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Investor Presentation
October 2015

ASX:NOR

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3 Overview

Norwood provides business travellers with seamless access to high-quality, low-cost voice global telecommunications services.

Norwood disrupts existing telecoms markets through its revolutionary "sharing economy" platforms, providing expanded choice and improvements in service quality.

Key highlights:

- Addressing a $55 Billion (growing market) opportunity
- **World Phone**: Norwood's award-winning Consumer Mobile App, downloaded by 400K+ users, active in 205 countries and 5,100 cities worldwide
- **CORONA** (COrporate ROaming Network Access): Norwood's award-winning Corporate platform, targeting enterprise mobile workforces, scalable to 10K+ users per organisation

Capital Structure	
ASX Code	**NOR**
Shares on Issue	774,859,598
Performance Shares[1]	157,739,522
Options[2]	25,970,401
Share Price, increase on offer price (40%)	$0.028 ↑ 0.008
Market Capitalisation	**$21.7m**
Net Cash[3]	$3.1m
Enterprise Value	**$18.6m**

Notes:

1. 157.7 million performance shares will convert to fully paid ordinary shares upon the achievement of the Milestones 1 & 2 as follows:
    a) Milestone 1 (78.85m): Norwood being awarded two separate 'Material Contracts' whereby a 'Material Contract' is defined as a contract with a third party which generates gross revenue to Norwood of at least $200,000 in any 12 month consecutive period
    b) Milestone 2 (78.85m): Norwood generating gross revenue for any 12 month consecutive period of at least $3.0 million
2. 16.97m excisable at $0.02 per share with 3 year expiry from the date of issue. Remaining 9.0m exercisable at $0.25 – 0.40 per share
3. Estimated post completion cash balance after payment of transaction expenses and outstanding creditors (includes existing MRY cash)

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4 Why invest?

1. A high-margin scalable business model

Voice-as-a-Service (VaaS) revenue model, requiring minimal CAPEX and OPEX – targeting channels partners for scale

2. A strong, monetisable App Store presence

Most downloaded Travel App in 84 of 155 App Store countries

Top grossing Travel App in 45 of 155 App Store countries

3. First-mover international corporate roaming solution

Simple, high-quality integration to corporate networks with patent-pending barriers to entry – delivering seamless roaming

4. Cloud-based disruptive technology

Norwood is leveraging the Sharing Economy to connect roaming business travellers to local landline telephony services – delivering large savings

5 Disrupting telcos using the Sharing Economy

Business travellers' core needs	Traditional means to service need: Low-end	Traditional means to service need: Premium	Sharing economy: "Premium service at lower cost"
Transportation:		TAXI	UBER
Accommodation:	★ Backpackers	★★★★ Commercial Hotel	airbnb
Communication:	skype Voice over IP	Cellular Roaming	norwood connect globally, locally™ NEW!

* Trademarks shown are the property of their respective owners

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6 Experienced leadership team

Paul Ostergaard, CEO – MBA (INSEAD), BE (UWA)

- Recognised by Engineers Australia as one of Australia's 100 Most Influential Engineers in 2015
- Led strategy for a $1 Billion revenue data communications platform at 3Com Corporation in the 1990s
- Founded and led one of Europe's 30 Hottest Tech Firms (ranked by Time Magazine) in the 2000s
- Pearcey Foundation's WA Entrepreneur of The Year in 2014

Amit Pau, NED – MBA (Henley), BSc (Kingston)

- Former Group Managing Director for International Accounts and Business Markets at Vodafone
- Led divisional units of AT&T, Global TeleSystems
- Former director of Vodafone Spain Radamec Plc

Mike Edwards, NED – BSc (UWA), BBus (Curtin)

- Former CEO, Monteray Mining Group
- Consultant to Ventnor Capital

David Wilson, CTO – MBA (UWA), BSc (UWA)

- 20+ years IT and Telecoms experience
- Recognised thought leader at national and state level
- His work featured in BRW and The Australian

Måns Shapshak, VP Analytics – BA (Berkeley)

- Chief digital marketing expert
- 25 years international experience
- Start-ups in Sweden, Spain, Silicon Valley

Mike Vosper, VP Ops – BSc (Cheltenham)

- Carrier partner acquisition focus
- Former board member Tech-Data, UAE
- 25 years international experience

VP Sales and VP Marketing heads TBA soon

- Both have deep international track records with major telco brands
- Global executives with AU, NZ, UK, US, SG, UAE work backgrounds

Two award-winning product lines

World Phone
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- Very popular consumer 'Over-The-Top Voice' App
  - Top ranked and Top Grossing on many iOS App Stores
  - Will ship on Android in Q4'15
- Core value propositions:
  - Lower cost roaming and international calls
  - Local access networks and numbers
- Digital marketing is a highly effective acquisition strategy:
  - Acquisition cost of approximately $1
- Monetisation:
  - Purchase of airtime
  - Leasing of local numbers and monthly plans
  - Booking.com partnership
- Key economic parameters are:
  - Cost of acquisition
  - Conversion rate of acquired users to paying users
  - Average revenue per paying user

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- Disruptive corporate Unified Communications (UC) adjunct
  - First revenue customers are Eni Australia and Griffin Coal
- Core value propositions:
  - Lower cost roaming and international calls
  - Global expansion of corporate UC service footprint
  - Typical MNC has multiple carrier relationships – CORONA makes it simpler to coordinate a global telecoms strategy
- Monetisation:
  - Purchase of airtime
  - Leasing of local numbers and monthly plans
- Key economic parameters are:
  - Length of sales cycle
  - Number of users / employees signed

8 Progress since listing

400,000+ downloads

Viral engagement

Declining cost of customer acquisition

Warm corporate sales pipeline

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Jun 2015 | Jul 2015 | Aug 2015 | Sep 2015 | Oct 2015

Listing and recompliance
June 16 2015

Corona – first Enterprise clients
June 18 2015

Dual WAITTA Incite Award Winner
June 21 2015

Launch of World Phone
July 31 2015

World Phone 25,000 downloads
August 11 2015

World Phone 50,000 downloads
August 18 2015

National iAward Winner
August 31 2015

World Phone 150,000 downloads
September 4 2015

Growth strategy announced
September 23 2015

Partnership with TNZI for network reach
September 24 2015

Partnership with Booking.com
September 30 2015

First World Phone revenues and 300,000 downloads
October 1 2015

Top-ranked App in 84 App Stores

Award-winning platforms

Accelerating revenue run-rate

Valuable partnerships

9 Norwood's key markets

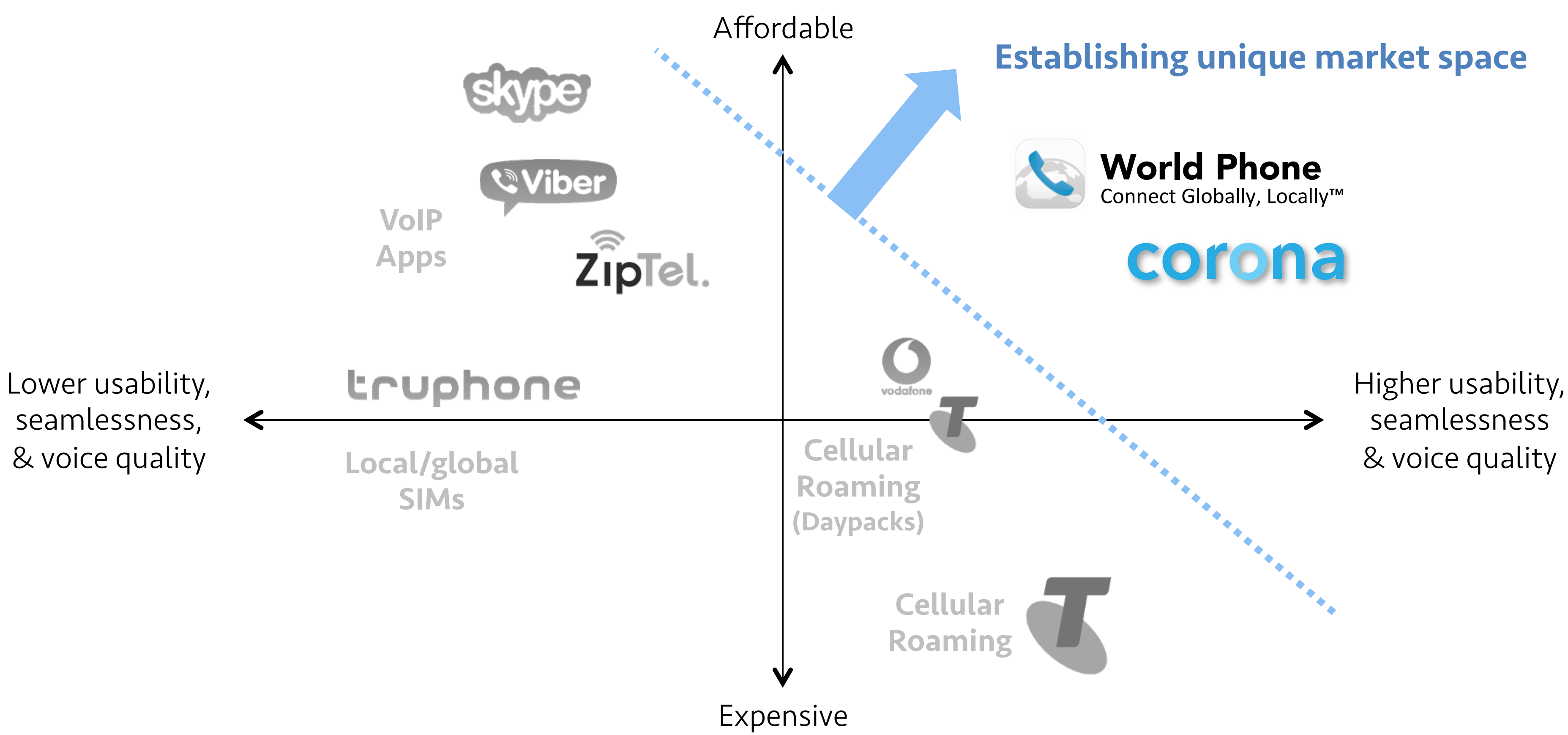
Consumer Mobile

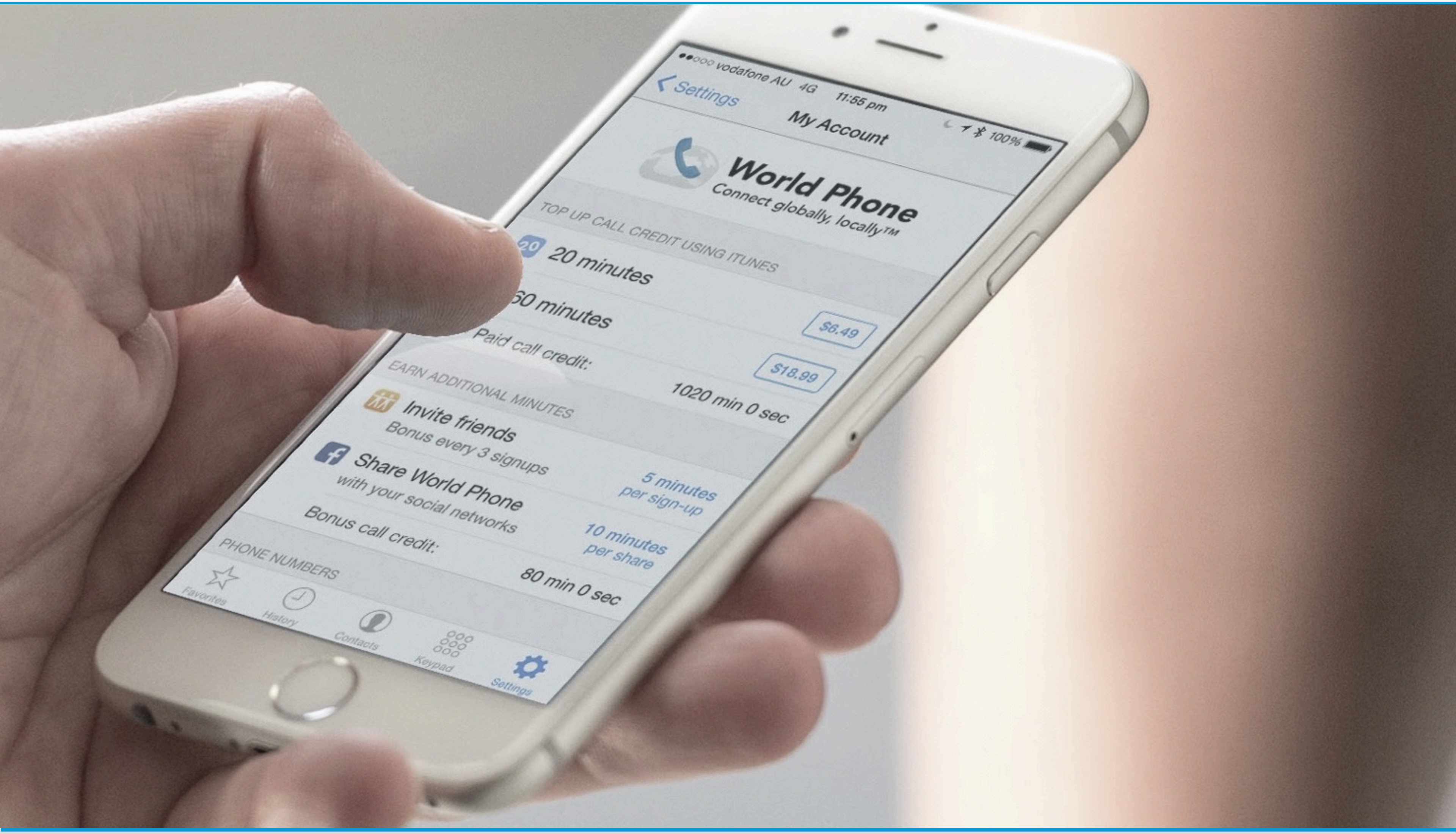
- $1 trillion global market
- Consumer Roaming well known for "bill shock"
  - Customers understand the issue and actively seek solutions (usually avoiding use)
- Mobile operators' roaming charges are expected to grow from US$55 billion to more than $80 billion by 2018
- Incumbents are slowly getting squeezed down on pricing issues – but very reluctantly
- Norwood has entered this market following feedback from trialling Enterprise end users
  - Early demand figures very much proving the case
  - A strong place for "quality, affordable" product vs cheap, low quality (VoIP) and expensive (roaming)

Enterprise Voice Roaming

- $30 billion annual cost to Corporates
- "Cheap" doesn't cut it – users need to be available on the same number they give to clients, with good quality
- Users themselves don't feel the price pain of roaming – Company is paying
- Key sales target the CFO / CIO level who are responsible for the spend
- Longer enterprise sales cycle to secure sales, but much longer term revenues once sold

10 Competitive landscape





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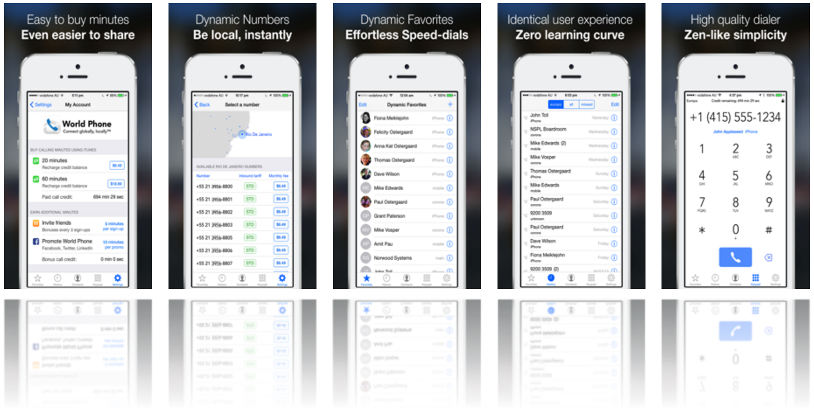
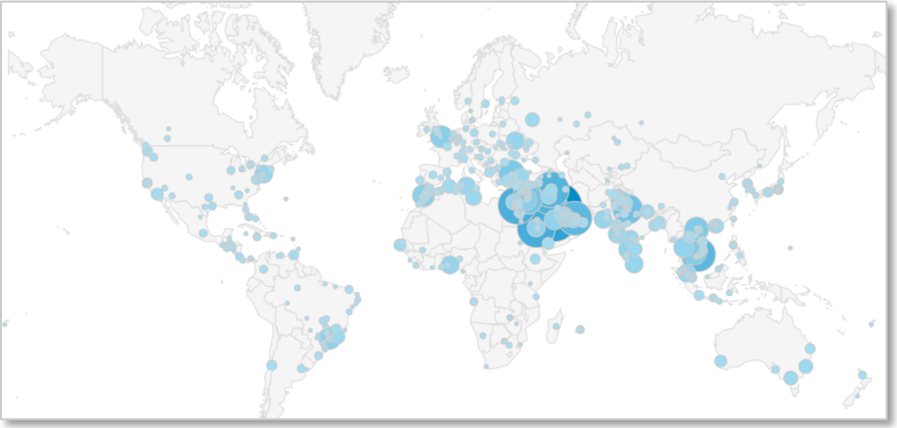
12 World Phone overview

An **easy-to-use** and **high-performance** Over-The-Top (OTT) Voice app

A first-rate user experience:



Delivering worldwide access:



Available on the App Store

Top-ranked App on iOS. On Android in Q4

Active users in 205 countries, 5100 cities

Leveraging the "sharing economy": telco partners in more than 70 countries

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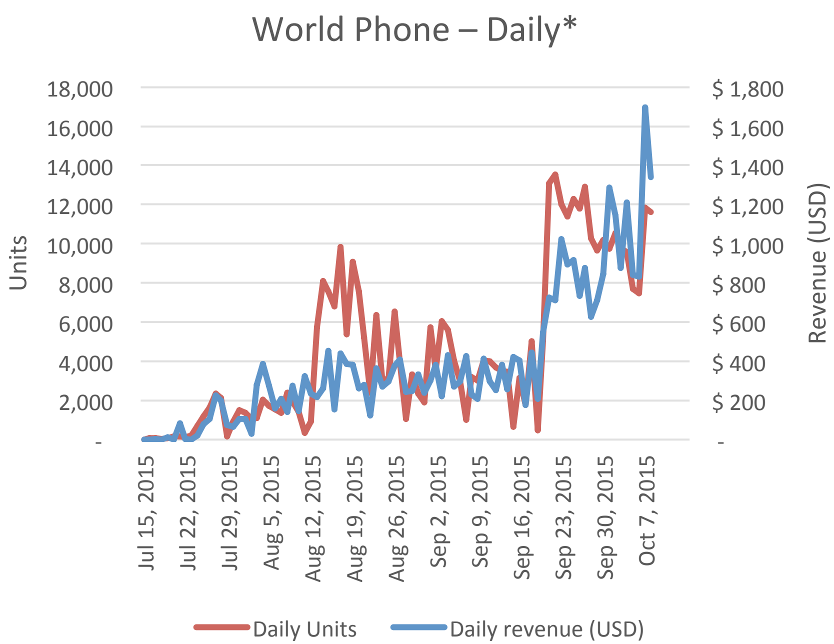
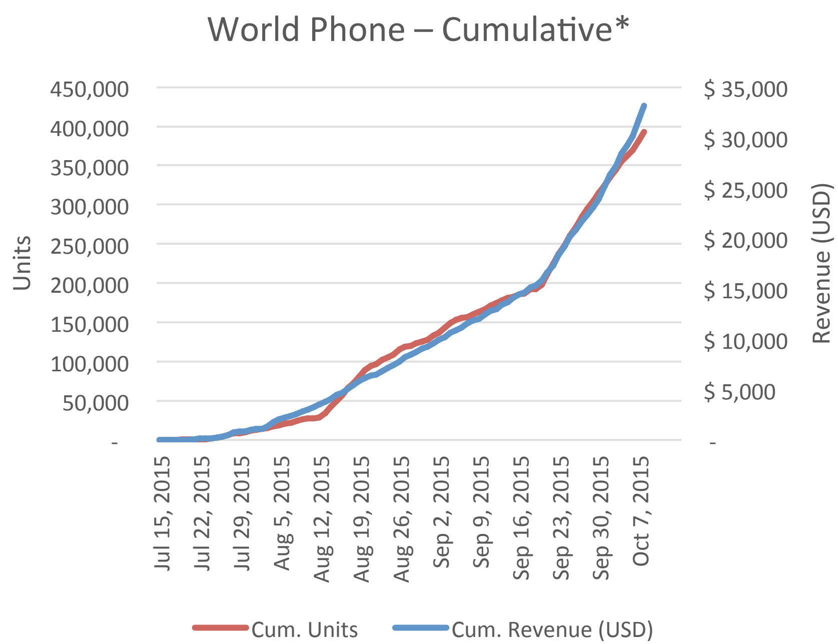
13 Monetisable growth

World Phone has seen strong growth since launch on July 31, 2015

- Number 1 **most downloaded** Travel App in 84 App Store countries
- Number 1 **top grossing** Travel App in 45 App Store countries



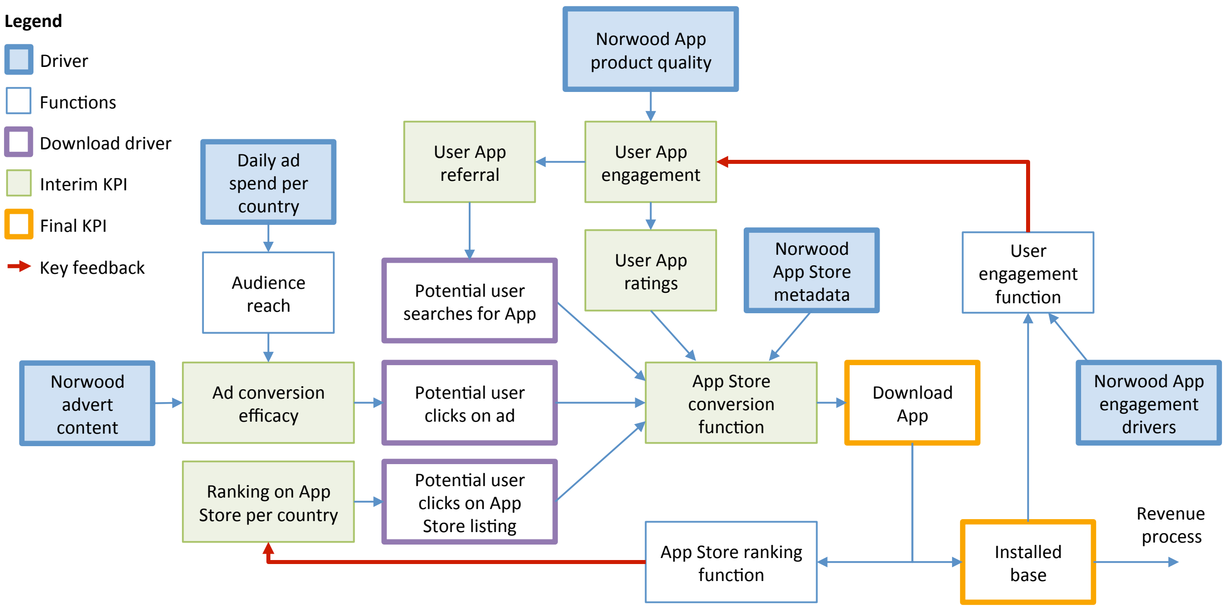


* Apple iTunes App Store analytics data, 8 Oct 2015

World Phone customer acquisition process

Focus on **quantitative digital marketing analytics**, driving:

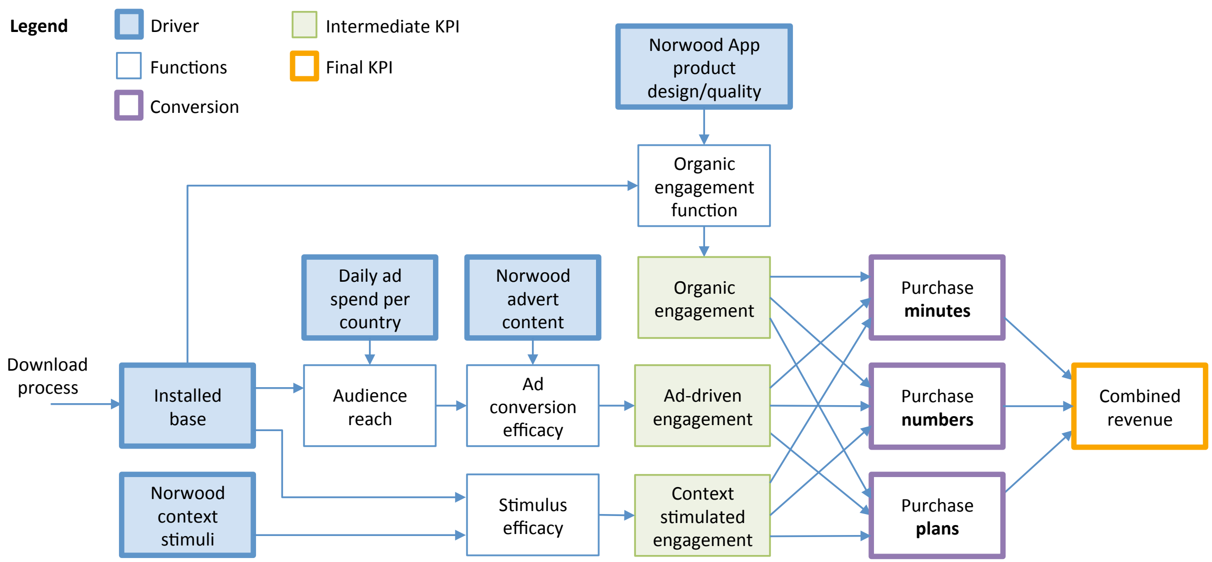
- User engagement
- User acquisition using Facebook, Weibo, WeChat, Twitter
- App Store visibility

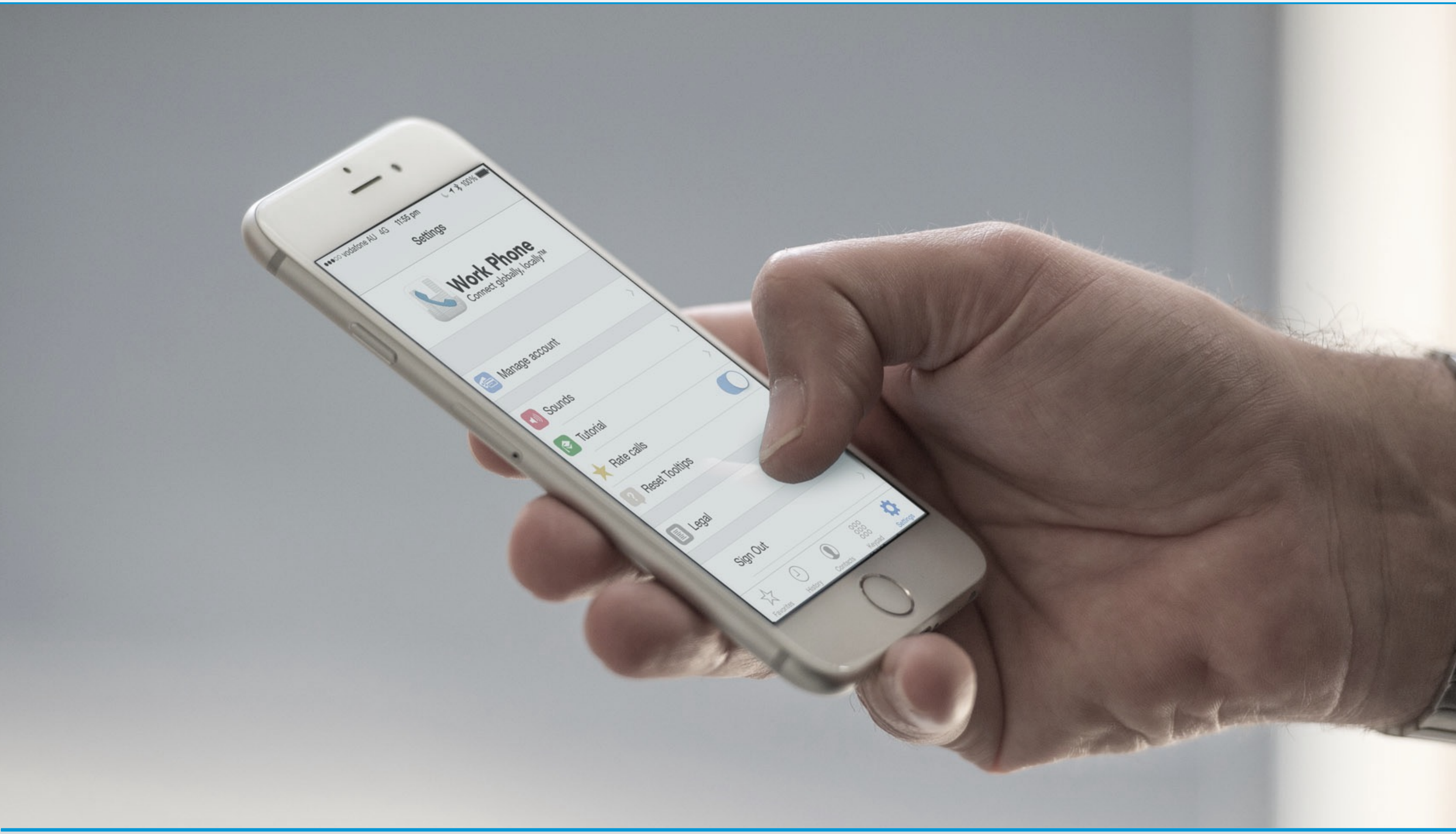


World Phone monetisation process

Monetise customers using simple in-App purchases

- **Consumables**: call minutes (50% of existing run-rate)
- **Subscriptions**: numbers and plans (50% of existing run-rate)





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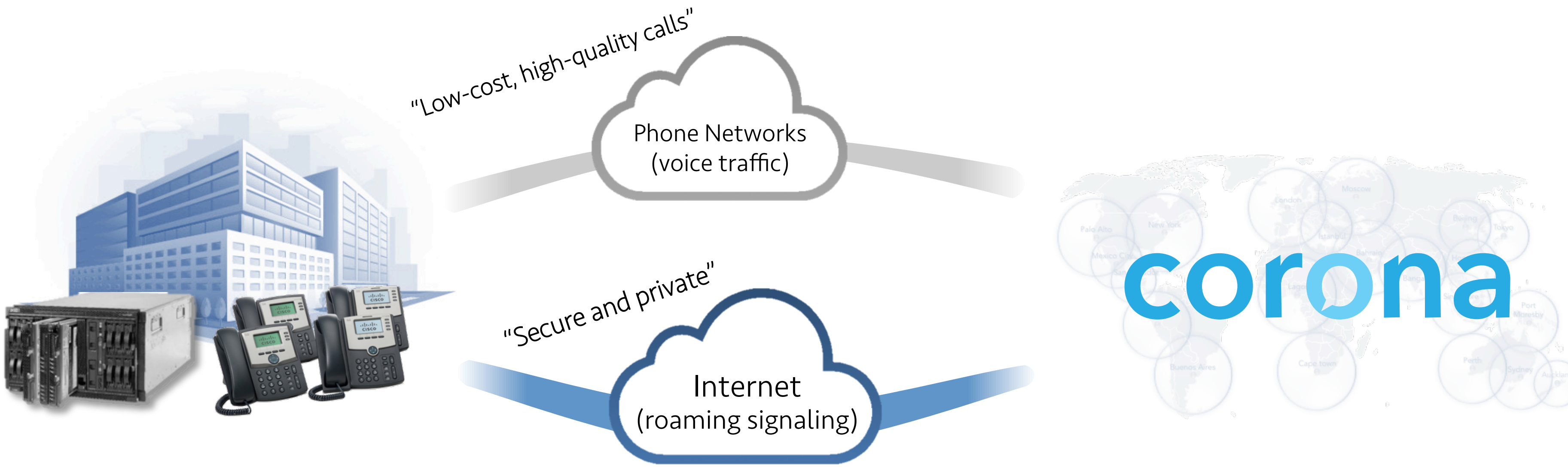
CORONA overview



Seamless corporate connectivity

- Employees can roam between their corporate phone systems and public landline networks
- No change to the organisation's telephony numbering plan
- No change of end-user behaviour needed
- Supports a global corporate service footprint

Based on proven standards

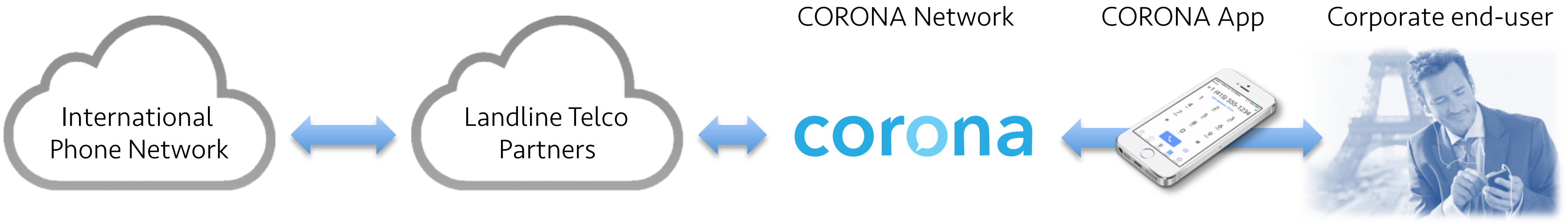
- Uses the cellular networks' very own standard roaming protocols: **bullet-proof** and **widely deployed**
- Sets stage for future carrier sales channel development

Extremely scalable

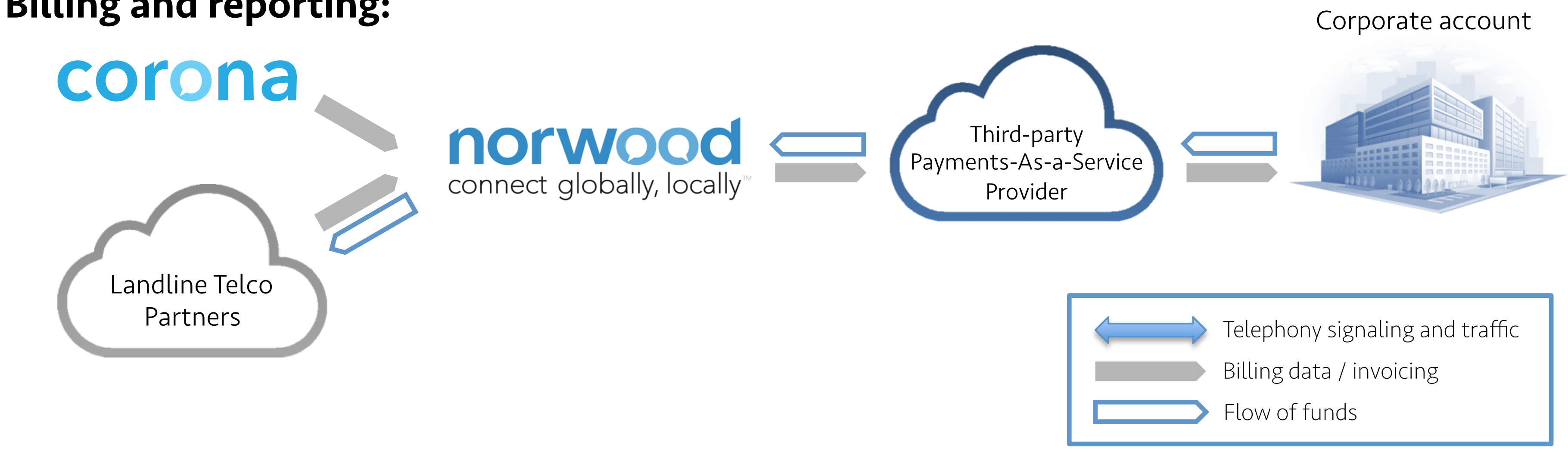
- Supports 100,000s of corporate networks and 1,000s of partner landline networks
- Core components load tested to 1,000,000 call initiations per second

Low OPEX / high-margin business model

Service delivery:



Billing and reporting:



Investing in 2-stage monetisation model

Door-opener

Relationship builder

No client upfront costs – zero CAPEX, no SIMs

- **45¢ per minute** – delivering 70-80% savings
- **Immediate ROI** – only bill client when we have proven the savings
- Minimal installation effort – software-based solution leveraging existing corporate phone infrastructure and smart installation logic

Disruptive efficient pricing model

- **Flat-rate Voice-as-a-Service (VaaS)**
- **$45/month/user – unlimited roaming minutes**
- First international roaming package offering a global flat-rate subscription model
- Better cost predictability and budget visibility for CFOs, driving greater degree of adoption and stickiness

Conclusion

21 Scalable business model

Consumer / World Phone

- Deep global market opportunity
- User growth and associated revenue can grow without scaling up fixed costs in proportion
- Key metrics:
  - Cost of acquiring (CAC) a new user to download the app – ad spend and promo give-aways
  - Churn & ARPU → Lifetime Value of user (LTV)
- Revenue and ultimately profitability driven by LTV – CAC ratio

Enterprise / CORONA

- Key cost is long sales cycle – professional sales staff to crack the enterprise accounts open
- Revenue and ultimately profitability driven by recurring income per customer, low churn
- Similar LTV – CAC focus to above, focusing on high-touch, higher-value accounts

Norwood in total

- Both segment opportunities are highly scalable
- Breakeven at $1.5-$2m revenue

22 Industry valuations

Viber	WhatsApp	LINE	truphone	skype
2014	**2014**	**2014**	**2013**	**2011**
Sold to Japan's Rakuten for US $900m	**Sold to Facebook for US$19bn**	**Estimated value US$13bn[1]**	**23.3% private investment; implied valuation US$470m**	**Sold to Microsoft for US$8.5bn**
300m users	**450m users**	**580m users**	**400 businesses signed up**	**170m users**
~US$3 per user	**~US$42 per user**	**~US$22 per user**	**~US$1.2m per business**	**~US$50 per user**

Note:
1. Analyst estimate based on sum of the parts valuation of parent company, South Korean listed Naver Corporation.

Near term value drivers

Consumers	Ongoing World Phone growth – targeting 1 million downloads as next major milestone.
Corporates	Contracts with regional operating units of Global 5000 firms. Great up-sell opportunity to other operating units within firms.
Channels	Significant channel in the global PBX/Unified Comms reseller market. Add value to resellers' earlier systems sales.
Carriers	Help mobile operators to streamline roaming value chain by bypassing wholesale "roam-in" fees.

Appendix

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Case Study: ASX 200 firm – $600k savings/year

Highlights:

- 200-300 active roamers/month
- Spending $1m annually on roaming
- Largest cost driver is voice (2x data)

	Current Situation	Savings Scenarios*		
	Current cost	30% Wi-Fi 70% cellular	100% Wi-Fi	100% data roaming
Total voice roaming bill today	**$860,000**			
Projected roaming bill, when using CORONA		$645,000	$143,000	$238,000
Annual CORONA Savings		**$215,000**	**$717,000**	**$622,000**

* Implementation costs assumed to be negligible. Data roaming overhead estimated at 30¢ / minute of voice calling.

Glossary

A number of consumer mobile app industry metrics may be referred to in this presentation, alongside traditional financial metrics. For the benefit of readers, these metrics are defined further below.

Revenue for mobile apps refers to gross revenue earned from sale of the application to the consumer, i.e. prior to any commission, allocation, sales share or overhead etc. taken by an app store such as the Apple iTunes App Store for iOS or Google Play Store for Android. Typically, these app stores levy an overhand of circa 30% of revenue.

"Consumable" versus "Subscription" Revenue discusses the split between purchases that are one off in nature such as additional calling minutes inside World Phone, or future booking.com commissions and subscription revenue which is primarily comprised of leasing local numbers, and plans such as the ultimate flat rate monthly plan available on World Phone. One off revenue, such as purchasing additional calling minutes, is still classed as one off even if the same user makes multiple purchases in the same month, or regular purchases over an extended period of time.

Revenue Annual Run Rate refers to the approximate Annual Revenues from World Phone that would be received, should the current weekly average revenue continue unchanged (along with similar Foreign Exchange Rates) for a full 12 month period. As World Phone has only been on sale since 31 July 2015, an annual figure for sales is not yet available. This metric is NOT a forecast of future revenues, but an illustration to assist investors in determining the significance of current weekly revenue figures.

Customer Acquisition Cost (CAC) is defined as the fully attributed marketing and sales expense associated in convincing a customer to buy a product/ service.

Lifetime Revenue (LTV) is defined as the dollar value of a customer relationship, based on the present value of the projected future cash flows from the customer relationship.

Average Revenue per User or ARPU is simply the total amount of revenue earned divided by the number of users over the relevant period, such as weekly or monthly. In the industry, a monthly period is most commonly used. Given the large numbers of non-paying users present in any consumer mobile app, *average* revenue figures will always be much lower than available spending options as the revenue from spending users is averaged out across the entire user base. Typically, only a few per cent of a consumer mobile app user base will spend money on a mobile app after downloading the app for free.

Engaged Users refers to users who have done more than simply download a mobile app, i.e. they have opened and used the app on their mobile device at least. Engaged Users cease to be counted as engaged if they have not interacted with the app for a given time period. **Engagement** similarly refers to users actually using the app, rather than simply downloading the app.

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