

ANNUAL GENERAL MEETING

Terry Winters Chairman
of
NETCOMM LIMITED

17 November 2011

Good morning Ladies and gentlemen.

My name is Terry Winters, Chairman of NetComm Limited.



David Stewart
Managing Director & CEO



Ken Sheridan
Finance Director &
Company Secretary



John Brennan
Non-executive Director



John Burton
Non-executive Director



Terry Winters
Chairman

It is my pleasure to welcome you to NetComm's 18th AGM, and to introduce you to your Board of Directors:

- David Stewart, CEO
- Ken Sheridan, Director of Finance
- John Brennan, Non-executive Director
- John Burton, Non-executive Director

I am pleased to report on what has been a year of significant progress and achievement for NetComm. And I look forward to sharing with you why I believe we have a very positive outlook. Our Managing Director David Stewart will give you more detail shortly.

FIXED LINE

(WiFi Gateways & FTTH)

WIRELESS CARRIER

(Business & Consumer CPE)

M2M

Consumer & Industrial

**RURAL BROADBAND
INITIATIVES**

Our underlying results, excluding the one off write down of certain inventories, show that we have delivered on our objectives while maintaining a strong financial position to leverage the growth opportunities available in our chosen markets.

Our focus for the past two years has been to build a strong foundation to support long term sustainable growth over the next 10 years. We have progressively refocused our resources and technologies away from consumer products and towards the supply of highly valued wireless broadband products to major telecommunication carriers and commercial and industrial customers.



Our diversification into broader geographical markets offshore remains on target with three new customer contracts being established this year for the supply of our wireless devices to:

1. Cell C in South Africa;
2. Mobily in the Middle East and;
3. Videotron in Canada.

Winning these new customers, and having a pipeline of further opportunities gives us more confidence that we are on the right track toward achieving the goals that we set for the company.



We continue to implement our diversification strategy to expand our business geographically and into related areas of broadband wireless technologies to create more predictability of revenues and margins and create a hedge against some of the economic uncertainty in some markets.

Over the past year, we have continued to build our customer base in New Zealand, Canada, USA, Middle East and South Africa.

We are working out how to navigate through the challenges faced when entering growth regions such as the Middle East and South Africa, where rapid technological change is being forced along by economic necessity, by undertaking a comprehensive assessment of the network, customer and market requirements unique to these regions.

As David will explain further, we are choosing these markets carefully to mitigate risk and ensure the best returns for the company.

**ERICSSON**  **SEQUANS**
COMMUNICATIONS
SIERRA
WIRELESS™
alvarion
Your Open WMAX Choice
Airspan

Over the past year NetComm has successfully developed significant partnerships with major international technology companies including Ericsson, Cubic Transport Systems and Sequans.

These relationships enable each partner to focus on their core skills and collaborate to bring together successful solutions for major carrier, utility customers and other emerging segments.

We will continue to identify new opportunities that will deliver short and long term growth, give us a competitive advantage, and provide our shareholders with stable and increasing earnings over the next 10 years.

SYDNEY BASED RESEARCH & DEVELOPMENT



Over the past year our R&D capabilities and engineering resources were doubled as part of our plan to expand our product portfolio into higher margin industrial and machine-to-machine products. We have consolidated our resources to ensure a more specific focus on the development of advanced Wireless technologies. We have brought a large amount of our development in-house to ensure NetComm retains clear ownership of all critical IP. This has been done to ensure we are in control of everything that creates our competitive advantage and we are working to ensure we maintain our ability to be at the forefront of wireless developments releasing world first products.

The product development process is undertaken in our Sydney design centre from concept to completion to:

- Reduce risk
- Ensure maximum control over systems integration
- Support timely product development and
- Guarantee thorough testing for superior quality control

Our manufacturing is carried out by highest quality contract manufacturing factories in China. Our current manufacturer is certified for production of medical aerospace technologies and carries the highly respected Six Sigma certification.

**Ken Sheridan**

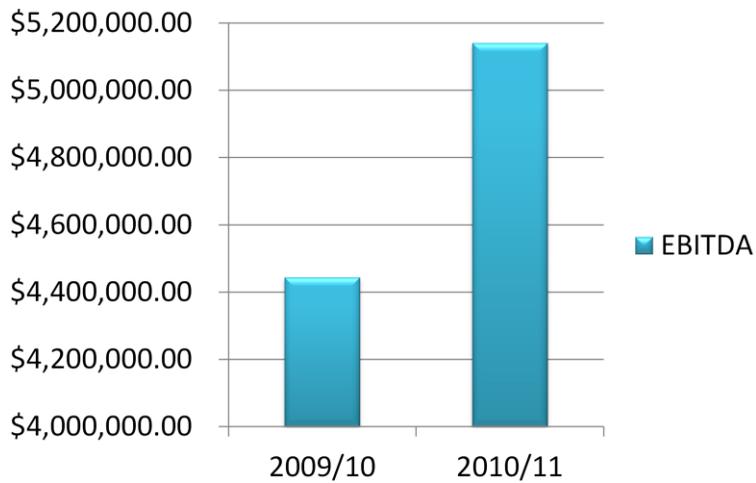
Finance Director & Company Secretary

**Jim Lahey**

Senior Vice President of International Sales

As you will be aware, Ken Sheridan was appointed as Finance Director earlier this year. Ken is making a valuable contribution to our planning and implementation and as a member of the board. Ken also assumed the role of company secretary for the Company earlier this year.

Jim Lahey joined the company as Senior Vice President of International Sales in September 2011. Based in the USA, and following an 18 year career at Sierra Wireless, Jim is responsible for driving NetComm's international sales with a focus on strengthening customer and partner relationships outside of the Australian and New Zealand markets. Jim's appointment was quite a coup for NetComm.



I am pleased to report that the underlying earnings performance of the Company was solid. Excluding a one off significant item, the Company’s underlying Earnings before Interest, Tax, Depreciation and Amortisation was up 15.7% from \$4,444,000 in 2009/10 to \$5,141,000 in 2010/11.

The Board took the decision to write down the carrying value of inventories in respect of the Company’s services business in Australia. The impact reduced EBITDA by \$2.5 million. Given other substantial growth opportunities available to the Company, the Directors believed it was prudent to redirect the focus from the services business to activities that will deliver longer term value and profits.

The logo for NetComm, featuring the word "NetComm" in a bold, italicized, white sans-serif font with a registered trademark symbol (®) to the right. The logo is set against a dark blue gradient background that transitions from black at the top to a lighter blue at the bottom.

I would like to thank our Managing Director, David Stewart, who has continued to provide strong and effective leadership in 2010/11 and the Senior Management Team and indeed all NetComm employees for their passion and commitment to the business.

I will now hand over to David for his report.