

19 December 2014

Monteray Mining Group to Acquire Norwood Systems - Additional information to Shareholders

Further to the ASX announcement on 9 December 2014 regarding the acquisition of Norwood Systems Pty Ltd (**Norwood**) by Monteray Mining Group Limited (**Monteray** or the **Company**) (the **Transaction**), the Directors wish to provide additional information to shareholders on the impact of the Transaction on the total assets, equity, revenue and profitability of the Company.

Note that the financial information provided is based on audited financial statements for the Company and unaudited management accounts for Norwood Systems as at 30 June 2014.

Previously Norwood has been developing and trialling the CORONA platform and has not been generating material revenue. The revenue and profitability of Norwood following completion of the transaction will be determined by sales & marketing effectiveness and customer adoption of the CORONA platform.

Monteray Mining Group Limited	Monteray Mining Group Accounts (pre-transaction) 30 June 2014 (audited)	Consolidated Pro-Forma Accounts (post-transaction) 30 June 2014 (unaudited)
Total Assets ⁽¹⁾⁽²⁾⁽³⁾	359,435	10,285,230
Total Equity ⁽¹⁾⁽²⁾⁽³⁾	252,352	10,178,147
Total Revenue ⁽⁴⁾	8,928	10,361
Total Profit / (loss) before tax ⁽⁴⁾	(2,825,590)	(3,769,387)

The consolidated pro-forma accounts are provided as at 30 June 2014. The calculation of the consolidated figures is based on unaudited management accounts of Norwood Systems Pty Ltd and include the following pro-forma adjustments:-

1. The inclusion of a capital raising of \$3,750,000 less costs of 6%.
2. The inclusion of the acquisition consideration pursuant to the Norwood Transaction, being the issue of 350 million shares, 150 million performance shares and up to 43.6 million share options with a deemed value of \$6.75 million. The only material assets within Norwood are intangible assets.
3. The inclusion of transaction costs of \$350,000.
4. Following completion of the Norwood Transaction, the revenue & profitability of the Company will change significantly as the Company transitions to a high-tech services business.

-Ends-

About Norwood

Norwood was founded in 2011 to develop and supply the best possible global mobility and roaming solutions for multi-national organisations. The company's ground-breaking offering, CORONA, delivers the world's most advanced international roaming solution for enterprise and government clients.

CORONA is a cloud services platform that integrates the users compatible mobile devices securely and seamlessly with their organisation's existing corporate telephony network independent of their location.

Norwood's **solution is live** and has been adopted by users from more than **30 large corporate organisations**. Norwood's first customer to have the CORONA platform installed and deployed was iiNet Limited, one of Australia's largest Internet service providers.

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Norwood is reducing corporate roaming charges by more than 70% and can deliver potential savings to companies amounting to millions of dollars per annum, based on their roaming usage. To date, these users have collectively utilised 2 million seconds of airtime on the CORONA platform.

How CORONA Works

Norwood’s patent-pending cloud services platform, CORONA, automatically leverages the international public switch telephone network (**PSTN**), short-haul VoIP networks and other voice bearers to optimise employee call routing, improving call quality and reliability, while lowering corporate calling expenses.

CORONA addresses 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. By monitoring the location of employees’ roaming smartphones, and by managing a number of scalable service agreements with regional network service providers, CORONA seamlessly connects its end-users to nearby telephony resources – 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.

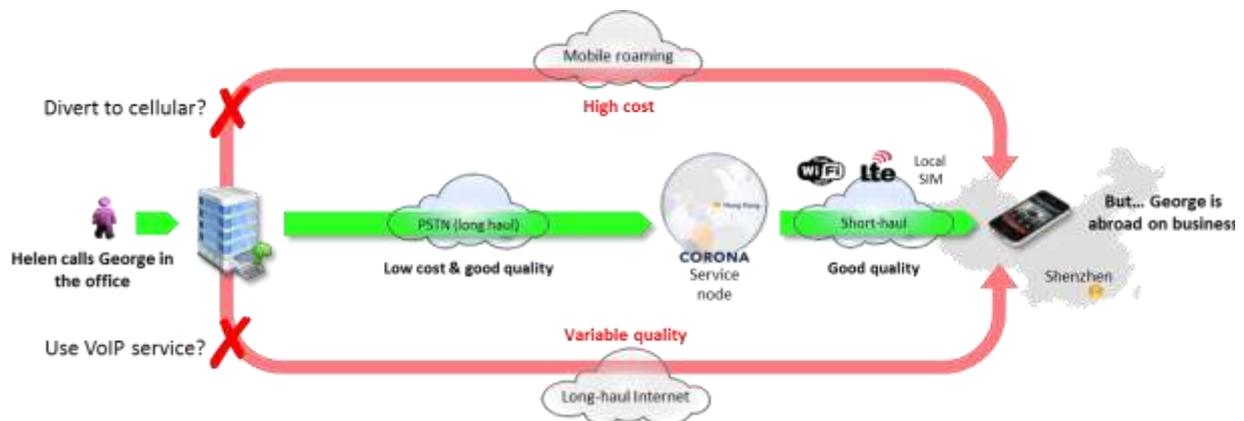


Figure: CORONA platform flow sheet

Media

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