

insights

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From the Chairman

Welcome to Insights. This issue looks at our key achievements over the past quarter with a special focus on Machine-to-Machine (M2M) highlights.

As our 30th year draws to a close, the strategy put in place to capture the opportunities presented by a surging global demand for wireless and M2M communications is generating results.

This is a very exciting time for the wireless industry — and for NetComm Wireless. With around sixty billion machines currently in use globally, equating to more than eight times the world's population, the impact on the commercial M2M market will be extraordinary.

This is why we are heavily focused on cultivating strategic alliances with industry leaders including **Vodafone, Telstra, Ericsson** and **GridNet**. We each have a specific role to play in the M2M ecosystem, ours being to develop wireless communications card technology.

The **NSW State Government's** \$1.2 billion dollar public transport smart card project has been in the news recently with its formal launch, and with our recent delivery of pilot devices for the project, we expect to reach new heights in 2013.

I would like to welcome **Ken Boundy** to our Board as we continue to grow our presence in the global M2M arena; and I am pleased to introduce three new committees which will assist the Board in the areas of: **Nominations and Remuneration; Investor Relations** and **Audit and Risk Management**.

I look forward to reporting on our performance highlights through a quarterly release of the Insight newsletter, and through regular updates on events as they develop.

Thank you for your continued support.

Yours sincerely,



Justin Milne
Chairman



Board renewal

Since announcing the commencement of a Board renewal program aimed at better aligning executive skill sets with the Company's long-term Machine-to-Machine (M2M) focus, the Board has welcomed recently elected Chairman, Justin Milne and new non-executive director, Ken Boundy, to the team.

In his address to shareholders at the 2012 Annual General Meeting of NetComm Wireless Limited, John Brennan announced that he would stand down as Chairman and remain on the Board as a non-executive director as the Company continues its transition into the global wireless M2M market.

New appointments



Justin Milne B.A., M.A.I.C.D., Independent Non-Executive Director

Mr Justin Milne was appointed to the NetComm Wireless Board as an independent non-executive director in March 2012, and has since been elected to the position of Chairman of NetComm Wireless.

Mr Milne is an experienced Company Director with substantial telecommunications industry experience.

Mr Milne is currently a Non-executive director of Tabcorp Holdings Ltd. He is also Chairman of the National Basketball League and a Board member of the Sydney Children's Hospital Network (Randwick and Westmead) and of Basketball Australia.

Mr Milne was Group Managing Director at Telstra BigPond, CEO of The Microsoft Network and of OzEmail. He is also a past Board member of the SA Economic Development Board, President of the Internet Industry Association.



Ken Boundy, Independent Non-Executive Director

Mr Boundy joined NetComm Wireless as an independent non-executive director in August 2012 and brings significant marketing, distribution and global business insight.

Mr Boundy is currently Chairman and/or non-executive director on four boards, member of two advisory boards and part owner of two businesses.

He has held a number of prominent positions over the past thirty years including: Managing Director of the Australian Tourist Commission, Tourism Australia; Executive General Manager, International, of James Hardie Industries Limited; Group General Manager, Corporate Development, of Goodman Fielder Limited (GFL); CEO, of Goodman Fielder Asia, Singapore (GFA) and Director, Industrial Development, of the Victorian Department of Industry Commerce and Technology.

Introducing three new Board committees

Three committees have been established to assist the Board in fulfilling its responsibilities in the areas of:

1. Nominations and Remuneration
2. Investor Relations
3. Audit and Risk Management

Each committee has a clearly defined purpose and the effectiveness of individual committees will be evaluated on an annual basis to assess the adequacy of performance.

Nominations and Remuneration

Chaired by **Ken Boundy**, the Nominations and Remuneration Committee will assist the Board in the areas of:

- Board structure and performance
- Senior management structure and performance management
- The remuneration and incentive framework for all staff; and
- Employment policies and their implementation.

The Committee's first priority will be to address the concerns around executive compensation by conducting an immediate review of the Company's remuneration practices.



Partnering with Vodafone

Vodafone, the world's top ranking global mobile network operator based on expected revenue from mobile M2M in 2020 (Machina Research), has selected NetComm Wireless as their supplier of M2M IP devices for global deployment.

Under the agreement, NetComm Wireless will supply M2M IP modems that have been custom designed to meet the global deployment requirements of **Vodafone Global Enterprise** and its partners.

The device will be compatible with Vodafone networks worldwide and will be managed by Vodafone's Global M2M Platform which enables plug-and-play service provisioning, remote management and support across the globe. Advances in wireless technology have opened up extraordinary opportunities for business and enterprises worldwide and M2M growth is at a record level as a result.

Devices are scheduled to be available to the market in March 2013. This is an ongoing supply agreement and the size of revenues will directly relate to the success that Vodafone has in securing M2M contracts.

"We have finalised the development of M2M devices custom designed to meet the global deployment requirements of Vodafone and its partners. Delivery is scheduled for Q2 of next year," said **David Stewart**, Managing Director, NetComm Wireless.

Vodafone Global Enterprise is Vodafone's specialist enterprise communications organisation, an organisation that currently works with over 1400 of the world's largest multinational corporations.



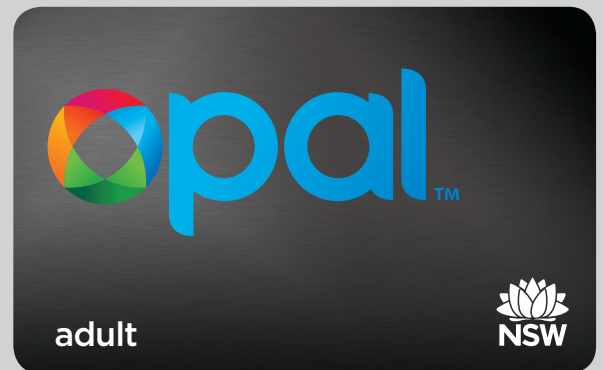
Shipping to Cubic

Pilot units of the industrial 3G Wi-Fi routers commissioned for the NSW State Government's \$1.2 billion dollar public transport electronic ticketing system are on schedule for delivery this month; and commercial shipments are set for deployment in 2013.

NetComm Wireless' supply partnership with **Cubic Transportation Systems**, the transportation segment of **Cubic Corporation** (NYSE: CUB), involves the introduction of an integrated electronic ticketing system designed to replace cash with smartcards across the state's ferries, trains and buses. The new automated fare collection system will enable users to link smartcards to their online accounts, or credit and debit cards over 3G.

"The pilot 3G Wi-Fi routers required to deliver uninterrupted connectivity to the integrated Opal ticketing system have been developed and we are prepared for mass-scale deployment over the next four years," said **David Stewart**, NetComm Managing Director.

Cubic's Managing Director for Australasia, **Matt Cole**, said "NetComm's industrial grade broadband technology meets the stringent criteria needed to help us revive the state's troubled transport system with a world-class ticketing system."



Investor Relations Committee

Chaired by **Justin Milne**, the primary function of the Investor Relations Committee is to:

- Broaden the market's understanding of NetComm Wireless
- Increase the Company's profile with the objective of increasing its share price; and to
- Improve shareholder communications.

Audit and Risk Committee

The Audit and Risk Committee will be chaired by **John Brennan** and will assist the Board in its responsibility for providing fiscal oversight in relation to:

- Financial management and reporting
- The overall audit process; and
- Risk management.

The Committee will ensure that a robust financial risk and control environment is established and preserved.



Outdoor Router makes its debut

Telstra has launched the Telstra Outdoor Gateway which was developed by NetComm Wireless to strengthen wireless access in rural and remote locations across Australia.

As well as helping to strengthen weak or inconsistent 3G signals in rural or remote communities, the Telstra Outdoor Gateway has been deployed to provide connectivity to temporary business setups without access to fixed line services; construction and mining sites; boats; farms and a diverse variety of outdoor locations including events, train stations and bus stops.

For more information about the Telstra Outdoor Gateway visit

<http://telstra.com.au/business-enterprise/business-products/internet-data/devices/telstra-outdoor-gateway/>

Alliance of industry leaders formed to meet smart grid demand

Annual global spending on smart grid technologies, including smart meter implementations, as well as upgrades to transmission and distribution infrastructure, is expected to reach \$65 billion by 2017 (M2M Magazine, May 7, 2012).

With the demand for power increasing each year, the grid cannot safely and reliably manage current and future loads without substantial improvements. Municipalities and governments across the globe are therefore investing in projects that will eventually lead to the substitution of traditional meters with smart meters which are transforming the way the world manages resources, such as water, gas and electricity.

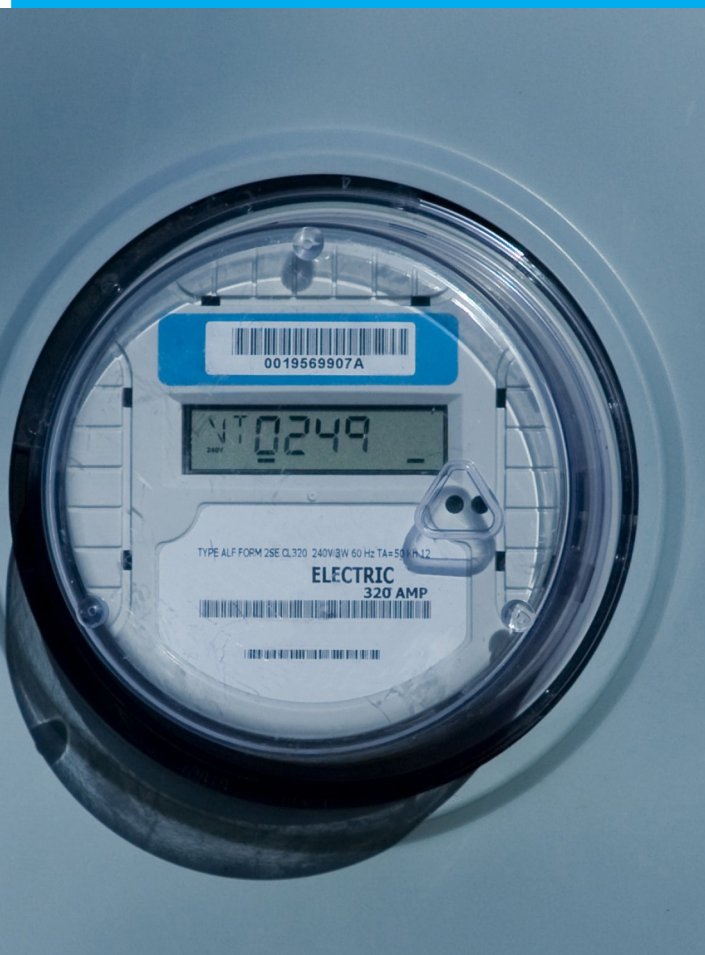
As a wireless communications card provider, NetComm Wireless forms a critical part of the smart grid ecosystem which consists of: utility companies, carriers, meter providers, network management companies, software system and communications card developers.

Partnering with GridNet

NetComm Wireless and Grid Net, the leading wireless smart grid software company, have formed a strategic alliance designed to deliver 3G connectivity to smart grid devices worldwide. Grid Net selected NetComm Wireless to design, develop and manufacture Grid Net-enabled 3G wireless communications cards for the global smart grid market.

Australia is the first market for Grid Net-enabled communications cards, with North America and the European Union markets soon to follow.

"Grid Net has proven the unparalleled flexibility, scalability, and strict security of our wireless smart grid software platform," said John W. Combs, CEO and Chairman of Grid Net. "This partnership with NetComm Wireless, truly the best-in-class developer of wireless data communication products, accelerates our ability to deliver innovative smart grid solutions worldwide. We are thrilled to have NetComm Wireless on our side."



Feedback

As part of our ongoing commitment to our shareholders we welcome your comments and feedback at chairman@netcommwireless.com

Electronic Newsletter

It is our intention to go paperless with this newsletter in 2013. If you would like to continue receiving NetComm Wireless insights please advise us of your email at chairman@netcommwireless.com