



Update Summary

Entity name

NORWOOD SYSTEMS LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

19/6/2023

Reason for update to a previous announcement

Change of shares on issue due to option conversions prior to record date

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

NORWOOD SYSTEMS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

15062959540

1.3 ASX issuer code

NOR

1.4 The announcement is

☒ Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Change of shares on issue due to option conversions prior to record date

1.4b Date of previous announcement to this update

15/6/2023

1.5 Date of this announcement

19/6/2023

1.6 The Proposed issue is:

☒ A standard +pro rata issue (non-renounceable or renounceable)

☒ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

☒ Yes

3A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	13/6/2023	<input checked="" type="checkbox"/> Actual	Yes

Comments

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

NOR : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

**ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)**

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Option exercisable at \$0.08 expiring 31 December 2024

+Security type

Options

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

10

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

41,112,778

Reason for the update of 'Maximum number of +securities proposed to be issued'**Offer price details for retail security holders**

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00200

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

In accordance with the shortfall offer to be allocated at the discretion of the board

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

**Describe the scale back arrangements**

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

Will all the +securities issued in this class rank equally in all respects from their issue date?☒ YesOptions details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0800	31/12/2024

Details of the type of +security that will be issued if the option is exercised

NOR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

40441553

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

<https://www2.asx.com.au/markets/trade-our-cash-market/announcements.nor>

Refer to an announcement dated 12 May 2023 titled Option Issue and Shareholder General Meeting

Subscription price \$0.0025 per new option

Part 3C - Timetable

3C.1 +Record date

20/6/2023

3C.2 Ex date

19/6/2023

3C.4 Record date

20/6/2023

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

23/6/2023

3C.6 Offer closing date

6/7/2023



3C.7 Last day to extend the offer closing date

3/7/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

7/7/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

12/7/2023

3C.12 Date trading starts on a normal T+2 basis

13/7/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

17/7/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ No

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Balmain Resources Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

100%

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

6% underwriting fee (exclusive of GST)

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Insolvency, Change of shareholdings (a takeover offer or scheme), a material omission from the results of the due diligence, any adverse change

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ Yes

3E.2e (i) What is the name of that party?

Dr John Tarrant

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

100% Underwritten as sole director and shareholder of Balmain Resources Pty Ltd



3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

6% Undewriting fee

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

meet the costs of the offer and working capital

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Sweden Canada Hong Kong USA Switzerland

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

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

3F.6 URL on the entity's website where investors can download information about the proposed issue

Prospectus lodged with ASX ASIC dated 14 June 2023 and replacement prospectus dated 15 June and 19 June 2023

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a +disclosure document or +PDS for the +securities proposed to be issued





Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	13/6/2023	<input checked="" type="checkbox"/> Actual	Yes

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options exercisable at \$0.08 expiring 31 December 2024

+Security type

Options

**Number of +securities proposed to be issued**

66,356,636

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**☒ Yes**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00250

Will all the +securities issued in this class rank equally in all respects from their issue date?☒ Yes**Options details**

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0800	31/12/2024

Details of the type of +security that will be issued if the option is exercised

NOR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

66356636

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.<https://www2.asx.com.au/markets/trade-our-cash-market/announcements.nor>

Refer to ASX announcement dated 12 May 2023 titled Option Issue and General Meeting of Shareholders

Part 7C - Timetable**7C.1 Proposed +issue date**

12/7/2023



Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

13/6/2023

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No

7E.2 Is the proposed issue to be underwritten?

☒ Yes

7E.2a Who are the underwriter(s)?

Balmain Resources Pty Ltd

7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

100%

7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

6% Underwriting fee

7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

Insolvency, Change of shareholdings (a takeover offer or scheme), a material omission from the results of the due diligence, any adverse change

7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?

☒ Yes

7E.3a What is the name of that party?

Dr John Tarrant

7E.3b What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

100%



7E.3c What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

6% Underwriting Fee

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

are replacement options being offered to Optionholders of the NORAO class which expired on 3 March 2023 without being exercised

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a +disclosure document or +PDS for the +securities proposed to be issued