

28 April 2020

Dear Shareholders,

IMPACT OF COVID-19 RESTRICTIONS ON THE COMPANY'S GENERAL MEETING

The shareholder meeting is scheduled to be held at the Company's offices at 4 Leura Street, Nedlands, Western Australia on Friday 29 May 2020 at 11.00am (WST) (**Meeting**).

In light of the evolving COVID-19 situation and Government restrictions on public gatherings, the Directors have made a decision that Shareholders will not be able to attend the Meeting in person.

Accordingly, the Directors **strongly encourage all shareholders to lodge a directed proxy form prior to the meeting.**

The Australian government is implementing a wide range of measures to contain or delay the spread of COVID-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company's Notice of Meeting, the Company will notify Shareholders accordingly via the Company's website at www.norwoodsystems.com and the ASX Company's Announcement Platform at asx.com.au (ASX:NOR).

Whilst Shareholders will not be able to attend the Meeting in person, Shareholders will be able to participate in the meeting by:

- (a) voting their Shares prior to the Meeting by lodging the proxy form attached to the Notice by no later than 11.00am on Wednesday 27 May 2020;
- (b) lodging questions in advance of the meeting by emailing the questions to **general.meeting@norwoodsystems.com** by no later than Friday 22 May 2020; and/or
- (c) attending the meeting by teleconference or online meeting facilities.

Further details of the teleconference facilities, including detailed instructions on how to access such facilities, will be made available to Shareholders. Shareholders are requested to please contact the Company Secretary via email to **general.meeting@norwoodsystems.com** to obtain the details of the teleconference facilities prior to the Meeting.

This announcement is authorised for market release by Norwood Systems Limited's Company Secretary.

Sincerely,

Steven Wood
Company Secretary

NORWOOD SYSTEMS LIMITED

ACN 062 959 540

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00am (WST)

DATE: Friday 29 May 2020

PLACE: 4 Leura St
NEDLANDS WA 6009

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 27 May 2020.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS – OCTOBER PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 66,666,666 Shares and 66,666,666 Options (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the October Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – DECEMBER PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 66,666,666 Shares (on a pre-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the December Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – FEBRUARY PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Shares (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the February Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – FEBRUARY PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Options (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the February Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES AND TRANCHE 1 OPTIONS – MARCH PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,000,000 Shares and 4,000,000 Options (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the March Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – APPROVAL TO ISSUE TRANCHE 2 OPTIONS – MARCH PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the March Placement Participants) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 28 April 2020

By order of the Board

A handwritten signature in black ink, appearing to read 'S. Wood', written in a cursive style.

**Steven Wood
Company Secretary**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 7600.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS – OCTOBER PLACEMENT

1.1 General

As announced on 29 October 2019, the Company has raised \$200,000 through the issue of 66,666,666 Shares (on a pre-Consolidation basis) to professional and sophisticated investors at an issue price of \$0.003 per Share together with one free attaching NOROA Option for every Share subscribed for and issued (**October Placement Securities**).

The October Placement Securities were issued on 29 October 2019 pursuant to the Company's capacity under Listing Rule 7.1.

The Company engaged the services of Pinnacle Corporate Finance Pty Limited (ACN 149 263 543) (AFSL 403 684) (**Pinnacle**), to assist with the October Placement Securities by assisting the Company to raise the \$200,000. The Company has paid Pinnacle a fee of \$12,000 (being a management fee of 1% of the amount raised by Pinnacle and a placement fee of 5% of the amount raised by Pinnacle).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 28 November 2019 (**Previous AGM**).

Listing Rule 7.2 sets out a number of exceptions to Listing Rules 7.1 and 7.1A. The issue of the October Placement Securities does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the October Placement Securities.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the October Placement Securities.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the October Placement Securities.

1.2 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the October Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the October Placement Securities.

If Resolution 1 is not passed, the October Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the October Placement Securities.

1.3 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the October Placement Securities were issued to professional and sophisticated investors (**October Placement Participants**). Pinnacle was responsible for identifying the October Placement Participants, who were identified through a bookbuild process, which involved Pinnacle seeking expressions of interest to participate in the capital raising from non-related parties of the Company. None of the October Placement Participants are related parties of the Company;
- (b) 66,666,666 Shares and 66,666,666 Options were issued (on a pre-Consolidation basis);
- (c) the Shares issued to participants in the October Placement were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Options issued to participants in the October Placement were issued on the terms and conditions set out in the Schedule;
- (e) the October Placement Securities were issued on 29 October 2019;
- (f) the issue price per Share was \$0.003 (on a pre-Consolidation basis) and the issue price of the Options was nil as they were issued free attaching with the Shares on the basis of one Option for every Share subscribed for and issued. The Company has not and will not receive any other consideration for the issue of the October Placement Securities (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the October Placement Securities was to raise \$200,000, which was applied towards:
 - (i) relevant operating costs to deliver the required voicemail platform infrastructure to be operated within Spark's internally hosted network, using Norwood's cloud platform;
 - (ii) costs associated with Release 3 of Norwood's telco-scale World Voicemail platform, including key new World Voicemail end-user

features of improved voicemail message transcription quality; new iOS 13 dark-mode appearance, automatic voicemail forwarding to email – “voicemail delegation”, ability to read or listen to voicemails directly from the iPhone lock-screen, and support for 16 new languages to support global distribution; and

- (iii) upgrading platform capabilities to support of key features demanded by telco customers – including geographic redundancy, high-availability configurations and scalability beyond 100 million subscribers per telco;
- (h) the October Placement Securities were not issued under an agreement; and
- (i) a voting exclusion statement is included in Resolution 1 of the Notice.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – DECEMBER PLACEMENT

2.1 General

As announced on 9 December 2019, the Company has raised \$200,000 through the issue of 66,666,666 Shares (on a pre-Consolidation basis) to professional and sophisticated investors at an issue price of \$0.003 per Share (**December Placement Shares**).

The December Placement Shares were issued on 9 December 2019 pursuant to the Company's capacity under Listing Rule 7.1A, which was approved by Shareholders at Previous AGM.

2.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the Previous AGM.

Listing Rule 7.2 sets out a number of exceptions to Listing Rules 7.1 and 7.1A. The issue of the December Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the December Placement Shares.

2.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the December Placement Shares.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the December Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the December Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the December Placement Shares.

If Resolution 2 is not passed, the December Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the December Placement Shares.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the December Placement Shares were issued to professional and sophisticated investors (**December Placement Participants**). The December Placement Participants were referred to the Company by an existing investor in the Company as being parties who were interested in participating in a future capital raising undertaken by the Company. None of the December Placement Participants are related parties of the Company;
- (b) 66,666,666 December Placement Shares were issued (on a pre-Consolidation basis), and the December Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the December Placement Shares were issued on 9 December 2019;
- (d) the issue price was \$0.003 per December Placement Share (on a pre-Consolidation basis). The Company has not and will not receive any other consideration for the issue of the December Placement Shares;
- (e) the purpose of the issue of the December Placement Shares was to raise \$200,000, which was applied towards:
 - (i) relevant operating costs to deliver the required voicemail platform infrastructure to be operated within Spark's internally hosted network, using Norwood's cloud platform;
 - (ii) costs associated with Release 3 of Norwood's telco-scale World Voicemail platform, including key new World Voicemail end-user features of improved voicemail message transcription quality; new iOS 13 dark-mode appearance, automatic voicemail

forwarding to email – “voicemail delegation”, ability to read or listen to voicemails directly from the iPhone lock-screen, and support for 16 new languages to support global distribution; and

- (iii) upgrading platform capabilities to support of key features demanded by telco customers – including geographic redundancy, high-availability configurations and scalability beyond 100 million subscribers per telco;
- (f) the December Placement Shares were not issued under an agreement; and
- (g) a voting exclusion statement is included in Resolution 2 of the Notice.

3. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS – FEBRUARY PLACEMENT

3.1 General

As announced on 12 February 2020, the Company has raised \$200,000 through the issue of 5,000,000 Shares (on a post-Consolidation basis) at an issue price of \$0.04 per Share together with one free attaching NOROA Option for every Share subscribed for and issued (**February Placement**).

On 14 February 2020, the Company issued the Shares and Options the subject of the February Placement (**February Placement Securities**) to professional and sophisticated investors who participated in the February Placement.

5,000,000 Shares were issued (on a post-Consolidation basis) pursuant to the Company's 7.1A mandate (ratification of which is sought under Resolution 3) and 5,000,000 Options were issued (on a post-Consolidation basis) pursuant to the Company's capacity under Listing Rule 7.1 (ratification of which is sought under Resolution 4).

The Company engaged the services of Pinnacle Corporate Finance Pty Limited (ACN 149 263 543) (AFSL 403 684) (**Pinnacle**), to assist with the February Placement by assisting the Company to raise \$100,000. The Company has paid Pinnacle a fee of \$6,000 (being a management fee of 1% of the amount raised by Pinnacle and a placement fee of 5% of the amount raised by Pinnacle).

3.2 Listing Rules 7.1 and 7.1A

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at Previous AGM.

Listing Rule 7.2 sets out a number of exceptions to Listing Rules 7.1 and 7.1A. The issue of the February Placement Securities does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under

Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the February Placement Securities.

3.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the February Placement Securities.

Resolutions 3 and 4 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the February Placement Securities.

3.4 Technical information required by Listing Rule 14.1A

If Resolutions 3 and 4 are passed, the February Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the February Placement Securities.

If Resolutions 3 and 4 are not passed, the February Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the February Placement Securities.

3.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) the February Placement Securities were issued to professional and sophisticated investors (**February Placement Participants**). Pinnacle was responsible for identifying half of February Placement Participants, who were identified through a bookbuild process, which involved Pinnacle seeking expressions of interest to participate in the capital raising from non-related parties of the Company. The other February Placement Participants were referred to the Company by an existing investor in the Company as being parties who were interested in participating in a future capital raising undertaken by the Company. None of the February Placement Participants are related parties of the Company;
- (b) 5,000,000 Shares were issued (on a post-Consolidation basis) pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 3) and 5,000,000 Options were issued (on a post-Consolidation basis) pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 4);
- (c) the Shares issued to participants in the February Placement were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Options issued to participants in the February Placement were issued on the terms and conditions set out in the Schedule;
- (e) the February Placement Securities were issued on 14 February 2020;
- (f) the issue price per Share was \$0.04 and the issue price of the Options was nil as they were issued free attaching with the Shares on a one for one basis. The Company has not and will not receive any other consideration for the issue of the February Placement Securities (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the February Placement Securities was to raise \$200,000, which was applied towards:
 - (i) relevant operating costs to deliver the required voicemail platform infrastructure to be operated within Spark's internally hosted network, using Norwood's cloud platform;
 - (ii) costs associated with Release 3 of Norwood's telco-scale World Voicemail platform, including key new World Voicemail end-user features of improved voicemail message transcription quality; new iOS 13 dark-mode appearance, automatic voicemail forwarding to email – "voicemail delegation", ability to read or listen to voicemails directly from the iPhone lock-screen, and support for 16 new languages to support global distribution; and
 - (iii) upgrading platform capabilities to support of key features demanded by telco customers – including geographic redundancy, high-availability configurations and scalability beyond 100 million subscribers per telco;
- (h) the February Placement Securities were not issued under an agreement; and
- (i) voting exclusion statements are included in Resolutions 3 and 4 of the Notice.

4. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES AND TRANCHE 1 OPTIONS – MARCH PLACEMENT

4.1 General

As announced on 23 March 2020, the Company has raised \$200,000 through the issue of 8,000,000 Shares (on a post-Consolidation basis) at an issue price of \$0.025 per Share together with one free attaching NOROA Option for every Share subscribed for and issued (**March Placement**).

On 23 March 2020, the Company issued 8,000,000 Shares (**Tranche 1 Shares**) and 4,000,000 Options (**Tranche 1 Options**) (on a post-Consolidation basis) to professional and sophisticated investors who participated in the March Placement. Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Shares and the Tranche 1 Options (together, the **Tranche 1 Securities**).

The remaining 4,000,000 Options to be issued to participants in the March Placement (**Tranche 2 Options**) (on a post-Consolidation basis) are subject to Shareholder approval (being, the subject of Resolution 6).

4.2 Listing Rules 7.1 and 7.1A

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the Previous AGM.

Listing Rule 7.2 sets out a number of exceptions to Listing Rules 7.1 and 7.1A. The issue of the Tranche 1 Securities does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Tranche 1 Securities.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Securities.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Securities.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Tranche 1 Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Securities.

If Resolution 5 is not passed, the Tranche 1 Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Securities.

4.4 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) the Tranche 1 Securities were issued to professional and sophisticated investors (**March Placement Participants**). The March Placement Participants were referred to the Company by an existing shareholder as being parties who were interested in participating in a future capital

raising undertaken by the Company. None of the March Placement Participants are related parties of the Company. In line with requirements of Guidance Note 21, the Company confirms that the March Placement Participants included APSEC Funds Management Pty Ltd, a substantial holder of the Company, who was issued 4,000,000 Shares and 2,000,000 Options (on a post-Consolidation basis) under the March Placement (ratification of which is sought under this Resolution 5) and will receive a further 2,000,000 Options (on a post-Consolidation basis) if Shareholder approval is obtained under Resolution 6;

- (b) 8,000,000 Shares and 4,000,000 Options were issued (on a post-Consolidation basis);
- (c) the Shares issued to participants in the March Placement were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Options issued to participants in the March Placement were issued on the terms and conditions set out in the Schedule;
- (e) the Tranche 1 Securities were issued on 23 March 2020;
- (f) the issue price per Share was \$0.025 and the issue price of the Options was nil as they were issued free attaching with the Shares issued under the March Placement. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Securities (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of Tranche 1 Securities was to raise \$200,000, which have and will be applied towards the Company's ongoing working capital requirements, including:
 - (i) relevant operating costs to deliver the required voicemail platform infrastructure to be operated within Spark's internally hosted network, using Norwood's cloud platform;
 - (ii) costs associated with Release 3 of Norwood's telco-scale World Voicemail platform, including key new World Voicemail end-user features of improved voicemail message transcription quality; new iOS 13 dark-mode appearance, automatic voicemail forwarding to email – "voicemail delegation", ability to read or listen to voicemails directly from the iPhone lock-screen, and support for 16 new languages to support global distribution;
 - (iii) upgrading platform capabilities to support of key features demanded by telco customers – including geographic redundancy, high-availability configurations and scalability beyond 100 million subscribers per telco; and
 - (iv) working capital to deploy and operate on Spark's behalf a Spark-branded, hosted Visual Voicemail service for Spark's business customers;
- (h) the Tranche 1 Securities were not issued under an agreement; and
- (i) a voting exclusion statement is included in Resolution 5 of the Notice.

5. RESOLUTION 6 – APPROVAL TO ISSUE TRANCHE 2 OPTIONS – MARCH PLACEMENT

5.1 General

Resolution 6 seeks Shareholder approval for the issue of the Tranche 2 Options. Further details in respect of the issue of the Tranche 2 Options is set out in Section 4.1 above.

5.2 Listing Rule 7.1

Broadly speaking and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 sets out a number of exceptions to Listing Rule 7.1. The proposed issue of the Tranche 2 Options does not fit within any of these exceptions. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Tranche 2 Options. In addition, the issue of the Tranche 2 Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the issue of the Tranche 2 Options can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Tranche 2 Options.

5.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the Tranche 2 Options will be issued to the March Placement Participants, who are not related parties of the Company. In line with requirements of Guidance Note 21, the Company confirms that the March Placement Participants included APSEC Funds Management Pty Ltd, a substantial holder of the Company, who was issued 4,000,000 Shares and 2,000,000 Options (on a post-Consolidation basis) under the March Placement (in respect of which ratification is sought under Resolution 5) and will receive a further 2,000,000 Options (on a post-Consolidation basis) if Shareholder approval is obtained under this Resolution 6. Additionally, 7Sundays Pty Ltd <Europe> a substantial holder of the Company, will be entitled to receive 2,000,000 Options (on a post-Consolidation basis) if Shareholder approval is obtained under this Resolution 6;

- (b) the maximum number of Tranche 2 Options to be issued is 4,000,000 (on a post-Consolidation basis). The terms and conditions of the Tranche 2 Options are set out in the Schedule;
- (c) the Tranche 2 Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Options will occur on the same date;
- (d) the Tranche 2 Options will be issued at a nil issue price. As set out in Section 4.1 above, the Tranche 2 Options will be issued free attaching with the Shares issued under the March Placement. The Company has not and will not receive any other consideration for the issue of the Tranche 2 Options (other than in respect of funds received on exercise of the Options);
- (e) the purpose of the issue of the Tranche 2 Options is to complete the Company's obligations under the March Placement;
- (f) the Tranche 2 Options are not being issued under an agreement;
- (g) the Tranche 2 Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in Resolution 6 of the Notice.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Norwood Systems Limited (ACN 062 959 540).

Constitution means the Company's constitution.

Consolidation means the consolidation undertaken by the Company on 18 December 2019, whereby every ten securities on issue was consolidated into one security (subject to rounding).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

NOROA Option means an Option issued on the terms and conditions set out in the Schedule.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE – TERMS AND CONDITIONS OF NOROA OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 October 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) 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 such 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
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such 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.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) Quotation

The Company will seek to have the Options quoted by ASX.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Norwood Systems Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Norwood Systems Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **11.00am (WST) on Friday, 29 May 2020 at 4 Leura St, NEDLANDS WA 6009** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

- 1** Ratification of Prior Issue of Shares and Options – October Placement
- 2** Ratification of Prior Issue of Shares – December Placement
- 3** Ratification of Prior Issue of Shares – February Placement
- 4** Ratification of Prior Issue of Options – February Placement

For Against Abstain*

☐	☐	☐
☐	☐	☐
☐	☐	☐
☐	☐	☐

- 5** Ratification of Prior Issue of Tranche 1 Shares and Tranche 1 Options – March Placement
- 6** Approval to Issue Tranche 2 Options – March Placement

For Against Abstain*

☐	☐	☐
☐	☐	☐



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11.00am (WST) on Wednesday, 27 May 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Norwood Systems Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**