

ASX RELEASE

28 June 2011

Investor Presentation

Two Way Limited files the attached investor presentation, which provides an overview of the Company and updates the market on recent initiatives. This will form the basis of a presentation to brokers and potential investors today.

For further information:

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Chief Executive Officer and Managing Director

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ABOUT TWO WAY LIMITED (ASX: TTV)

Two Way creates advanced interactive media and gambling applications. Our competitive strengths include our specialised expertise, patented technology, and library of interactive applications, which can be deployed on TV, mobile or internet.

Two Way has developed an award-winning interactive TV wagering service with Tabcorp Holdings Limited (ASX:TAH) and FOXTEL, which has now been extended to include Racing and Wagering Western Australia (RWWA) and TattsBet Limited (ASX:TTS). Two Way has the potential to establish similar relationships with other wagering and broadcasting partners throughout Australia and overseas.

Our interactive wagering technology offers advanced betting features and related information, and utilises the latest synchronisation techniques to enhance the user experience. This technology can be applied to both racing and sports betting applications.

Our Way2Bet portal offers an extensive range of information resources to help punters bet better. These services are available via online and mobile platforms at www.way2bet.com.au and way2bet.mobi.

Two Way's products are currently being deployed by leading wagering and interactive TV operators in Australia and New Zealand. Our clients include Tabcorp, RWWA, TattsBet, Sportingbet, Betfair, FOXTEL, Austar, Optus TV and Sky New Zealand.

To learn more about Two Way visit www.twowaytv.com.au



Two Way Overview

June 2011

Ben Reichel
Chief Executive Officer
& Managing Director



“advanced interactive media and gambling applications”

What We Offer

ASX: TTV

-
- ☆ **Long term (5 year) contracts with blue chip clients**
 - ☆ Tabcorp, TattsBet, Racing & Wagering WA, Sportingbet, Betfair
 - ☆ **Unique positioning**
 - ☆ The only company with a live betting service linked to the betting engines of all the TABs
 - ☆ Exclusive relationships with Tabcorp, Sportingbet & Betfair
 - ☆ **Unique product and intellectual property**
 - ☆ Australia's first and only TV wagering service
 - ☆ **Expertise in IPTV and Smart TVs**
 - ☆ **International opportunities**

Key Products and Clients



☆ All TABs pay a % of turnover

☆ Most bookies pay a % of gross profit

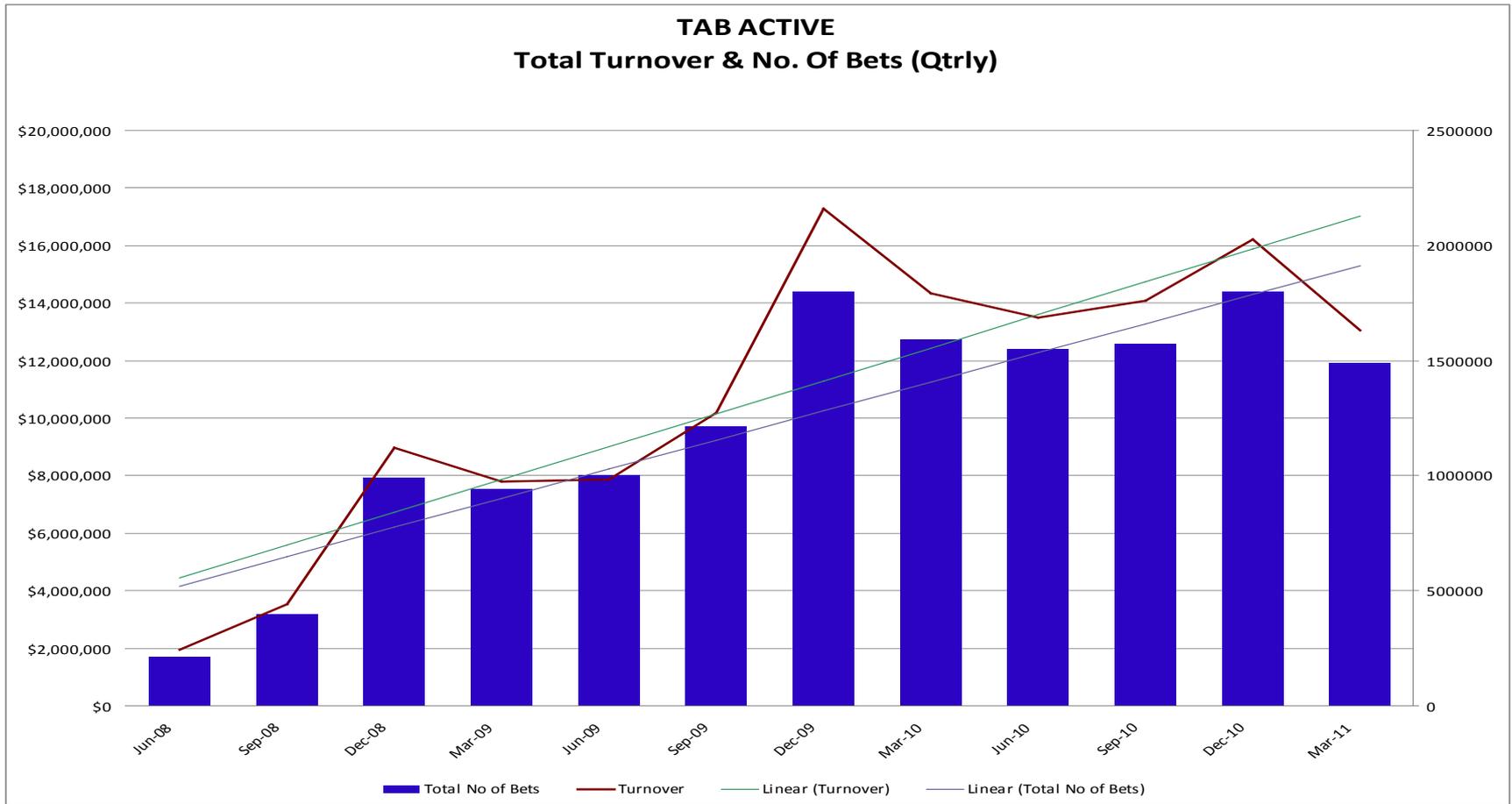


TV Wagering



- ☆ We have an exclusive arrangement with Tabcorp for interactive wagering on racing events, via any form of TV (including IPTV and free to air TV)
- ☆ Our TAB ACTIVE interactive TV service on the Foxtel platform was Tabcorp's fastest-growing wagering channel in FY10 (up 96%)
- ☆ Since launch on 28 April 2008 (Victoria) and 7 October 2008 (NSW):
 - ☆ More than 25,000 users have placed at least one bet
 - ☆ More than 15.5 million bets in total
 - ☆ Total turnover exceeds \$137 million
 - ☆ Currently around 4,000 users betting each week
- ☆ These statistics relate only to metropolitan Sydney and Melbourne
- ☆ Now live in Brisbane/GC (20 April 2011) and in Adelaide (9 June 2011)
- ☆ Approved in Western Australia; will launch across whole State in July 2011

Performance



Fixed Odds Race Betting



Today's Gallops

12:40 Sky Racing Mdn Hcp 1000m

#	Runners (20)	WIN	TOTE	FIXED
1	Shranap	15	16.5	
2	Bold Pride	55	56	
3	Divorce Me	8.10	8.30	
4	Maoulida	47	44	
5	Avondale	19	16	
6	Lester Quercus	15	15	
7	Mana Glint	13	13	
8	Testa More	17	17	
9	Sagamana	59	63	
10	Queen Margot	22	24	

Horse: Shranap
 Jockey: F Prat (60.0)
 Trainer: J Artu
 Form: 0156 Win: \$ 486
 Status: Open Plc: \$ 342
 Updated: 01:14:41 Tri: \$ 446

10:44:05 Next To Go

Wanganui 3	0 min
Cambridge 4	9 min
Cambridge 5	26 min
Wingatui 4	35 min
Cambridge 6	44 min

SRW SKY1 SKY Racing 2

Ch+ Switch Channels

1 HOME HELP FULLSCREEN ACCOUNT LATEST RESULTS FOXTEL EXIT

- ☆ Fixed odds betting is now generating all of Tabcorp's turnover growth – we have been missing out!
- ☆ Live on TAB ACTIVE as of 10 March 2011
- ☆ Viewers can compare tote and fixed odds
- ☆ Average fixed odds bet since launch is **\$24.91** – around 2.5 times the average tote bet of \$9.82

National Market



State	NSW [Live]	VIC [Live]	QLD [Live]	WA [July]	SA [Live]	TAS	ACT	NT
TAB operator	Tabcorp	Tabcorp	TattsBet	RWWA	TattsBet	Tote Tas	ACT TAB	TattsBet
Racing turnover*	\$4,890m	\$4,024m	\$2,217m	\$1,580m	\$ 771m	\$735m	\$163m	\$171m
Sports turnover*	\$643m	\$418m	\$147m	\$161m	\$49m	\$30m	\$16m	\$9m
% of natl TAB T/O	34.5%	27.7%	14.8%	10.9%	5.1%	4.8%	1.1%	1.1%
Pay TV operator	FOXTEL (Sydney), Austar	FOXTEL (Melb), Austar	FOXTEL (Bris/GC), Austar	FOXTEL (whole state)	FOXTEL (Adelaide), Austar	Austar	FOXTEL	Austar

Green: Contract signed and regulatory approval received

* Source: Australian Racing Factbook 2010

Revenue Potential



- ☆ Current Australian TAB turnover is \$16 billion pa – predicted* to climb to \$19 billion pa by FY15 (*source: Centrebet)
 - ☆ We are currently capturing 0.53% of Tabcorp's turnover (NSW & Vic only)
 - ☆ This provides revenue of approx. \$1.1m pa via TAB ACTIVE
 - ☆ National expansion (inc. Austar) will lead to substantial growth in revenue
 - ☆ If national TAB turnover climbs to \$19b, then revenue from TAB ACTIVE in Australia alone will be approximately:
 - ☆ \$3.8m if we can capture 2% of national TAB turnover (Target)
 - ☆ \$9.5m if we can capture 5% of national TAB turnover (Stretch Target)
- ☆ This does not include other revenues (eg. Way2Bet); or any new business (eg. our deals with Sportingbet and Betfair); or international deployments

Online & Mobile



- ☆ Way2Bet – online and mobile sports and racing portal
- ☆ Wide range of information resources, inc. odds comparison engine for all sports and racing; free form guides; free tips; black book service
- ☆ Revenue from bookie commissions, advertising, and new account bounties
- ☆ New premium ratings service – now earning revenue directly from users
- ☆ Constantly increasing levels of punter and bookmaker activity
- ☆ Clients include all major bookmakers in Australia, as well as Tabcorp and Betfair
- ☆ Smart phone & smart TV deployments planned



Smart TVs

- ☆ Samsung, LG, Sony, Panasonic all selling “smart TVs” – with a built-in connection to the internet
- ☆ Internet content available from Telstra (BigPond Movies and TV channels – including AFL); free-to-air networks; and FOXTEL
- ☆ Samsung is spending US\$70m promoting their smart TV platform this year. More than 5 million apps downloaded already.
- ☆ LG has similar plans to promote smart TVs – this year’s launch will be the biggest they have ever done in Australia
- ☆ Last year Australians bought 2.7 million TV sets
- ☆ Blu-ray players also have this feature – greatly expands the market
- ☆ Samsung alone expects to sell 650k smart TVs by end 2011 (plus 100k Blu-ray players). Currently 70% of them are connecting to the internet.



WHAT IS CONNECTED TV?

Connected TVs allow you to access internet content*, so you can catch up on episodes of your favourite shows you might have missed, search for specific highlights of the weekend's footy, engage in video chats via Skype with friends and family, update your Facebook status or search and enjoy YouTube - all through your TV!

Some models even allow you to browse the web! Plus all Connected TVs give you the crystal-clear high definition digital television viewing to which you have become accustomed.

EXPERIENCE CONNECTED TV TODAY
FIND YOUR LOCAL HARVEY NORMAN STORE NOW >



Smart TV Expertise

- ☆ Betfair TV wagering application for Samsung smart TVs
- ☆ Developed by our sister company (Two Way Media) in the UK
- ☆ Currently being deployed in the UK & Europe

betfair Username: Nameupto20characters Balance: £99999.99

YOUR BET
England v Spain

Correct Score
1 - 0 35/1

Stake £99

Potential Profit £99.999

Place Bet
Responsible Gambling
Full Rules

Would you like to confirm this bet?

FREE £20 BET* ON SIGN UP!
BETFAIR ON SAMSUNG TV FREE £20 BET! QUOTE PROMO CODE SAM001 JOIN NOW!

About Menu Move highlight Choose Return

- ☆ Ideal service for recreational punters watching sport
- ☆ Viewers can wager on sport on any form of TV (free-to-air, pay, or IPTV)

Smart TV Expertise cont.

- ☆ Our first client is Sportingbet – Australia's largest bookmaker, with annual turnover exceeding A\$1.5 billion (and which is currently buying Centrebet)
- ☆ Our second client is Betfair – Australia's only betting exchange



- ☆ We are the exclusive provider to both Sportingbet and Betfair of TV wagering services (on sport), via any form of TV

Other Interactive Apps

- ☆ Two Way has built a multitude of interactive TV applications over the past 10 years – covering all channels and program types (eg. FOX8, History Channel, TV1, Disney, Sky News, MAX Music, etc)



- ☆ Substantial expertise in TV navigation, response times, design, colours, etc
- ☆ Award winning chat app on FOX8 (“Top Model”) & MTV

IPTV and Games Expertise

- ☆ Two Way built the first ever interactive TV games service for PCCW (the world's largest IPTV platform) in 2005
- ☆ We designed and implemented the game serving environment, including architecting the games servers, and provided the games
- ☆ We built the system to handle multi-player games
- ☆ We are currently running IPTV games on the MagiNet platform
 - ☆ Hotel in-room entertainment service (owned by NTT DOCOMO)
 - ☆ Currently available to 5,000 rooms across 30 properties



Games – Commercials

- ☆ We have a huge library of games for TV platforms (including IPTV)
- ☆ We operate a TV games services on the Sky New Zealand platform
 - ☆ Sold on a subscription basis for NZ\$6 per month – split with Sky
 - ☆ We refresh the content weekly, including new trivia questions
 - ☆ Joint marketing initiatives have been very successful
- ☆ Also operate an IPTV games service on the MagiNet platform
 - ☆ Sold for \$3.95 per hour, or \$6.95 per day



Latest (Half Year) Results

- ☆ Results are the strongest in the Company's history
- ☆ Substantial improvement in both the operating result and the net result, compared to the previous corresponding period
- ☆ **Key metrics:** revenues ▲ 6%, operating result ▲ 12%, net result ▲ 78%
- ☆ Solid growth in flagship TV wagering service revenues ▲ 16%
- ☆ And other key revenue lines: Way2Bet ▲ 76%, bespoke development ▲ 52%
- ☆ Ongoing licence fees eliminated, saving \$250k pa. Perpetual licence now in place
- ☆ Other operating costs reflect ongoing and effective cost control
- ☆ Effects of the above will see a marked improvement in operating cash flow

Latest (March Qtr 11) Cash Flow

- ★ Receipts from customers for quarter \$423,000
- ★ Net operating cash flow for quarter (\$267,000)
 - ★ Adjusted to exclude final licence fee payable (\$183,000)
 - ★ This represents the best quarterly cash flow result since the Company listed on the ASX
- ★ Total net cash flow for quarter (\$279,000)
- ★ Cash balance at 31 March \$484,000

Capital Structure

ASX: TTV

- ★ 209.9m ordinary shares on issue
- ★ Approx. 600 shareholders, of which the top 20 hold 56% of the issued capital
- ★ 1.89m options issued to staff through Employee Options Plan (potential dilution <1%)
- ★ Company is debt free

Rights Issue

ASX: TTV

- ★ Funds being raised to roll out our TV wagering service on a national basis
 - ★ Primarily for marketing – to acquire new customers and drive revenues more quickly
- ★ Also to pursue new IPTV and smart TV opportunities
- ★ 1 for 10 non-renounceable offer at 3 cents per share
 - ★ 25% discount to last traded price and 30-day VWAP
- ★ 50% underwritten by EL & C Baillieu Stockbroking
- ★ Shares will trade cum rights until market closes this Friday, 1 July 2011

Summary

ASX: TTV

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- ☆ Two Way creates advanced interactive media and gambling applications
 - ☆ We are the leading provider of interactive TV wagering services in the Asia / Pacific region
 - ☆ We have unique and exclusive relationships with the major wagering operators in Australia
 - ☆ We have more than 10 years of interactive TV and IPTV expertise
 - ☆ National deployment of TAB ACTIVE is about to commence – will lead to significant increase in revenues
 - ☆ Plenty of exciting new opportunities in IPTV and smart TVs
 - ☆ Actively working on international opportunities to deploy our technology and expertise