the Offers have closed.

The Directors consider the size and composition of the Board is appropriate given the current size

and status of the Company.

Each Director is bound by all of the Company's charters, policies and codes of conduct. If the Board determines it is appropriate or necessary, they may establish committees to assist in carrying out various responsibilities of the Board. Such committees will be established by a formal charter.

The Board delegates the management of the Company's business and day to day operation to the Managing Director who is authorised, in turn, to delegate such powers conferred on him or her to members of the senior management group.

The Board seeks to nominate persons for appointment to the Board who have the qualifications, experience and skills to augment the capabilities of the Board.

Independence of Directors

The Board considers the issue of independence with regard to a set of questions outlined in the Board charter. The issue is considered in light of a materiality threshold relevant to the particular time of the issue.

Independent Professional Advice

The Directors are entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of their responsibilities. Such advice may be sought in accordance with the procedures set out in the Board charter.

Securities Trading Policy

The Company has adopted a formal policy for dealing in the Company's securities by Directors and employees and their related entities (in accordance with Listing Rule 12.9). "The securities trading policy regarding allowable dealings is that those persons should:

- not deal in the Company's securities while in possession of price sensitive, non-public information; and
- only trade in the Company's securities after receiving clearance to do so from a designated clearance officer, where clearance may not be provided in defined "black out periods".

If an employee is restricted from dealing in Company securities in the manner described above, they must notify the Company Secretary of any intended dealings in Company securities three days prior to such intended dealings. This notice must be in writing.

The securities trading policy is available on the Company's website at www.monteraymining.com.au.

Remuneration Policy

The Company has adopted a remuneration policy designed to align individual and team reward and encourage executives to perform to their full capacity.

Remuneration packages may contain any or all of the following:

- Annual salary base with provision to recognise the value of the individual's personal performance and their ability and experience;

- Rewards, bonuses, special payments and other measures available to reward individuals and teams following a particular outstanding business contribution;
- Share participation; and
- Other benefits, such as holiday leave, sickness benefits, superannuation payments and long service benefits.

The Board will determine the appropriate level and structure of remuneration of the executive team and such consideration will occur each year on the recommendation of the Managing Director.

Remuneration of the Managing Director will be reviewed annually by the Board. Determination of Non-Executive Directors' fees is with regard to the long term performance of the Company.

Continuous Disclosure Policy

The Company, as a listed public company, is required to disclose price sensitive information to the market as it becomes known to comply with the continuous disclosure requirements of the Corporations Act and the Listing Rules.

The continuous disclosure policy of the Company ensures that all Shareholders and investors have equal access to the Company's information, to the extent practicable. Price sensitive information will be disclosed by way of an announcement to the ASX and placed on the Company's website.

Shareholder Communication

The Board strives to ensure that Shareholders are provided with full and timely information to assess the performance of the Company and its Directors and to make well-informed investment decisions.

Information is communicated to Shareholders:

- Through the release of information to the market via the ASX;
- Through the distribution of the annual report and notice of annual general meeting;
- Through letters and other forms of communications directly to Shareholders; and
- By posting relevant information on the Company's website.

Ethical Standards and Business Conduct

The Board recognises the need for Directors and employees to observe appropriate standards of behaviour and business ethics when engaging in corporate activity. Through its code of conduct, the Board intends to maintain a reputation of integrity. The Company's business ethics are founded on openness, honesty, fairness, integrity, mutual respect, ethical conduct and compliance with laws.

The standards set out in the code of conduct are required to be adhered to by officers and employees of the Company. The code of conduct and further details of these standards can be found on the Company's website.

ASX Corporate Governance Principles and Recommendations

Where possible and having regard to the size and nature of the Company's operations, the Board has adopted the Corporate Governance Principles and Recommendations (3rd Edition) issued by the ASX

Corporate Governance Council. Departures from the principles and recommendations are set out in the table below.

Recommendation	Nature of Departure	Explanation for Departure
2.4	The company does not have a nomination committee.	The role of the nomination committee is assumed by the full Board. The size and scope of the company's activities does not justify the establishment of such a committee.
3.3	Measurable objectives for achieving gender diversity have not been disclosed.	There have been no measurable objectives set for gender diversity due to the historical size of the Company and number of employees. The Company has established a Diversity Policy and will review measurable objectives following completion of the Acquisition.
4.1, 4.2, 4.3, 4.4, 4.5	The company does not have an audit committee.	The role of the audit committee is assumed by the full Board. The size and scope of the company's activities does not justify the establishment of such a committee.
7.1	The company does not have a risk committee.	The role of the risk committee is assumed by the full Board. The size and scope of the company's activities does not justify the establishment of such a committee. Business risk is continually assessed by the Board in accordance with the Company's risk management and internal compliance and control policy.
8.1, 8.2	The company does not have a remuneration committee.	The role of the remuneration committee is assumed by the full Board who apply the Company's Remuneration Policy. The size and scope of the company's activities does not justify the establishment of such a committee. No director participates in any deliberation regarding his own remuneration or related issues.

14. Material Contracts

14.1 Introduction

Set out below are summaries of the key provisions of contracts to which the Company is a party which are or may be material in terms of the Offers or the operations of the Company or otherwise are or may be relevant to an investor who is considering participating in the Offers.

As this Section is a summary only, the provisions of each contract are not fully disclosed. To understand fully all rights and obligations pertaining to the material contracts, it would be necessary to read them in full.

14.2 Share Sale Agreements

On 9 December 2014, the Company executed a term sheet pursuant to which Mr Paul Ostergaard and Mrs Fiona Meiklejohn as trustees of the Ostergaard Family Trust (**Management Shareholder**) agreed to sell, and agreed to assist the Company to seek the agreement of the other shareholders and convertible noteholders of Norwood to sell, all of their issued capital in Norwood to the Company.

The Company will issue a total of 368,058,888 Shares and 157,739,522 Performance Shares to the Norwood Vendors as consideration for the acquisition (together, the **Consideration Shares**).

The formal agreements to effect the Company's acquisition of Norwood will be in the form of two share sale agreements, one sale agreement with the Management Shareholder (**Long Form Share Sale Agreement**) and another short form agreement to be entered into between the Company and each Seed shareholder (**Short Form Share Sale Agreement**). Together, the Management Shareholder and Seed Shareholders hold 100% of the issued capital in Norwood.

(a) Long Form Share Sale Agreement

The Company has entered into the Long Form Share Sale Agreement with Norwood and the Management Shareholder pursuant to which the Company will acquire 1,170,063 fully paid ordinary shares in the capital of Norwood, these shares comprise 52.44% of the issued capital of Norwood (**Management Shares**).

The consideration payable for purchase of the Management Shares is as follows:

- (i) 193,023,477 Shares to the Management Shareholder;
- (ii) 82,724,346 Performance Shares to the Management Shareholder, which will be convertible into Shares on a one for one basis, as follows:
 - (A) 41,362,173 Performance Shares will be convertible into Shares upon Norwood generating gross revenue of at least \$200,000 from two separate third party contracts in any 12 month period (which may be the same 12 month period or different 12 month periods for each contract) within 30 months from the date of Completion; and

- (B) 41,362,173 Performance Shares will be convertible into Shares upon Norwood generating gross revenue for any 12 month consecutive period of at least \$3,000,000 within 36 months from the date of Completion.

Completion under the Long Form Sale Agreement is conditional upon, and subject to, a number of conditions. The following conditions remain outstanding at the date of this Prospectus:

- (i) each Seed Shareholder entering into a Short Form Sale Agreement with the Company in respect of their Norwood shares;
- (ii) the Company and Norwood obtaining all necessary regulatory approvals to give effect to the Acquisition, including re-compliance with Chapters 1 and 2 of the Listing Rules on terms which the Company believes are capable of satisfaction;
- (iii) either each shareholder of Norwood waiving any pre-emptive rights in respect of the sale of other shares in Norwood, by other shareholders of Norwood, to the Company, or the Company being satisfied that at completion there will be no pre-emptive rights in respect of the sale of other shares in the Norwood;
- (iv) Norwood obtaining any third party consents or approvals required, including from counterparties to contracts, to give effect to the transactions contemplated by the Long Form Sale Agreement;
- (v) the Company receiving subscriptions for the Minimum Subscription under the Public Offer;
- (vi) the Company obtaining shareholder approval of the Acquisition Resolutions; and
- (vii) each Vendor subscribes for the Consideration Securities under this Prospectus, except to the extent that the Company and Norwood agree otherwise.

The Company has agreed to issue up to 43,593,213 Norwood Acquisition Options to certain past and present advisors and employees of Norwood.

The Long Form Share Sale Agreement includes standard commercial warranties that are usual for a transaction of this type including warranties from the Management Shareholder in respect of the business operations and financial position of Norwood.

(b) Short Form Share Sale Agreement

The Seed Shareholders are the beneficial and legal owners of 1,061,024 fully paid ordinary shares in the capital of Norwood, these shares comprise 47.56% of the issued capital of the Norwood (**Seed Shares**).

The Company has or is proposing to enter into the Short Form Sale Agreement with each of the Seed Shareholders to purchase their Seed Shares.

Seed Shareholders will each receive approximately 164.97 Shares and 70.70 Performance Shares for each of their Norwood shares sold to the Company. The total consideration payable to all Seed Shareholders for purchase of the Seed Shares is 175,035,411 Shares and 75,015,175 Performance Shares.

Each Seed Shareholder will subscribe for the Consideration Securities under this Prospectus, except to the extent that the Company and Norwood agree otherwise.

Each Short Form Sale Agreement includes limited representations and warranties by the relevant Seed Shareholder relating to title and ownership of the Seed Shares, including that the Seed Shares are free of all encumbrances and third party interests, and that the Seed Shareholder has legal capacity to enter into and be bound by the terms of the Short Form Share Sale Agreement.

The Management Shareholder and Seed Shareholders have acknowledged that some or all of the Consideration Shares may be escrowed in accordance with the requirements of ASX and will sign such form of escrow agreement as may be required by the ASX.

Completion of the sale and purchase of the Norwood shares under the Long Form Share Sale Agreement and the Short Form Share Sale Agreement is interdependent and will occur contemporaneously.

14.3 Lead Manager Mandate

The Company has entered into an agreement with Azure Capital Limited (**Azure**) (**Azure Mandate**) pursuant to which the Company has engaged Azure to act as the lead manager in relation to the Public Offer and to act as the Company's corporate advisor in respect to the Acquisition, the Company's re-compliance with Chapters 1 and 2 of the Listing Rules and the Public Offer under this Prospectus. As Corporate Adviser and Lead Manager, Azure will provide assistance in managing and arranging the Offers as is customary for this type of offer, including providing strategic market advice and marketing services and managing the application and allocation processes.

As remuneration for acting as Corporate Adviser and Lead Manager, Azure will receive a fee of:

- (i) A fixed one-off corporate advisory fee of \$20,000, payable upon the successful completion of the Public Offer;
- (ii) 6% of the total amount raised under the Public Offer by Azure. Any selling fees required to be paid to third party licensed financial advisors will be paid by Azure from this fee at a rate of up to 4% of relevant funds raised; and
- (iii) 3% of the total amount raised pursuant to convertible notes in Norwood issued to clients of Azure from the period 1 January 2014 through to completion of the Offers.

In addition, Azure will be reimbursed for reasonable out-of-pocket expenses directly related to the Offers. If the Company terminates the agreement, or Azure terminates the agreement for cause, the Company will pay any accrued expenses up to the date of termination.

If the Norwood transaction and Offers are successfully completed, the Company agrees to offer to engage Azure as exclusive corporate advisor or as the lead manager for any future capital raisings within 12 months from the date of the Lead Manager Mandate.

The Azure Mandate contains covenants, warranties, representations, indemnities and other terms that are standard for an agreement of this nature.

14.4 Compliance Manager Mandate

The Company has entered into an agreement with Ventnor Capital Pty Ltd (**Ventnor**) (**Ventnor Mandate**) pursuant to which the Company has engaged Ventnor to provide company secretarial, registered office, book keeping and administration services. The role of Compliance Manager is to manage the Company's recompliance with Chapters 1 & 2 of the ASX Listing Rules pursuant to the acquisition of Norwood, including managing preparation of this Offer document.

As remuneration for providing company secretarial services, book keeping, financial accounting, registered office and administration services, Ventnor will receive a monthly retainer of \$7,000.

Services performed out of the scope of this mandate, including acting as Compliance Manager in relation to the Offers, are to be billed to the Company based on time spent on each engagement. Individual hourly rates vary depending on the level of experience of those personnel assigned to the engagement. In the case of the existing Company Secretary, Brett Tucker, the agreed rate is \$175 per hour.

As Compliance Manager, Ventnor will provide assistance in preparing documentation, including this Prospectus, and managing regulatory compliance as is customary for these types of Offers.

Either party may terminate the Ventnor Mandate by giving one month notice.

In addition, Ventnor will be reimbursed for reasonable out-of-pocket expenses. If the Company terminates the agreement, or Ventnor terminates the agreement for cause, the Company will pay any accrued expenses up to the date of termination.

The Ventnor Mandate contains covenants, warranties, representations, indemnities and other terms that are standard for an agreement of this nature.

15. Additional Information

15.1 Rights and liabilities attaching to Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. Full details of the rights attaching to Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

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.

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;
- (j) 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
- (k) 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 the share, 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).

Dividend rights

Subject to the rights of persons (if any) entitled to shares with special rights to dividends, the Directors may declare a dividend in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may from time to time pay to shareholders any interim dividend that they may determine. Subject to the rights of any preference shareholders and to the rights of the holders of any shares credited or raised under any special arrangement as to the dividend, the dividend as declared shall be payable on all shares according to the amount paid up, or credited as paid up, on the shares, and otherwise in accordance with Part 2H.5 of the Corporations Act. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, 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 of the Company, 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.

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 or the Listing Rules.

Variation of rights

Pursuant to 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.

15.2 Terms and Conditions of Norwood Acquisition Options

1. Entitlement

The Options entitle the holder to subscribe for one Share upon the exercise of each Option.

2. Exercise price

The exercise price of each Option is \$0.02.

3. Expiry date

The expiry date of each Option is three years from the date of grant.

4. Exercise period

The Options are exercisable at any time on or prior to the Expiry Date.

5. Notice of exercise

The Options may be exercised by notice in writing to the Company (Notice of Exercise) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received

by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. Shares issued on exercise

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

7. Options not quoted

The Company will not apply to ASX for quotation of the Options.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

9. Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:

- (a) issue the Share;
- (b) 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 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
- (c) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

11. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and

- (b) no change will be made to the Exercise Price.

12. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

13. Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

14. Options not transferable

The Options are not transferable, except with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.

15. Lodgment instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

15.3 Terms of Performance Shares

For the purpose of these terms and conditions:

Change of Control Event means:

- (a) the occurrence of:
 - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement.

Expiry Date means the A Expiry Date and the B Expiry Date (as relevant).

Holder means a holder of a Performance Share.

The Performance Shares will be subject to the standard terms and conditions applied to performance shares by the ASX.

1. Conversion and expiry of Norwood Class A Performance Shares and Norwood Class B Performance Shares

- (a) **(Conversion on achievement of A Milestone)** Upon Norwood generating gross revenue of at least \$200,000 from two separate third party contracts in any 12 month period (which may be the same 12 month period or different 12 month periods for each contract) **(A Milestone)**, each Norwood Class A Performance Share will convert into a Share on a one for one basis.
- (b) **(A Expiry)** The A Milestone must be achieved on or before 5.00pm (WST) on the date which is 30 months after the date of Completion **(Expiry Date)**.
- (c) **(Conversion on achievement of B Milestone)** Upon Norwood generating gross revenue for any 12 month consecutive period of at least \$3,000,000 **(B Milestone)**, each Norwood Class B Performance Share will convert into a Share on a one for one basis.
- (d) **(B Expiry)** The B Milestone must be achieved on or before 5.00pm (WST) on the date which is 36 months after the date of Completion **(Expiry Date)**.
- (e) **(No conversion)** To the extent that:
 - (i) Norwood Class A Performance Shares have not converted into Shares on or before the A Expiry Date, then all such unconverted Norwood Class A Performance Shares held by each holder will automatically consolidate into one Class A Performance Share and will then convert into one Share; and
 - (ii) Norwood Class B Performance Shares have not converted into Shares on or before the B Expiry Date, then all such unconverted Norwood Class B Performance Shares held by each holder will automatically consolidate into one Class B Performance Share and will then convert into one Share.
- (f) **(Conversion procedure)** The Company will issue a Holder with a new holding statement for the Share or Shares as soon as practicable following the conversion of each Performance Share.
- (g) **(Ranking of shares)** Each Share into which the Performance Share will convert will upon issue:
 - (i) rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;
 - (ii) be issued credited as fully paid;
 - (iii) be duly authorised and issued by all necessary corporate action; and

- (iv) be issued free from all liens, charges and encumbrances whether known about or not including statutory and other pre-emptive rights and any transfer restrictions.

2. Conversion on change of control

- (a) If there is a Change of Control Event in relation to the Company prior to the conversion of the Performance Shares, then:
 - (i) the A Milestone and the B Milestone will be deemed to have been achieved; and
 - (ii) each Performance Share will automatically and immediately convert into Shares,

however, if the number of Shares to be issued as a result of the conversion of all Class A Performance Shares, together with the number of Shares to be issued as a result of the conversion of all Class B Performance Shares, due to a Change in Control Event in relation to the Company is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Norwood Class A Performance Shares and Norwood Class B Performance Shares to be converted will be prorated so that the aggregate number of Shares issued upon conversion of the Norwood Class A Performance Shares and all Norwood Class B Performance Shares is equal to 10% of the entire fully diluted share capital of the Company.

3. Rights attaching to Performance Shares

- (a) **(Share capital)** Each Performance Share is a share in the capital of the Company.
- (b) **(General meetings)** Each Performance Share confers on a Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. A Holder has the right to attend general meetings of shareholders of the Company.
- (c) **(No Voting rights)** A Performance Share does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (d) **(No dividend rights)** A Performance Share does not entitle a Holder to any dividends.
- (e) **(Rights on winding up)** Each Performance Share entitles a Holder to participate in the surplus profits or assets of the Company upon winding up of the Company, but only to the extent of \$0.0001 per Performance Share.
- (f) **(Not transferable)** A Performance Share is not transferable.
- (g) **(Reorganisation of capital)** If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance

with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

- (h) **(Quotation of shares on conversion)** An application will be made by the Company to ASX Limited for official quotation of the Shares issued upon the conversion of each Performance Share within the time period required by the Listing Rules.
- (i) **(Participation in entitlements and bonus issues)** A Performance Share does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (j) **(No other rights)** A Performance Share does not give a Holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

15.4 Substantial Shareholders

At the date of this Prospectus, the following Shareholders have a voting power in 5% or more of the Shares on issue.

Holder Name	Number of Shares Held	% interest as at date of Prospectus
Robert Edward McCleave	10,000,000	7.65%
Riverview Corporation Pty Ltd	8,776,354	6.71%
JAEK Holdings Pty Ltd <Hannaford Family A/C>	7,031,992	5.38%

On completion of the Offers (assuming no new investors become substantial holders) the only substantial shareholder will be the Ostergaard Family Trust. Mr Paul Ostergaard (a Proposed Director) and Mrs Fiona Meiklejohn, as trustees of the Ostergaard Family Trust, will each have a relevant interest in the Consideration Securities to be issued to the Ostergaard Family Trust and will also be substantial shareholders.

In addition, Mr Paul Ostergaard has an interest of over 20% in the issued capital of Ocean Broadband (a Norwood Vendor) and Chillcast (which is intending to participate in the Public Offer). Accordingly following completion of the Offers, Mr Ostergaard will also have a relevant interest in the Consideration Securities issued to Ocean Broadband and the Shares issued to Chillcast pursuant to the Public Offer.

The following tables outline the voting power of Mr Paul Ostergaard and Mrs Fiona Meiklejohn under various scenarios depending on whether the Performance Shares convert (and assuming none of the Options are exercised and none of the existing performance shares convert).

Each of the Ostergaard Shareholders will not have a relevant interest in the Shareholding of each other Ostergaard Shareholder.

Voting Power of Mr Paul Ostergaard

Event causing the Share issue	Number of Shares held by the Ostergaard Shareholders	% of Share capital held by the Ostergaard Shareholders on issue of the Shares
Prior to Completion of the Acquisition	Nil	0%
On Completion of the Acquisition and Offers	198,023,477	28.3% ⁽¹⁾
On achievement of the Milestones prior to the expiry date of the Performance Shares	280,747,823 ⁽²⁾	32.8% ⁽²⁾⁽³⁾

- (1) Assumes the raising of the Minimum Subscription under the Public Offer of \$4,000,000. If the Company raises an additional \$1,500,000 under the Public Offer, the voting power of the Ostergaard Shareholders will be 25.6%.
- (2) Assumes all of the Performance Shares issued to Mr Paul Ostergaard and Mrs Fiona Meiklejohn as trustees of the Ostergaard Family Trust and Ocean Broadband are converted to Shares prior to the expiry date of the Performance Shares.
- (3) Assumes the raising of the Minimum Subscription under the Public Offer of \$4,000,000. If the Company raises an additional \$1,500,000 under the Public Offer, the voting power of Mr Paul Ostergaard will be 30.1%.

Voting power of Mrs Fiona Meiklejohn

Event causing the Share issue	Number of Shares held by the Ostergaard Family Trust	% of Share capital held by the Ostergaard Family Trust Parties on issue of the Shares
Prior to Completion of the Acquisition	Nil	0%
On Completion of the Acquisition and Offers	166,548,715	23.8% ⁽¹⁾
On achievement of the Milestones prior to the expiry date of the Performance Shares	237,926,737 ⁽²⁾	27.8% ⁽²⁾⁽³⁾

- (1) Assumes the raising of the Minimum Subscription under the Public Offer of \$4,000,000. If the Company raises an additional \$1,500,000 under the Public Offer, the voting power of Mrs Fiona Meiklejohn will be 21.5%.
- (2) Assumes all of the Performance Shares issued to Mr Paul Ostergaard and Mrs Fiona Meiklejohn as trustees of the Ostergaard Family Trust are converted to Shares prior to the expiry date of the Performance Shares.
- (3) Assumes the raising of the Minimum Subscription under the Public Offer of \$4,000,000. If the Company raises an additional \$1,500,000 under the Public Offer, the voting power of Mrs Fiona Meiklejohn will be 25.5%.

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offers) prior to the Shares commencing trading on ASX.

15.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no promoter of the Company or other persons or entities 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 holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers, or
- the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

Azure Capital Limited has acted as Corporate Adviser and Lead Manager to the Offers. In respect of this work, Azure Capital Limited will be paid such amounts as detailed in Section 15.4. During the 24 months preceding lodgement of this Prospectus at the ASIC, Azure Capital Limited has received no fees from the Company.

GTP Legal has acted as the solicitors to the Company in relation to the Offers and has been involved in due diligence enquiries on legal matters. The Company estimates it will pay GTP Legal approximately \$40,000 for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, GTP Legal has received \$41,437 in fees from the Company.

Ernst & Young has acted as investigating accountant and has prepared the Independent Limited Assurance Report on the Historical and Pro Forma Historical Information of Company which has been included in Section 10.8 of this Prospectus. The Company estimates it will pay Ernst & Young a total of \$15,000 for these services. Ernst & Young is also Norwood's auditor. During the 24 months preceding lodgement of this Prospectus with the ASIC, Ernst & Young has received no other fees from the Company, and has received \$48,310 from Norwood for the provision of audit services.

Ventnor Capital has acted as Compliance Manager in relation to the Offers. In respect of this work, Ventnor Capital will be paid such amounts as detailed in Section 15.4. During the 24 months preceding lodgement of this Prospectus at the ASIC, Ventnor Capital has received \$219,761 in fees from the Company for company secretarial, registered office, book keeping, financial accounting and administration services.

Wrays has prepared the Patent Report which has been included in Section 11 of this Prospectus. The Company estimates it will pay Wrays a total of \$3,000 for these services. Norwood has previously engaged Wrays as patent and trade mark attorneys to manage Norwood's patent and trade mark portfolios. During the 24 months preceding lodgement of this Prospectus with the ASIC, Wrays Lawyers Pty Ltd has received \$2,750 in fees from the Company and \$259,308.10 from Norwood. Subsequently, fees will be charged in accordance with normal charge out rates.

Link Market Services Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

15.6 Consents

Each of the parties referred to below:

- (i) has not authorised or caused the issue of this Prospectus or the making of the Offers;
- (j) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below; and
- (k) makes no representations regarding and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statement in, or omission from, any part of this Prospectus other than a reference to its name and a statement and/or report (if any) contained in this Prospectus with the consent of that party as specified below.

Azure Capital Ltd has given its written consent to being named as the Corporate Adviser and the Lead Manager to the Offers in this Prospectus. Azure Capital Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Ernst & Young has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Section 10.8 in the form and context in which the report is included. Ernst & Young has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Ernst & Young takes no responsibility for any part of this Prospectus other than any reference to its name and the Independent Limited Assurance Report.

Wrays has given its written consent to being named as the author of the patent report and to the inclusion of the Patent Report in Section 11 in the form and context in which the report is included. Wrays has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

BDO Audit (WA) Pty Ltd has given its written consent to being named as the auditor to the Company in this Prospectus. BDO Audit (WA) Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Ernst & Young has given its written consent to being named as the auditor of Norwood in this Prospectus. Ernst & Young has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Ventnor Capital has given its written consent to being named as Compliance Manager to the Offers in this Prospectus. Ventnor Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

GTP Legal has given its written consent to being named as the Lawyers to the Company in this Prospectus. GTP Legal has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Link Market Services Limited has given its written consent to being named the Company's Share Registry in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

15.7 Expenses of the Offers

The estimated expenses of the Offers (excluding GST) are estimated to be as follows:

Item of Expenditure	Minimum Subscription	Oversubscription
Capital Raising Fee	\$240,000	\$330,000
Legal Fees	\$40,000	\$40,000
Investigating Accountant fees	\$15,000	\$15,000
Patent Report fees	\$3,000	\$3,000
ASIC Fees	\$2,290	\$2,290
ASX Fees	\$65,414	\$66,867
Corporate Advisory fee	\$20,000	\$20,000
Compliance Manager fee	\$30,000	\$30,000
Printing and other expenses	\$34,296	\$32,843
Total estimated expenses	\$450,000	\$540,000

15.8 Continuous disclosure obligations

As the Company is admitted to the Official List of ASX, the Company is a 'disclosing entity' for the purposes of the Corporations Act. As such, it will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

15.9 Litigation

To the knowledge of the Directors, as at the date of this Prospectus, neither Norwood, the Company nor any of its subsidiaries is involved in any litigation that is material for the purposes of this

Prospectus. The Directors are not aware of any circumstance that might reasonably be expected to give rise to such litigation.

15.10 ASX Waivers

ASX has granted the Company a waiver of Listing Rule 2.1 Condition 2 together with a waiver from Listing Rule 1.1 Condition 11 to allow the Company to issue the Shares pursuant to the Public Offer at \$0.02 cents per Share, and to have Options on issue with an exercise price less than 20 cents.

The Company has also received a waiver from the ASX to permit it to issue Shares under the Public Offer to related parties of the Company Mr Michael Edwards, Mr Sandy Barblett, Mr John Hannaford and Chillcast later than one month following the May General Meeting but no later than three months following the May General Meeting.

15.11 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 Existing Director and Proposed Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company.



Michael Edwards
Director
9 April 2015

16. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

A\$ or \$ means an Australian dollar.

Acquisition means the acquisition by the Company of the entire issued share capital of Norwood.

Acquisition Resolutions has the meaning given in Section 6.5.

Applicant means a person who submits an Application Form.

Application means a valid application for Securities pursuant to an Application Form.

Application Form means the application form as provided with or accompanying this Prospectus relating to the Offers.

Application Monies means application monies for Shares received and banked by the Company.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange operated by ASX Limited (as the context requires).

Azure means Azure Capital Limited (ACN 107 416 106).

Board means the board of directors of the Company as constituted from time to time.

Business Day means a week day when trading banks are ordinarily open for business in Perth, Western Australia.

Chillcast means Chillcast Pty Ltd ACN 008 798 534.

Closing Date means the closing date of the Offers as set out in the indicative timetable in Section 4.

Completion means the completion of the Acquisition.

Compliance Manager means Ventnor.

Conditions of the Offers means the conditions of the Offers outlined in Section 6.2.

Company means Monteray Mining Group Limited ACN 062 959 540, to be renamed Norwood Systems Limited.

Constitution means the constitution of the Company.

CORONA™ means Norwood's developed cloud based global roaming platform.

Corporations Act means the Corporations Act 2001 (Cth).

Existing Directors mean the directors of the Company at the date of this Prospectus.

Directors means the Existing Directors and the Proposed Directors.

EUROPA™ means Norwood's developed cloud based global roaming platform, patents pending.

Independent Limited Assurance Report means the investigating accountants report in Section 10 of this Prospectus.

Lead Manager means Azure.

Listing Rules means the Official Listing rules of ASX.

Long Form Share Sale Agreement has the meaning given in Section 14.2(a).

Management Shareholder has the meaning given in Section 14.2.

Maximum Subscription means 275,000,000 Shares to raise \$5,500,000 (before costs).

Minimum Subscription means 200,000,000 Shares to raise \$4,000,000 (before costs).

May General Meeting means the general meeting of Shareholders to be held on 4 May 2015 at 10am at CWA House, 1174 Hay Street, West Perth WA 6005.

Norwood means Norwood Systems Pty Ltd (ACN 149 094 039).

Norwood Acquisition Option means an Option exercisable at \$0.02 on or before the date that is three years from the date of grant and otherwise on the terms and conditions in Section 15.2.

Norwood Vendor Offer means the offer of Shares to the Norwood Vendors pursuant to this Prospectus as outlined in Section 4 and Section 6.

Norwood Vendor Offer Application Form means the application form as provided with a copy of this Prospectus relating to the Norwood Vendor Offer.

Norwood Vendors means the existing shareholders of Norwood, being the Management Shareholder and the Seed Shareholders.

Ocean Broadband means Ocean Broadband Ltd ACN 110 380 820.

Offers means the offers of Securities pursuant to this Prospectus, being the Public Offer, Norwood Vendor Offer and Option Offer as outlined in Section 4 and Section 6.

Official List means the official list of ASX.

Official Quotation means official quotation of the Company's Shares by ASX in accordance with the Listing Rules.

Option Offer means the offer of Norwood Acquisition Options pursuant to this Prospectus as outlined in Section 4 and Section 6.

Option Offer Application Form means the application form as provided with a copy of this Prospectus relating to the Option Offer.

Option Offer Participants means certain past and present advisors and employees of Norwood.

Ostergaard Shareholders means the Ostergaard Family Trust, Ocean Broadband and Chillcast.

Performance Share means a performance share convertible into a Share upon achievement of the relevant milestone, issued on the terms and conditions set out in Section 15.3, and each of **Norwood Class A Performance Share** and **Norwood Class B Performance Share** have a corresponding meaning in relation to the relevant milestone applicable to each class.

Proposed Directors means Mr Paul Ostergaard and Mr Amit Pau, details of whom are set out in Section 14.3.

Prospectus means this prospectus.

Public Offer means the offer of Minimum Subscription to Maximum Subscription Shares pursuant to this Prospectus as outlined in Section 4 and Section 6.

Public Offer Application Form means the application form as provided with a copy of this Prospectus relating to the Public Offer.

Section means a section of this Prospectus.

Seed Shareholders means the shareholders and convertible noteholders of Norwood other than the Management Shareholder.

Share Sale Agreements mean the Long Form Share Sale Agreement and the Short Form Share Sale Agreements.

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

Share Registry means Link Market Services Limited (ACN 083 214 537).

Shareholder means a holder of Shares.

Short Form Sale Agreement has the meaning given in Section 14.2(b).

Ventnor means Ventnor Capital Limited ACN 111 543 741.

WST means Western Standard Time, Perth, Western Australia.

MONTERAY MINING GROUP LIMITED

PUBLIC OFFER - APPLICATION FORM

Please read all instructions on reserve of this form

A Number of Shares applied for

B Total amount payable

Cheque(s) to equal this amount

	at \$0.02 each =	A\$
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you may be allocated all of the Shares above or a lesser number

C Full name details title, given name(s) (no initials) and surname or company name

Name of applicant 1

Name of joint applicant 2 or <account name>

Name of joint applicant 3 or <account name>

E Full postal address

Number/Street

Suburb/town

G CHES HIN (if applicable)

H Cheque payment details

Please fill out your cheque details and make your cheque payable to "**Monteray Mining Group Limited – Share Application Account**"

Drawer	Cheque number	BSB number	Account number	Total amount of cheque

I Return of the Application Form with your cheque for the Application Monies will constitute your offer to subscribe for Shares in the Company. I/We declare that:

- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of the Prospectus accompanying the Application Form, before applying for Shares.

No signature is required.

The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares

You should read the Prospectus dated 9 April 2015 carefully before completing this Application Form. The *Corporations Act 2001* (Cth) prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

Share Registrars use only	
Broker reference – stamp only	
Broker Code	Adviser Code

D Tax file number(s)

Or exemption category

Applicant 1/company

Joint applicant 2/trust

Joint applicant 3/exemption

F Contact details

Contact name

Contact daytime telephone number

Contact email address

Guide to Monterey Mining Group Limited Application Form

This Application Form relates to the Offer of 200,000,000 Shares in Monterey Mining Group Limited (**Company**) at \$0.02 per Share (with oversubscriptions of up to 75,000,000 Shares at \$0.02 per Share) pursuant to the Prospectus dated 9 April 2015 (**Prospectus**). The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of \$0.02.
- C** Write the full name you wish to appear on the statement of holdings. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (**CHESS**) participants should complete their name and address in the same format as that are presently registered in the CHESS system.
- D** Enter your Tax File Number (**TFN**) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHESS, operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX Limited. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold securities issued to you under this Application in uncertificated form on the CHESS subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on issue, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to section 6.11 of the Prospectus.
- H** Please complete cheque details as requested:
Make your cheque payable to "**Monterey Mining Group Limited – Share Application Account**" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Shares in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares equal to or less than the number of Shares indicated in Section A that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.
- Privacy** – Please refer to Section 6.20 of the Prospectus for details about the collection, holding and use of your personal information. If you do not provide the information required on this Application Form, the Company may not be able to accept or process your Application.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual Use names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult; do not use the name of a minor	John Alfred Smith <Peter Smith>	Peter Smith
Company Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use executor(s) personal name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
Partnerships Use partners personal names, do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

Return your completed Application Form to:

By Post To
Monterey Mining Group Limited
C/- Link Market Services Limited
Locked Bag A14,
Sydney South NSW 1235

Or Delivered To
Monterey Mining Group Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(do not use this address for mailing purposes)