

26 September 2018

Norwood Launches Fully Underwritten Renounceable Rights Issue

Highlights

- Fully underwritten 2-for-11 renounceable rights issue to existing eligible shareholders at \$0.005 per Share to raise approximately \$1.2m (before costs)
- One free attaching Option for every one share issued, with an exercise price of \$0.008 and expiring on 31 October 2020, to be listed on the ASX
- Norwood renewed focus on revenue generating contracts, with promising market discussions continuing in relation to **World Voicemail**, Loyalty programs, Corona Compliance and CRM solutions
- Cost control exercise ongoing

“Virtual Mobile Communications as a Service” pioneer Norwood Systems Ltd (“Norwood” or the “Company”) (ASX: NOR) is pleased to announce a renounceable entitlement issue of two (2) Shares for every one (11) Shares held by those Shareholders with a registered address in Australia and New Zealand at the Record Date and up to approximately 241,350,997 Options on the basis of 1 free attaching Option for every 1 Share issued, with each Option having an exercise price of \$0.008 and expiring on 31 October 2020, at an issue price of \$0.005 per Share to raise up to \$1,206,755 (Offer).

The Offer price of \$0.005 per Share represents a discount of 16.7% to the last traded share price of \$0.006 per Share.

Net proceeds from the Offer will be used to drive sales & marketing, product development and general working capital.

Paul Ostergaard, Managing Director, commented on the Offer “Norwood is continuing with its aggressive push towards executing material revenue-generating contracts in relation to its World App and Corona suite of products. Funds raised from the fully underwritten Offer will primarily be applied toward these sales and marketing initiatives. Norwood additionally continues with its aggressive cost control exercise. I look forward to keeping the market informed on our progress.”

Pinnacle Corporate Finance Pty Ltd is acting as underwriter and lead manager to the Offer.

Indicative Rights Issue Timetable

Lodgement of Prospectus with the ASIC	26 September 2018
Lodgement of Prospectus & Appendix 3B with ASX	26 September 2018
Notice sent to Optionholders	27 September 2018
Notice sent to Shareholders	28 September 2018
Ex date	1 October 2018
Rights start trading	1 October 2018
Record Date for determining Entitlements (5:00pm WST)	2 October 2018

Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders & Company announces this has been completed	5 October 2018
Rights stop trading	19 October 2018
Securities quoted on a deferred settlement basis	22 October 2018
Last day to extend the Closing Date	23 October 2018
Closing Date* (5:00pm WST)	26 October 2018
ASX (and Underwriter) notified of under subscriptions and last day for Underwriter to subscribe or procure subscriptions for Shortfall Securities	31 October 2018
Issue date/date Securities are entered into Shareholders' security holdings	2 November 2018
Quotation of Securities issued under the Offer*	5 November 2018

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

<ENDS>

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About Norwood Systems

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



Norwood's App Portfolio

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

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

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