

ASX RELEASE

19 December 2012

Chairman's Address & Product Portfolio Presentation

The attached Chairman's Address and the Product Portfolio Presentation will be delivered at today's Annual General Meeting of Two Way Limited.

For further information:

Rointon Nugara
Company Secretary
Phone: +612 9017 7000

ABOUT TWO WAY LIMITED (ASX: TTV)

Two Way creates, develops and builds advanced interactive media and gambling applications for mobile, internet, TV and IPTV platforms. Our competitive strengths include our specialised expertise, patented technology and library of interactive applications which have been deployed on all devices.

Two Way has developed an award-winning interactive TV wagering service with Tabcorp Holdings Limited (ASX:TAH) taking in New South Wales and Victoria in conjunction with Foxtel, and seen on Sky Racing 1, Sky Racing 2 and Sky Racing World. This has now been extended to include Racing and Wagering Western Australia (RWWA) and TattsBet Limited (ASX:TTS) covering Queensland & South Australia. 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, utilising the red button on the Foxtel remote providing the latest synchronization 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, Centrebet, IAS Bet, Luxbet, Sportingbet, Betfair, Optus TV, LG, Samsung and Sky New Zealand.

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

CHAIRMAN' S ADDRESS

TWO WAY LTD ANNUAL GENERAL MEETING

19 December 2012

Good morning Ladies and Gentlemen. Welcome to our eighth (and arguably the most important) Annual General Meeting of Two Way Limited.

In commencing proceedings I would like to start by making some introductions.

Firstly our directors, Ben Reichel and Gerald Tan and our Company Secretary Rointon Nugara, together with our senior managers Grant Kean (General Manager Products and Services) and Fabian Magrini (Chief Technology Officer). We also have some special guests with us from Donaco Singapore: Joey Lim, Ben Lim and Mak Siew Wei.

As Chairman of Two Way I want to begin by thanking all shareholders on behalf of your board of directors for their support over the years and in particular, this year. It has been a year of significant change for Two Way.

The 2012 financial year has been fully discussed in Two Way's annual report. In what was a challenging year for the business, significant opportunities have emerged which I will elaborate on later in the meeting. In spite of a lack lustre economy I am pleased to report your company is in better shape than at any time in the recent past.

For the past year management focus has centred around four key activities:

1. Tab Active
2. Way 2 Bet
3. Internet Protocol Television and Smart TV development work
4. Games

The Tab Active Service is now operational nationally following the deployment of the service in Western Australia through its TAB operator, Racing and Wagering Western Australia in July 2011. And for the record the service in Victoria and New South Wales has been in place for nearly 5 years. Work continues to focus on consolidating and promoting the service throughout the mainland states with the real prospect of major progress arising out of the

merger of Foxtel and Austar together with the enhanced capacity that will come from the roll out of new Foxtel set top boxes in 2013.

The Way 2 Bet online and mobile wagering portal has gained significant momentum during this calendar year with all major corporate bookmakers subscribing together with the roll out of specialist online gaming websites. This has resulted in 33% revenue growth this calendar year through enhanced exposure aided by a successful search engine optimisation initiative and social media strategy.

Internet Protocol Television development work resulted in agreements with both Samsung and LG during the year introducing applications for smart TVs in relation to Betfair and Sportingbet. Development work is continuing to take place and further smart TV opportunities are being actively explored.

Provision has been made with a Malaysian associate for the outsourcing of technical work to support the Two Way development team where necessary.

At this point I would like to invite Grant Kean to present a brief rundown on the company's products and development activities.

In September 2011 your company secured an important corner stone investor Main Ace Investment Limited of Malaysia with its principal Mr Gerald Tan joining the board.

The relationship was further cemented with a share placement successfully concluded in September this year, resulting in an injection of \$250,000 into Two Way by Malaysian investors.

This cornerstone investment has led to a number of significant developments which included a merger implementation agreement with Donaco Singapore Pte Ltd, the owner of a 75% share in the Lao Cai International Hotel and casino in return for shares in Two Way. The hotel casino is located in Lao Cai province in Vietnam adjacent to China's Yunnan province.

This is a very exciting opportunity for Two Way and its shareholders. Details of the transaction have been widely circulated and communicated and

shareholders will be asked to approve the appropriate resolution during this meeting. Directors unequivocally support this transaction.

I would now like to share with you some imagery of both the existing Hotel Casino complex along with the new hotel and casino due for completion at the end on 2013.

Prior to voting on the resolution to approve the acquisition there will be an opportunity for questions.

Subject to the passing of the relevant resolutions to be considered at this meeting, Two Way, under its new name Donaco International Limited, has an extremely bright future. We have the opportunity to build on the traditional work of Two Way with regard to interactive technology and to expand aggressively into the world of gaming and entertainment. Two Way's intellectual property and high tech capability will mesh well with Donaco's core competence and ability to seek out and exploit development projects in the high growth Asian region, enabled by the addition of expertly qualified board members.

In concluding I want to pay tribute to those shareholders who have supported the company from its inception in 2004 and in particular Mr Robert Ward for his sustained and ongoing contribution, without which I do not believe the business would have survived.

Before proceeding to the more formal part of the meeting I want to finish by thanking our staff for their commitment and contribution in what has been a demanding year.



Product Portfolio

Two Way Limited

Prepared by: Grant Kean
General Manager – Products & Services
December 2012



Product Overview

TAB ACTIVE – TV Betting

Tabcorp (NSW & VIC), Tatts (QLD & SA) and RWWA (WA)

FOXTEL

Smart TV Apps

Sportingbet and Betfair

Samsung and LG

Way2bet – odds comparison portal

Affiliate to all Australian tier 1 bookmakers

“Best Bet” portfolio of sites

Scorcher Live Scores iPhone App

Games and Media



TAB ACTIVE

Unique product & IP – Australia’s first and only TV wagering service Paramutual and fixed odds betting (including innovation patented technology)

Red button app on all Sky Racing channels on FOXTEL

Unique position with fully Integrated with Tabcorp, Tatts and RWWA betting engines (the only company with live betting services linked to TABs)

See tabactive.com.au website for me information

Key Stats – since launch over \$200million in turnover, over 30,000 unique users, more than 24 million transactions

MR 7 - Win & Place | Disconnected | tab active | TAB

20:45 Moonee Valley 7 (1200m)

Runners(9)	WIN	TOTE	FIXED
1 True Persuasion	24	31	
2 King Pulse	SCR		
3 Perturbo	28	101	
4 Black Caviar	1.20	1.08	
5 Das Machen	34	61	
6 Hinchinbrook	19	41	
7 Master Harry	15	16	
8 Crystal Lily	7.30	16	
9 Panique	SCR		

Win: \$100.00
Place: \$0.00
Fixed Odds: []

Press to place your bet

SELECT Select/Unselect BET NOW
BACK Clear Text Switch Odds

14:16:02 Next To Go
Geelong 5 3 min
Casino 12 7 min
Hatrack 1 8 min
Tamworth 5 10 min
Charlton 5 14 min

HOME HELP FULLSCREEN ACCOUNT LATEST RESULTS FOXTEL EXIT

Today's Gallops | Disconnected | tab active | TAB

Venue	Next Race
MR Moonee Valley	1 at 17:45
SR Albury	6 at 14:41
BR Ipswich	5 at 14:50
AK Mount Gambier	5 at 14:36
YR Newbury	1 at 00:10
PR Geelong	5 at 14:20
GR Tamworth	5 at 14:27
FR Fairview	1 at 21:00
TR Te Awamutu	None
LR Singapore	1 at 20:20
ER Lingfield	1 at 00:30

Venue: Moonee Valley
Track: Dead
Weather: Showery
Info: D-d 6,8 Qad 5,6,7,8 First 4 All

14:14:19 Next To Go
Geelong 5 5 min
Casino 12 9 min
Hatrack 1 10 min
Tamworth 5 12 min
Charlton 5 16 min

HOME HELP FULLSCREEN ACCOUNT LATEST RESULTS FOXTEL EXIT

Moonee Valley 7 - 1200m | Disconnected | tab active | TAB

4. Black Caviar (6) - 1x11 \$1.20

Trainer: P G Moody
10w-0p-10s (\$2299250)

Trk: 3w-0p-3s Dis: 7w-0p-7s
Gd: 6w-0p-6s Dd: 4w-0p-4s
Sl: 0w-0p-0s Hy: 0w-0p-0s

1/11 3L 12/03/11 FLEM 1200
GROUP1 58.0(L Nolen 7) 2/11
Crystal Lily 1:07.3 good

1/9 3.3L 19/02/11 FLEM 1000
WFA-G1 56.5(L Nolen 6) 2/7
Hay List 0:57.2 dead

1/7 4L 06/11/10 FLEM 1200
WFA-G1 56.5(B Melham 6) 9/10
Star Witness 1:07.9 dead

Comment: Bright prospects.

14:15:17 Next To Go
Geelong 5 4 min
Casino 12 8 min
Hatrack 1 9 min
Tamworth 5 11 min
Charlton 5 15 min

HOME HELP FULLSCREEN ACCOUNT LATEST RESULTS FOXTEL EXIT



TAB ACTIVE

Rapid growth potential (to Tabcorp)

Access to Austar customer base in late 2013 (700,000 new subscribers)

FOXTEL launching a new broadband enabled IQ3 set top box in late 2013

Faster access to login to account with no reliance on phone line

Enhanced & premium form guides

Video service possibilities e.g. race replays, video form, mosaic video streams, photo finishes, trial replays etc.

Additional services such as: Sports betting, Betting in the run, Expansion to TVN,

Leverage Trackside & Keno

International opportunities



Smart TV Applications

Sportingbet

Live on Samsung Platform

In Q&A at LG – to go live soon

Betfair

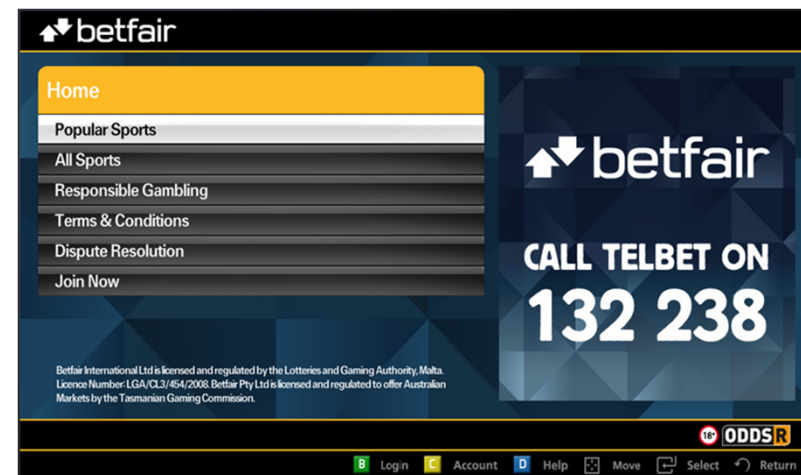
Live on Samsung Platform

Development to be completed for LG

Other development opportunities

Additional wagering operators

New content providers & channels





Way2bet

Key Initiatives launched

Redesigned website, mobi site & launched Android app

Additional operational websites deployed including www.aussierulesbestbet.com.au.

www.rugbyleaguebestbet.com.au, www.footballbestbet.com.au &

www.bookiebestbet.com.au

10 additional template websites launched ready for expansion e.g.

www.horseracingbestbet.com.au plus 33 domains redirected to key sites

Continued improvements to our CMS

Key SEO & Social Media strategy implemented

This has resulted in significant increases of way2bet's performance across all key performance indicators this calendar but more so Spring Carnival

“Scorcher” iPhone App

Designed, developed and sponsored the Live Scores Sports App in partnership with Austereo (Triple M)



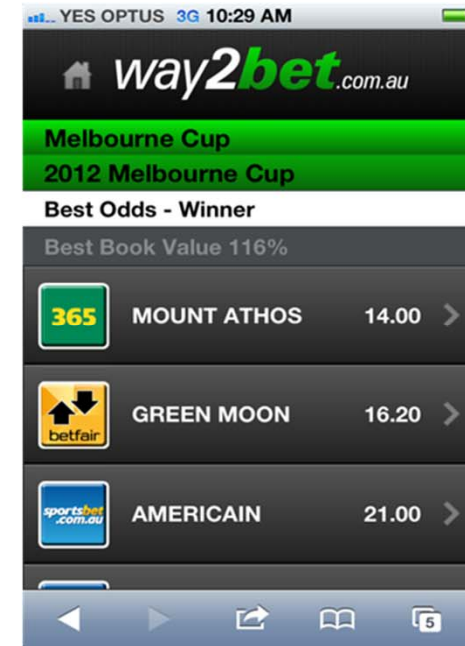
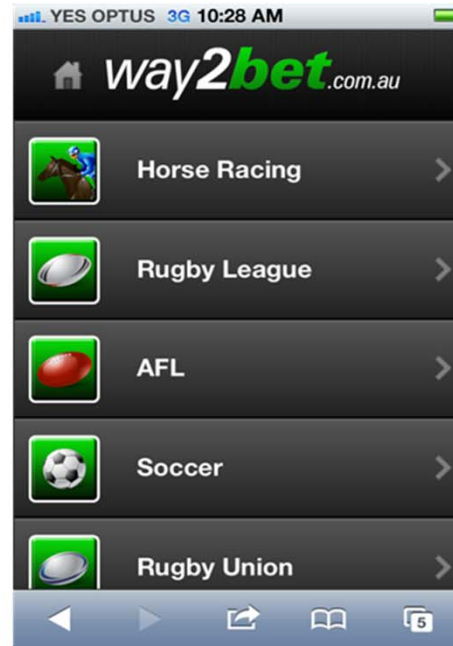
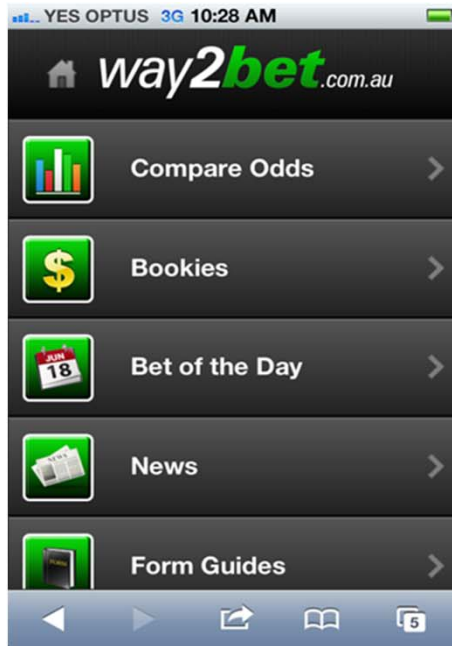
Way2bet



CORPORATE BOOK MAKERS



Way2bet Mobi





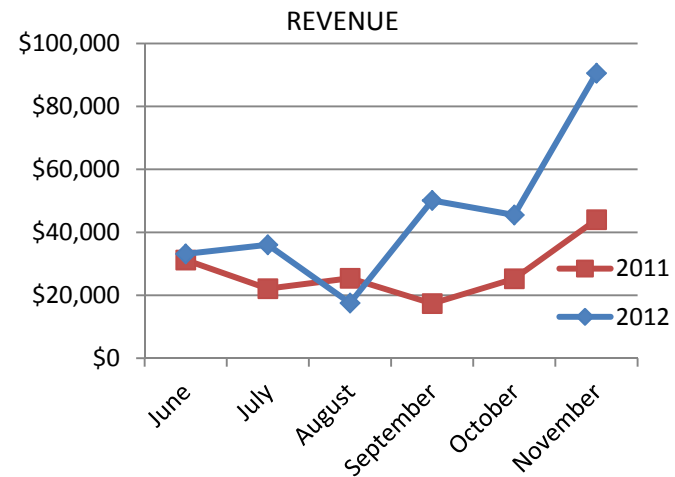
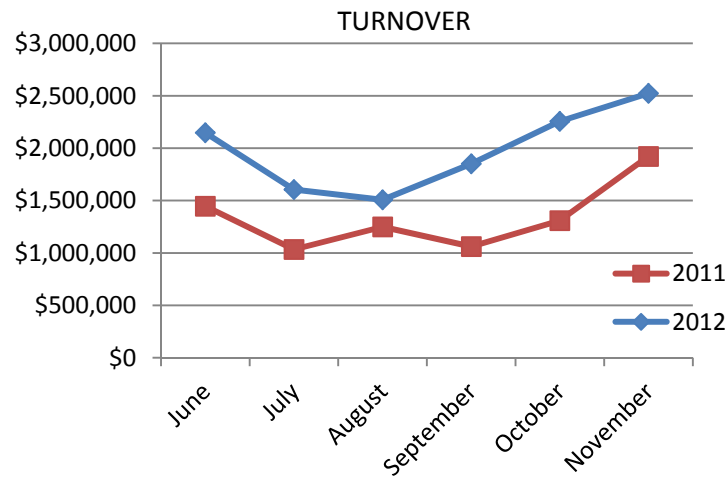
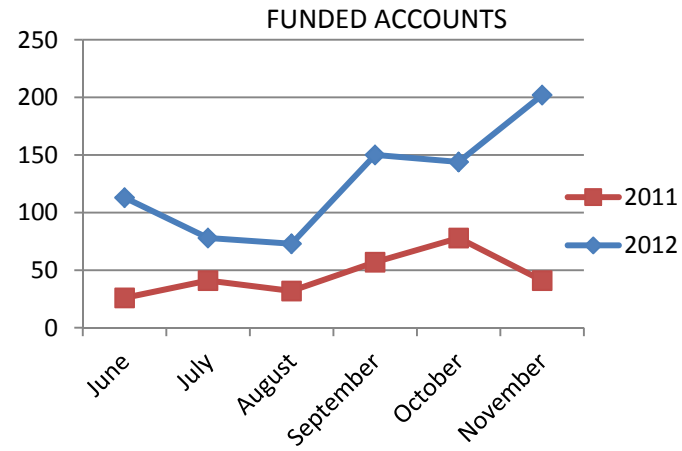
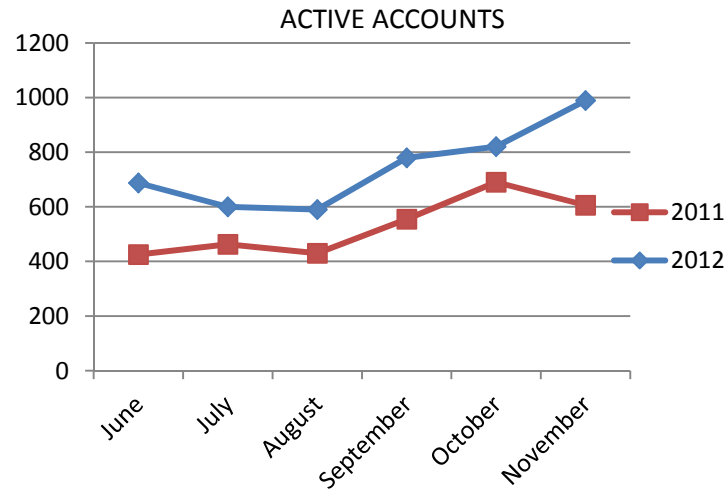
Way2bet Social Media



- Facebook followers - over 5,000
- Twitter followers - over 3,000
- You Tube views - over 22,000



Way2bet Performance





Scorcher – iPhone App



Over 10,000 downloads to date



Games

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

Also operate an IPTV games service on the Do Como platform





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 interactive TV
Chat app on FOX8 (“ANTM”)



Summary

TAB ACTIVE – TV Betting

Smart TV Apps – Wagering & Bespoke Development

Way2bet Sites (online)

Mobile Phone Apps – iPhone, iPad & Android

Interactive Games

Unique IP & Technology

QUESTIONS & ANSWERS