

# ANNUAL GENERAL MEETING

David Stewart Managing Director & CEO  
of  
NETCOMM LIMITED

17 November 2011

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(Thank you Terry)

I'd like to extend a warm welcome to our shareholders and thank you for coming along today.

# GROWTH

## Strategies

As Terry mentioned, last year was a productive year for NetComm.

Today I would like to give you some insight into our growth strategies and what they mean for the future of NetComm.

**Growing  
Expanding  
Strategic  
Sustainable**

Your company is focused:

- On growing our business organically
- Expanding our customer base in targeted overseas markets
- Establishing strategic partnerships
- And winning long-term contracts that provide sustainable revenue

# ((( wireless )))

Our objective is to continue to develop Wireless products that deliver the best performance and features to a market segment that will give us long term growth.

No matter whether our customer is a telecommunications carrier, a utility company or other major commercial and industrial clients, we have developed intelligent wireless devices to meet their growing demand.



The Wireless market is a key area of projected growth as local and international carriers escalate investments in wireless broadband networks in a drive to meet the rising global demand.



The Global mobile Suppliers Association, also known as the GSA, states there are currently 424 commercial wireless HSPA (or 3G) operators in 165 countries.

# DSL vs 3G

Interestingly, the Australian Bureau of Statistics has released a report showing wireless internet connections now exceed ADSL connections in Australia.

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Telecommunications carriers worldwide keep a close eye on Telstra as a leader in network developments and world first product launches.

Our close relationship with Telstra has helped strengthen NetComm's capabilities and exposed our brand across the world.



Through this exposure we have been able to acquire new carrier relationships offshore allowing us to strategically diversify our customer base geographically, lessening our dependence on the Australian and New Zealand markets.

With our international expansion strategy firmly on track, we continue to build our carrier portfolio – which now includes:

- Telstra, Australia;
- Etisalat, UAE;
- Rogers, Canada;
- Telus, Canada;
- Telecom, New Zealand;
- Cell C, South Africa;
- Mobily, Saudi Arabia
- Videotron, Canada and
- Viva, Bahrain.

It is important to note that our expansion strategy is one that is targeted. We identify carriers that will deliver the company sustainable revenues and acceptable margins.

# What's next?

So what's next.

At last year's AGM I mentioned our development plans for 4G - or LTE products. We launched our first 4G router at the Mobile World Congress in Barcelona earlier this year.



The GSA has advised that 4G is the fastest developing mobile communications system technology ever. The mounting need for improved performance, speed and versatility is placing increased pressure on telecommunications carriers to upgrade their networks and offer enhanced services to their customers.

Carriers want to migrate to 4G as quickly as they can because it's an extremely efficient technology which provides the global carriers with a lower operational cost per customer, thereby giving them both savings and improved profitability.

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For the past 18 months, NetComm has been actively developing 4G products. This has put us in a favourable position to take advantage of the opportunities presented by these developments.



One of our recent major announcements was the winning of the contract to provide Ericsson with the equipment for the fixed wireless component of the NBN. The wireless technology we are building for the NBN is **4G**.

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The Fixed Wireless component of the NBN covers rural and regional Australia and addresses 4% of the total number of premises, equating to approximately 500,000 homes and businesses across Australia.

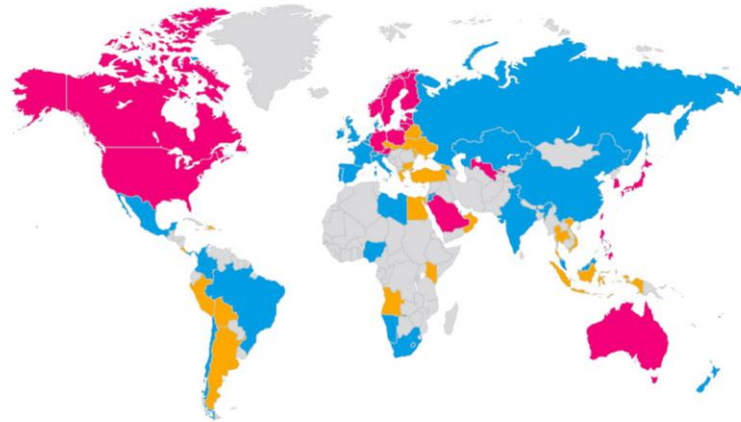
The securing of this contract is expected to have a substantial impact on long term revenue for our Company.

The deployment of our equipment begins in July 2012, and is to be concluded in the majority by 2015. So the revenue benefit will be over financial years 2013, 2014 and 2015.

I have been asked - what will happen if there's a change in government. The opposition has publicly declared that they support the wireless model of the NBN and have even indicated that they would expand it if they were in power. So we are confident that this business will remain secure.

Winning the NBN contract has also had the beneficial effect of bringing NetComm to the attention of other potential customers worldwide, who are looking at implementing similar projects.

Now you may ask how quickly will 4G be universally accepted and deployed.



Countries with Commercial LTE Service

Countries with LTE Commercial Network Deployments on-going or planned

Countries with LTE trial systems (pre-commitment)

This map represents other current 4G deployments and commitments from telecommunication carriers around the globe. There are already 35 commercial 4G networks launched in 21 countries; and 248 carriers in 87 countries are committed to investing in 4G wireless networks.

We will continue to develop wireless broadband products that help these carriers provide their consumer, business and industrial customers with products that allow them to access these 4G networks.

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The increased capacity of wireless networks will also create new opportunities for industrial Machine-to-Machine connectivity.

The world is on the verge of epic change. Conventionally unconnected devices are fast becoming connected as we enter an exciting new era of technological innovation.



The unprecedented growth of Machine-to-Machine connectivity is driven by a global push for wireless solutions across a range of industries such as:

- Utilities;
- Transportation;
- Health care;
- Security;
- Finance;
- Mining and
- Agriculture

These solutions are already transforming our daily lives by increasing productivity, decreasing costs, lowering energy consumption and even saving lives in countless areas.



Some examples of where our M2M devices are deployed include:

- Medical equipment like remote monitoring dialysis machines



Tsunami early warning systems



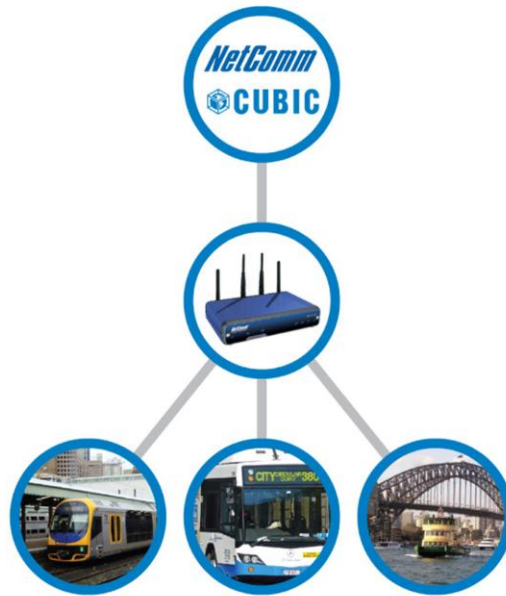
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Digital signage and



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Transportation systems



Our public transport system for example is undergoing a process of change with cash soon to be replaced by an integrated electronic ticketing system, designed to operate across public ferries, trains and buses.

NetComm is partnering with Cubic Transportation Systems for the supply of industrial 3G gateways required for the NSW State Government's \$1.2 billion dollar electronic ticketing project. This is a large project and we will commence supply in 2013.

The potential for this M2M market is huge, Ericsson envisions a world of 50 billion connected devices within the next decade.

Anything that can benefit from a network connection will be connected.



Visiongain states that worldwide revenue for embedded mobile modems for Machine-2-Machine applications is advancing at an exceptional rate with last year seeing a 68% increase.

NetComm is ready to capitalise on these deployments.

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ERICSSON 

  
SIERRA  
WIRELESS™

 SEQUANS  
COMMUNICATIONS

We have established strategic partnerships that reduce risk and bring larger long-term contracts to our Company. Strategic alliances with Wireless industry leaders such as Ericsson, Sierra Wireless and Sequans strengthen our competitive advantage, increase market penetration and enable us to leverage the opportunities presented by wireless broadband.

The company therefore continually seeks to mitigate its risk by:

- Diversifying into a broader spread of geographic markets
- Focusing on low risk profile customers who will provide stable long term growth and
- Leveraging new opportunities through our strategic partnerships

# Outlook

2011 has been an important year for NetComm. The Company has made good progress in executing its business growth strategies. The Company's financial Medium to long-term growth will be achieved through a disciplined and multifaceted strategy aimed at bolstering our position in the wireless market.

We will continue to build on these opportunities and further strengthen our strategic partnerships to secure long term revenue growth.

As you'll see, we've proposed a change in name from NetComm, to NetComm Wireless to more accurately represent the company's evolving identity, capabilities and core ideals.

# Thank you

In closing, I would like to thank the Board, management, staff and shareholders for their support.

I look forward to the year ahead.

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