

ASX ANNOUNCEMENT

28 March 2022

NORWOOD RAISES \$0.3M IN NEW CONVERTIBLE NOTES FROM DIRECTOR

Norwood Systems Ltd (Norwood or the Company) (ASX: NOR) is pleased to announce it has executed a binding terms sheet and issued 280,000 convertible notes with a face value of \$1 each to Balmain Resources Pty Ltd, a Company controlled by Non-executive Director Dr John Tarrant, to raise \$280,000 for the Company.

The principal terms of the Convertible Notes are:

- Shareholder approval: The issue of the Convertible Notes was made on the signing of the Terms Sheet but the conversion of the Convertible Notes into Shares is subject to and conditional upon the Company obtaining all approvals required pursuant to the ASX Listing Rules (including ASX Listing Rule 7.1), the Corporations Act and any other applicable law.;
- Conversion: The convertible notes are automatically deemed to convert into Shares and Options on receipt of the Shareholder Approval or otherwise redeemed by 30 June 2022;
- Maturity Date: 30 June 2022;
- Face Value: \$1 per note;
- Interest: Nil;
- Conversion price: Each Convertible Note will be convertible into Shares at a conversion price of \$0.015 (1.5 cents) (Conversion Price) Plus a free attaching Option per Share issued on conversion (Conversion Options), exercisable at \$0.024 (2.4 cents) per option expiring 31 December 2023; and
- Security: The Convertible Notes are unsecured.

The Company intends to seek relevant shareholder approval at a General Meeting to be convened to enable the conversion of convertible notes to shares and options, pursuant to the above terms.

The proceeds of the subscription for the Convertible Notes are to be applied by the Company towards working capital requirements.

An Appendix 3B follows this announcement for the proposed issue of securities.

Paul Ostergaard, Managing Director commented:

“We thank John for his ongoing support of the Company. The Norwood team has seen great commercial results recently and these funds will help the Company address the additional near-term opportunities that we see before us.”

Authorised for release by the Board.

<ENDS>

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About Norwood Systems

Norwood Systems Ltd (ASX: NOR) is revolutionizing mobile voice, messaging, data and cyber security services through its pioneering award-winning virtual mobile services platforms and associated Apps.

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

Norwood has delivered services to more than 6 million customers since launching its platform in mid-2014, servicing people in 200+ countries & territories and 5000+ cities worldwide.

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