

Offer Booklet - Entitlement Offer

BuildingIQ, Inc.

ARBN 605 422 160

**Offer of 1 for 1 non-renounceable pro-rata
entitlement offer of CDIs at an issue price of
\$0.045 per new CDI**

The Entitlement Offer closes at 5.00pm (Sydney time) on **Friday 19 January 2018**

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the Corporations Act 2001 (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities & Investments Commission (**ASIC**). Please call your professional adviser if you have any questions.

Is this Booklet relevant to you?

This Offer Booklet is relevant to you if you are an Eligible Securityholder of BuildingIQ, Inc (**Building IQ**).

In this Offer Booklet, references to “you” are references to Eligible Securityholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Securityholders.

Eligible Securityholders are those persons who:

- are registered as a holder of CDIs and/or Shares as at the Record Date, being 7.00pm (Sydney time) on Wednesday 20 December 2017;
- have a registered address on the BuildingIQ CDI register in Australia, New Zealand, Germany, France, the Cayman Islands or the British Virgin Islands and certain other jurisdictions in which the Company has decided to extend the Offer (**Eligible Countries**);
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds CDIs and/or Shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Important Notices

Defined terms used in these important notices have the meaning given in this Offer Booklet.

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Future performance and forward looking statements

This Offer Booklet contains certain forward looking statements including but not limited to projections, guidance on future revenues, earnings, estimates, the outcome and effects of the entitlement offer and the use of proceeds and the future performance of BuildingIQ. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements include those containing words such as: “anticipate”, “believe”, “expect”, “estimate”, “should”, “will”, “plan”, “could”, “may”, “intends”, “guidance”, “project”, “forecast”, “target”, “likely” and other similar expressions. Any forward looking statements, opinions and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of BuildingIQ. This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results may differ materially from those expressed or implied in such statements. Except as required by law or regulation, BuildingIQ undertakes no obligation to update these forward-looking statements.

To the maximum extent permitted by law, BuildingIQ and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of such information, or likelihood of fulfilment of any forward looking statement, and disclaim all responsibility and liability for these forward looking statements (including, without limitation, liability for negligence). Refer to the “Risks” section of this Offer Booklet for a summary of certain risk factors that may affect BuildingIQ. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The forward looking statements are based on information available to BuildingIQ as at the date of this Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), BuildingIQ undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Past performance

Investors should note that past performance, including past CDI price performance, cannot be relied upon as an indicator of (and provides no guidance as to) BuildingIQ's future performance including future CDI price performance.

Jurisdictions

This Offer Booklet and any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New CDIs have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States. The New CDIs issued under the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act. None of the Offer Booklet or any accompanying ASX announcements or the Entitlement and Acceptance Form may be distributed or released in the United States.

Times and dates

Times and dates in this Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney, Australia time. Refer to the "Key Dates" section of this Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (\$ or AUD).

Trading New CDIs

BuildingIQ will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New CDIs they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by BuildingIQ or the Share Registry or otherwise, or who otherwise trade or purport to trade New CDIs in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

Refer to the Important Information Section for details.

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Key dates

EVENT ¹	DATE
Announcement of the Entitlement Offer	Friday 15 December 2017
Record date (7pm Sydney time)	Wednesday 20 December 2017
Entitlement Offer opens (9am Sydney time)	Friday 22 December 2017
Entitlement Offer closes	Friday 19 January 2018
Issue Date for New CDIs under the Entitlement Offer	Thursday 25 January 2018
New CDIs under the Entitlement Offer commence trading on ASX on a normal settlement basis	Monday 29 January 2018

¹ This timetable is subject to change at BuildingIQ's absolute discretion. BuildingIQ reserves the right to amend the timetable for the Entitlement Offer without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, BuildingIQ reserves the right to extend the closing date of the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New CDIs. The commencement of quotation of New CDIs is subject to confirmation from ASX. Cooling off rights do not apply to an investment in New CDIs. You cannot withdraw your application once it has been accepted. Eligible Securityholders wishing to participate in the Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.

Enquiries

If you have any questions, please contact the Company Secretary, Lisa Jones, at BuildingIQ on +61 2 8324 7549 at any time between 8.15am to 5.30pm during the Offer Period, or consult your stockbroker, accountant or other independent professional adviser.

Options available to Eligible Securityholders

If you are an Eligible Securityholder you may take one of the following actions:

- take up all or part of your Entitlement; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you are a holder of CDIs and/or Shares who is not an Eligible Securityholder you are an Ineligible Securityholder. Ineligible Securityholders are not entitled to participate in the Offer.

Options available to you	Key considerations
<p>1. Take up all of your Entitlement and also apply for additional New CDIs under the Top Up Facility;</p> <p>2. Take up all of your Entitlement but not apply for additional New CDIs under the Top Up Facility;</p> <p>3. Take up part of your Entitlement, in which case the part not taken up will lapse.</p>	<ul style="list-style-type: none">• The New CDIs will rank equally in all respects with existing CDIs.• The Entitlement Offer closes at 5.00pm (Sydney time) on Friday 19 January 2018
<p>4. Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements</p>	<ul style="list-style-type: none">• If you do not take up your Entitlement, you will not be allocated New CDIs and your Entitlements will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.• If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up.

Key Details of the Offer

Overview of the Offer

Eligible Securityholders are being offered the opportunity to purchase 1 New CDI for every 1 existing CDI or Share held as at the Record Date of 7.00pm (Sydney time) on Wednesday 20 December 2017, at the offer price of \$0.045 (4.5 cents) per New CDI.

The Offer Price:

- represents a 35.71% discount on BuildingIQ's closing CDI price as quoted on the ASX on Wednesday 13 December 2017, the trading day immediately prior to BuildingIQ entering into a trading halt in connection with the Entitlement Offer; and
- represents a 30.77% discount to the 30 day Volume Weighted Average Price (VWAP) (calculated using the 30 days on which trades were recorded).

The Entitlement Offer is comprised of two components:

- **Entitlement Offer** – Eligible Securityholders will be allotted Entitlements under the Entitlement Offer which can be taken up in whole or in part. The Entitlements are non-renounceable. Eligible Securityholders who wish to take up their Entitlements can do so by specifying the number of New CDIs they wish to apply for on their Entitlement and Acceptance Form.
- **Top Up Facility** – Entitlements not taken up under the Entitlement Offer can be taken up by Eligible Securityholders who apply for New CDIs in excess of their pro rata entitlement. The issue of New CDIs under the Top Up Facility will be dependent on there being a shortfall on take up of pro rata entitlements under the Entitlement Offer. Eligible Securityholders who wish to apply for New CDIs under the Top Up Facility can do so by specifying the number of New CDIs they wish to apply for under the Top Up Facility on their Entitlement and Acceptance Form.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

If Eligible Securityholders submit applications under the Top Up Facility, any allocation of shortfall under the Top Up Facility amongst those applicants will be considered and determined by BuildingIQ's Board at its sole discretion.

Eligible Securityholders

The Entitlement Offer will be made to all persons who are registered as holders of BuildingIQ's CDIs and/or Shares as at the Record Date with a registered address in the Eligible Countries. Holders of CDIs and/or Shares with a registered address outside the Eligible Countries are Ineligible Securityholders and cannot participate in the Entitlement Offer.

Underwriting arrangements

The Entitlement Offer is partially underwritten. BuildingIQ has entered into an Underwriting Agreement with Exto Partners Pty Ltd (**Exto**) or the Underwriter, who holds BuildingIQ's CDIs, and Welas Pty Ltd (**Welas**), the largest holder of BuildingIQ's CDIs and Spenceley Management Pty Ltd, a holder of BuildingIQ's CDI, have agreed to act as sub-underwriters.

Further information in relation to the underwriting arrangements can be found on page 23.

No trading of Entitlements

Entitlements under the Entitlement Offer are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Eligible Securityholders who do not take up their Entitlement in full will not receive any value in respect of that part of the Entitlement that they do not take up.

How to Apply

Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New CDI for every 1 CDI or Share you held as at the Record Date of 7.00pm (Sydney time) on Wednesday 20 December 2017. If the result is not a whole number, your Entitlement will be rounded down to the nearest whole number of New CDIs.

If you have more than one registered holding of CDIs or Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New CDIs issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing BuildingIQ CDIs on issue.

Please note that the Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding CDIs or Shares on behalf of a person in the United States.

Nominees

The Entitlement Offer is being made to all Eligible Securityholders. BuildingIQ does not undertake to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of CDIs. Where any holder is acting as a nominee for a foreign person that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

Any person in the United States or any person that is or is acting for the account or benefit of a person in the United States with a holding through a nominee may not participate in the Entitlement Offer on behalf of such holders and the nominee must not take up any Entitlement or send any materials into the United States. BuildingIQ does not undertake to advise you on any foreign laws.

Consider the Entitlement Offer in light of your particular investment objectives and circumstances

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New CDIs offered under the Entitlement Offer. As a result, it is important for you to carefully read and understand the information on BuildingIQ and the Entitlement Offer made publicly available, prior to accepting all or part of your Entitlement or doing nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet, BuildingIQ's half year and annual reports and other announcements lodged with ASX (including announcements which may be made by BuildingIQ after publication of this Offer Booklet).

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer.

Options available to you

If you are an Eligible Securityholder, you may do any one of the following:

- take up all of your Entitlement and also apply for additional New CDIs under the Top Up Facility;
- take up all of your Entitlement but not apply for additional New CDIs under the Top Up Facility;
- take up part of your Entitlement, in which case the part not taken up will lapse; or
- do nothing, in which case all of your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you wish to take up all of your Entitlement or take up all of your Entitlement and participate in the Top Up Facility

If you decide to take up all of your Entitlement, or take up all of your Entitlement and participate in the Top Up Facility, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, so that they are received by the Share Registry by no later than 5.00pm (Sydney time) on **Friday 19 January 2018**.

If you apply to take up all of your Entitlement, you may also apply for additional New CDIs under the Top Up Facility. Amounts received by BuildingIQ in excess of the Offer Price multiplied by your Entitlement may be treated as an Application to apply for as many additional New CDIs as your Application Monies will pay for in full.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Reference Number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up all of your Entitlement or apply for additional New CDIs under the Top Up Facility and if your application is successful (in whole or in part) you will be issued your New CDIs on or about Thursday 25 January 2018. BuildingIQ's decision on the number of New CDIs to be issued to you will be final.

Any New CDIs not taken up by the Closing Date may be made available to those Eligible Securityholders who took up their full Entitlement and applied for additional New CDIs under the Top Up Facility. There is no guarantee that such security holders will receive the number of New CDIs applied for under the Top Up Facility, or any. New CDIs will only be allocated to Eligible Securityholders if available and then only if and to the extent that BuildingIQ so determines, in its absolute discretion.

BuildingIQ also reserves the right (in its absolute discretion) to reduce the number of New CDIs issued to Eligible Securityholders, or persons claiming to be Eligible Securityholders, if BuildingIQ believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to BuildingIQ's satisfaction.

If you wish to take up part of your Entitlement

If you decide to take up only part of your Entitlement, and allow the balance to lapse, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, so that they are received by the Share Registry by no later than 5.00pm (Sydney time) on **Friday 19 January 2018**.

BuildingIQ will treat you as applying for as many New CDIs as your payment will pay for in full. If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Reference Number on your personalised

Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up and pay part of your Entitlement before the close of the Entitlement Offer you will be issued your New CDIs on or about Thursday 25 January 2018. BuildingIQ's decision on the number of New CDIs to be issued to you will be final.

BuildingIQ also reserves the right (in its absolute discretion) to reduce the number of New CDIs issued to Eligible Securityholders, or persons claiming to be Eligible Securityholders, if BuildingIQ believes their claims to be overstated or if they or their nominees fail to provide information to substantiate their claims to BuildingIQ's satisfaction.

If you take no action

If you take no action you will not be allocated New CDIs and your Entitlement will lapse. Your Entitlement to participate in the Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Eligible Securityholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

Eligible Securityholders who do not participate fully in the Entitlement Offer will have their percentage holding in BuildingIQ reduced.

Payment

The method of acceptance of the Entitlement Offer will depend on your method of payment being:

- by BPAY[®]; or
- by cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued.

BuildingIQ will treat you as applying for as many New CDIs as your payment will pay for in full up to your Entitlement.

Any Application Monies received for more than your final allocation of New CDIs will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

Payment by BPAY[®]

For payment by BPAY[®], please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Reference Number). You can only make a payment via BPAY[®] if you are the holder of an account with an Australian financial institution that supports BPAY[®] transactions.

Please note that should you choose to pay by BPAY[®]:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in the Important Information Section of this Offer Booklet; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New CDIs which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY[®] payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Friday 19 January 2018. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

Please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have more than one holding of CDIs, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that Entitlement and Acceptance Form.

Any Application Monies received for more than your final allocation of New CDIs will be refunded on or around Tuesday 30 January 2018 (except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by BuildingIQ). No interest will be paid on any Application Monies received or refunded.

Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to "BuildingIQ, Inc." and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- for an amount equal to \$0.045 multiplied by the number of New CDIs that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in any other currency.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies as your cheques will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of New CDIs you have applied for in your personalised Entitlement and Acceptance Form in full, you will be taken to have applied for such lower number of whole New CDIs as your cleared Application Monies will pay for (and taken to have specified that number of New CDIs on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

Any Application Monies received for more than your final allocation of New CDIs will be refunded on or around Tuesday 30 January 2018 (except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by BuildingIQ). No interest will be paid on any Application Monies received or refunded.

Mail

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, on 5.00 pm (Sydney time) on Friday 19 January 2018. If you make payment via cheque, bank draft or money order you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies using the reply paid or self-addressed envelope provided with this Offer Booklet, or deliver to:

BuildingIQ, Inc.
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Australia

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at BuildingIQ's registered or corporate offices, or other offices of the Share Registry.

As described above, where you have more than one holding of CDIs, you will be sent more than one personalised Entitlement and Acceptance Form, and must complete the relevant Entitlement and Acceptance Form for each separate Entitlement you hold.

Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to BuildingIQ that you are an Eligible Securityholder and:

- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet, and BuildingIQ's constituent documents (including its certificate of incorporation, as amended, and by-laws);
- authorise BuildingIQ to register you as the holder(s) of New CDIs allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;

- acknowledge that once BuildingIQ receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New CDIs specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New CDI;
- authorise BuildingIQ, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New CDIs to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the CDIs or Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New CDIs are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in BuildingIQ and is given in the context of BuildingIQ's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Risks" section of this Offer Booklet, and that investments in BuildingIQ are subject to risk;
- acknowledge that none of BuildingIQ, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of BuildingIQ, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of CDIs on the Record Date;
- authorise BuildingIQ to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of BuildingIQ, the Underwriter and their respective related bodies corporate and affiliates) that you are not an Ineligible Holder and are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New CDIs and that you are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that you and each person on whose account you are acting are not in the United States;
- you and each person on whose account you are acting understand and acknowledge that the New CDIs have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States and accordingly that the New CDIs may not be offered, sold or otherwise transferred to, persons in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. You further acknowledge that the New CDIs may only be offered, sold or resold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S under the Securities Act;
- you are subscribing for Entitlements and/or purchasing New CDIs outside the United States (i.e. in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S under the Securities Act);
- you have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States or any person acting for the account or benefit of a person in the United States or any other country outside the Eligible Countries.

- if in the future you decide to sell or otherwise transfer the New CDIs, you will only do so in transactions exempt from, or not subject to, the registration requirements of the Securities Act; notwithstanding the foregoing, after the quotation of the New CDIs commences, you may sell such New CDIs on the ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand (or any other Eligible Country) and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person.

Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions, please contact the Company Secretary, Lisa Jones, by email at lisajones@buildingiq.com, during the Offer Period or by phone on (02) 8324 7549. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

Risk Factors

This section identifies what the Directors regard as major risks, which may materially and adversely affect the future operating and financial position of BuildingIQ and the value of CDIs. You should carefully consider the following risk factors, as well as the other information contained in this Offer Booklet before making an investment decision.

The Directors assessment of risks was based on the knowledge as at the date of this Offer Booklet and there is no assurance that the relative importance of the various risks will not change.

Company-specific risks

Development of the market for the Company's products and solutions

BuildingIQ's near-term and long-term success will depend to a substantial extent on the willingness and ability of organisations to pursue building energy efficiency and demand response initiatives that ultimately reduces energy spend through reductions in overall consumption and/or demand charges. The level of investment in building energy efficiency and demand response products, services, and technologies is influenced in part by regulations and market conditions, including government mandates and incentives, building codes and standards, and the market price of energy. Changes in such regulations or market conditions are outside the control of BuildingIQ and adverse changes to some or all of these are likely to have a negative effect on organisations' desire to invest in energy efficiency and demand response initiatives and, as a result, the growth rate of the industry and BuildingIQ.

Ability to achieve profitability

BuildingIQ has incurred losses in the past as it has invested in sales and marketing in the USA, Australia (and new markets including Singapore) and R&D to develop the 5i platform technology. BuildingIQ expects that losses and negative operating cash flows will continue in the near-term. Many of these expenses relate to prospective customers that may never contract with BuildingIQ, as well as new product capabilities that may fail to achieve desired results or that may not generate revenue until later periods, if at all. BuildingIQ will need to grow its customer base and manage its costs to scale its revenue and gross profit margin to a level where it is able to operate profitably yet there can be no assurance that the anticipated growth and profitability will be achieved with the proceeds received from the issue of New CDIs, or at all.

Variable cashflows

BuildingIQ is an early stage company with limited revenue and a limited number of customer contracts compared to a larger corporation. Some of BuildingIQ's contracts are with larger corporate customers and utilities. These customers have a position of strength which they may use to defer payments or attempt to renegotiate payment terms which may impact the timing of BuildingIQ's cash inflows or its ability to collect receivables at all. Some of BuildingIQ's contracts have delayed payments based on deliverables and others have 'true-up' components based on performance. Each of these impact the timing of cashflows.

Limited operating history

BuildingIQ has a limited operating history in an evolving market that may not develop as expected. It is, therefore, difficult to assess or forecast future prospects. BuildingIQ will continue to encounter risks and uncertainties frequently experienced by early stage growing technology companies. If BuildingIQ's assumptions regarding these risks and uncertainties are incorrect, or if BuildingIQ does not address these risks successfully, then BuildingIQ's financial results and results of operations may differ materially from expectations.

Changes to regulations affecting utilities and their rebate incentives

Presently, a portion of BuildingIQ's revenue is derived through electricity utilities and/or via rebate incentives that electricity utilities offer for adoption of its services. BuildingIQ currently expects utilities and the rebates they offer to be a portion of its future revenue. Utilities are subject to many laws and regulations. Applicable laws and regulations govern utility demand for energy efficiency and demand response solutions as well as rebate incentives themselves, the data that BuildingIQ is able to handle and collect and the way that BuildingIQ can contact utility customers, among many other things. Prospective customers may be required to gain approval from any of these organisations prior to implementing BuildingIQ's solutions, which could delay BuildingIQ's ability to generate sales, collect cash, or recognise revenue. Changes in regulatory conditions could also reduce a utility customer's interest in or ability to implement BuildingIQ's products and solutions.

Sales cycles and implementation times can be complex, lengthy, and require significant resources

Sales cycles for BuildingIQ's products are typically around 6 to 9 months, but can be longer. Customers are often large organisations that have extensive budgeting, procurement, competitive bidding, technical and performance reviews and potentially, approval processes that can slow down the sales process, at times by months. In many instances, a customer may require one or more pilot programs to test BuildingIQ's products and solutions before committing to a larger deployment. These pilot programs may be quite lengthy and provide no assurance that they will lead to a larger deployment or future sales. The implementation and deployment of these solutions can vary due to contract negotiations and challenges with implementation or to critical dependencies, such as the installation of other products, including smart meters. Further, the implementation and deployment of BuildingIQ technology often involves multiple parties from different organisations such as building owners, tenants, facilities managers, and Building Management Systems (BMS) vendors, among others, which may cause delays and require additional resources. These delays may lengthen sales cycles and the realisation of revenue from customers.

Failure to respond to technological changes

BuildingIQ's industry is highly competitive and characterised by new and rapidly evolving technologies, techniques, standards, regulations, customer requirements and frequent product introductions. Accordingly, results of operations depend, among other things, upon BuildingIQ's ability to develop and introduce new products and solutions, as well as the ability to improve existing products. The process of developing new technologies and products is complex and may be costly. If BuildingIQ is unable to develop existing products or if BuildingIQ is unable to develop new products that keep pace with technological developments or industry standards, its business could be harmed.

Ability to deliver measurable outcomes for customers

BuildingIQ's ability to deliver expected energy efficiency results is dependent on numerous factors that include, but are not limited to, the effectiveness of BuildingIQ's approach and products, the cost of alternate sources of energy savings and the availability of data. BuildingIQ may not be able to continue to deliver valuable measurable outcomes or to prove that outcomes can be achieved in a manner satisfactory to its customers, such as the level of energy savings that are attributable to BuildingIQ, and this may become more difficult over time. If BuildingIQ's ability to deliver results were to change, or if customers could not be convinced that the results were correlated with their purchase of BuildingIQ's products, then its results of operations may be adversely affected.

Ability to retain customers and maintain satisfaction

BuildingIQ's ability to grow depends in part on its ability to expand its business with existing customers. BuildingIQ has limited historical data with respect to rates of customer renewals, upgrades and expansions. Customers' renewal rates may decline or fluctuate because of several factors, including their satisfaction or dissatisfaction with BuildingIQ's solutions, the prices of the solutions, the prices of solutions offered by competitors or reductions in customers' spending levels. Customers may not renew their subscriptions, may renew on less favourable terms than previously, or may not purchase additional functionality or subscriptions at all.

BuildingIQ operates in an industry where reputation is particularly important. BuildingIQ's customers often serve as references for each other and discuss the performance of energy saving products and solutions with each other. Consequently, BuildingIQ's marketing efforts depend in part on current customers providing positive references. The loss or dissatisfaction of any customer could harm BuildingIQ's brand and reputation, inhibit the market acceptance of its products and solutions and impair its ability to attract new customers or maintain existing ones.

Competition

BuildingIQ's market involves rapidly changing technologies, evolving regulatory requirements and industry expectations, frequent new product introductions and changes in customer requirements. BuildingIQ competes with other suppliers of energy management software. Competitors may have substantially greater financial, marketing, technological and other resources than BuildingIQ. As BuildingIQ expands into new geographic regions, it expects to face competitors that are more established in those regions.

Disruption to Internet services or cloud hosting service providers

BuildingIQ currently utilises data centre facilities located in the United States. These facilities may be vulnerable to damage or interruption, among other things, from fire, natural disaster, power loss, telecommunications failure, war, acts of terrorism, unauthorised entry, human error and computer viruses or other defects. They may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct.

BuildingIQ relies on software and hardware technology provided by third parties. Any failure of the third-party hardware and software could result in significant and lengthy interruptions to BuildingIQ's business. Such interruptions would harm BuildingIQ's reputation and its ability to attract new customers.

Data loss, theft or corruption

BuildingIQ provides its services online through the 5i Platform. Hacking or exploitation of some unidentified vulnerability in the 5i Platform could lead to loss, theft or corruption of data.

This could render the 5i Platform unavailable for a period of time while data is restored. It could also lead to unauthorized disclosure of users' data, with associated reputational damage.

Although BuildingIQ has strategies and protections in place to try to minimize security breaches and to protect data, these strategies might not be successful. In the event, disruption to the 5i Platform and unauthorized disclosure of data could negatively impact upon BuildingIQ's revenues and profitability.

Hacker attacks

BuildingIQ relies upon the availability of the 5i Platform to provide services to its Customers and to attract new customers. Hackers could render the 5i Platform unavailable through a distributed denial of service attack or other disruptive attack.

Although BuildingIQ has strategies in place to minimize such attacks, these strategies may not be successful. Unavailability of the 5i Platform could lead to a loss of revenue while BuildingIQ is unable to provide its services. Further, it could hinder BuildingIQ's ability to retain existing users, increase their activity on the 5i Platform and attract new users, potentially having a material adverse impact on BuildingIQ's business.

Ability to protect and enforce BuildingIQ's intellectual property

In order to establish and protect its intellectual proprietary rights, BuildingIQ relies on a combination of patent, trademark, trade dress, copyright, competition and trade secret laws, as well as confidentiality procedures and contractual restrictions. These laws, procedures and restrictions provide only limited protection and any of BuildingIQ's intellectual property rights may be challenged, invalidated, circumvented, infringed upon or misappropriated. Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States and Australia; therefore, in certain jurisdictions, BuildingIQ may be unable to protect its proprietary technology adequately against unauthorised third-party copying, infringement or use, which could harm its competitive position. BuildingIQ may be required to spend significant resources to monitor and protect its intellectual property rights. In order to protect or enforce its patent rights, trade secrets, or know-how, BuildingIQ may initiate against third parties intellectual property litigation or other proceedings, such as infringement suits or interference proceedings. Any lawsuits or proceedings could be expensive, take significant time, and divert management's attention from other business concerns. BuildingIQ may not prevail in any lawsuits or other proceedings that it initiates and the damages or other remedies awarded, if any, may not be commercially valuable. The occurrence of any of these events may harm BuildingIQ's business, financial condition and results of operations.

Subscription Services revenue reporting dampens immediate impact of downturns or upturns in new sales

BuildingIQ generally recognises subscription services revenue from customers in equal instalments over the terms of their contracts, which typically range from one to three years. As a result, most of the subscription revenue reported in each period is derived from the recognition of deferred revenue, relating to subscriptions entered into during previous periods. Consequently, a decline in new or renewed subscriptions in any single period will likely have only a small impact on revenue results for that period, but will negatively affect revenue in future periods. Accordingly, the effect of significant downturns in sales and renewals and potential changes in pricing policies may not be identified until future periods. BuildingIQ may not be able to adjust its cost structure to reflect the changes in revenue.

The majority of BuildingIQ's costs are expensed as incurred. As a result, increased growth in the number of customers could result in the recognition of more costs than revenue in the earlier financial periods. The subscription model also makes it difficult for BuildingIQ to rapidly increase revenue through additional sales in any period, as revenue from new customers is generally recognised over the applicable subscription term.

Key person risk and need to attract and retain skilled staff

BuildingIQ's success and future growth depend on the skills, working relationships and continued services of its management team and other key personnel. BuildingIQ is an early stage business with a small senior management team. The loss of any member of the senior management team could harm the business. The CEO and management may terminate their employment relationship with BuildingIQ at any time and their knowledge of BuildingIQ's business and industry would be difficult to replace.

BuildingIQ will need to hire new personnel as the business grows. Competition for such personnel is intense and there can be no assurance that BuildingIQ would be successful in attracting and retaining such personnel. The costs associated with attracting and retaining such personnel may also exceed BuildingIQ's projections, which would have a negative impact on profitability.

Currency exchange rates

BuildingIQ operates internationally (currently in the US and Australia) and is exposed to fluctuations in the US Dollar-Australian Dollar exchange rate. BuildingIQ is currently expanding into the Pacific Rim region, specifically Singapore. Historically, the majority of BuildingIQ's revenue is in US dollars and approximately half of its costs are in Australian dollars. However, the mix of currencies representing BuildingIQ's revenue and costs will change over time. As the mix changes, it may introduce greater exposure and impacts to profitability in Australian dollar terms. BuildingIQ's financial statements are prepared and presented in Australian dollars and any appreciation in the Australian dollar against other currencies in which BuildingIQ derives revenue may adversely impact its financial performance and position.

Subject to US laws

BuildingIQ is a corporation incorporated in Delaware. As a result, it is subject to Delaware corporate laws and US laws generally which would be different if BuildingIQ was an Australian corporation listed on the ASX.

Business contracts risk

Some of BuildingIQ's customer agreements may be terminated by the customer for any reason, including for the customer's convenience following a specified notice period. Also, in limited circumstances, BuildingIQ may be required to provide refunds or sales credits in addition to the loss of future revenue from these customers. This may adversely impact BuildingIQ's revenue and profitability.

Acquisitions of other businesses, products, or technologies

In order to remain competitive, obtain key competencies or accelerate time to market, BuildingIQ may seek to acquire additional businesses, products or technologies. BuildingIQ has already completed a successful acquisition of the technology assets of Northwrite and, therefore, has experience in integrating additional businesses, products or technologies. However, any future acquisitions that BuildingIQ completes may not result in the synergies or other benefits that were expected, which could result in substantial write-offs. Further, it is important to note that contemplating or completing any further acquisitions and integrating an acquired business, product or technology will significantly divert management and employee time and resources from normal business operations.

Placement risk

As announced on Friday 15 December 2017, the Company is undertaking a capital raising by way of an institutional placement to raise approximately \$2,138,411 which is being managed by Canaccord Genuity (Australia) Limited. The issue of CDIs to investors under this placement (**Placement CDIs**) is conditional upon shareholder approval which BuildingIQ intends to seek at a special meeting of shareholders on 24 January 2018 and upon the completion of the Underwriting Agreement. If shareholder approval is not obtained or the Underwriting Agreement is terminated prior to completion, then BuildingIQ will not be able to issue the Placement CDIs and will not receive the placement monies of approximately \$2,138,411. This would negatively impact BuildingIQ's business and financial situation and its ability to meet its growth objectives. This may also cause BuildingIQ to scale back its investment in sales, marketing or R&D which may impact its future prospects.

General risks

There are risks associated with any investment in a security quoted on a public securities exchange such as the ASX. Some of these risks are listed below.

Stock market fluctuations

Stock market fluctuations in Australia and other stock markets around the world may negatively impact the CDI price. Factors that may influence the investment climate in stocks (which may not relate to actual performance of BuildingIQ) include general economic outlook, movements in commodity prices, exchange rate movements, interest rates, inflation and political developments.

Liquidity and realisation risks

There can be no guarantee that an active market for CDIs will develop or that the price of CDIs will increase. There may be relatively few buyers or a relatively high number of sellers of CDIs on the ASX at any given time. This may increase the volatility of the market price of CDIs. It may also affect the prevailing market price at which a CDI holder is able to sell their CDIs. This may result in CDI holders receiving a market price for their CDIs that is less than the price paid for their CDIs.

General economic conditions

Australian, United States and world economic conditions may negatively impact BuildingIQ's financial performance. A prolonged deterioration in economic conditions could be expected to have a material adverse impact on BuildingIQ.

Taxation

Changes in tax legislation and regulation or their interpretation in each jurisdiction in which BuildingIQ operates may adversely affect the value of an investment in CDIs and may affect individual CDI holders differently.

Accounting standards

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this Offer Booklet may adversely impact BuildingIQ's reported financial statements.

Dividends

BuildingIQ has not paid any dividends in the past. The ability of BuildingIQ to pay any dividend is dependent on many factors including the outcome of BuildingIQ's commercialisation activities. Many of the factors that will affect BuildingIQ's ability to pay dividends and the timing of those dividends will be outside the control of BuildingIQ and its Directors. The Directors cannot give any assurance regarding the payment of dividends in the future.

Other risks

Other risks include those normally found in conducting business, including litigation resulting from breach of agreements or in relation to employees or any other cause.

The above list of risk factors should not be taken as exhaustive of the risks faced by BuildingIQ or by investors in BuildingIQ. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of BuildingIQ and the value of the CDIs.

Therefore, the CDIs to be issued pursuant to the Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those CDIs.

Important Information

This Offer Booklet and enclosed personalised Entitlement and Acceptance Form (**Offer Documents**) have been prepared by BuildingIQ and is dated 15 December 2017. The information set out in the Offer Documents remains subject to change without notice and BuildingIQ is not responsible for updating the Offer Documents to reflect any change.

There may be additional announcements made by BuildingIQ after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by BuildingIQ (by visiting the ASX website at www.asx.com.au) before submitting your application to take up your Entitlement.

No party other than BuildingIQ has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

This Information is important and requires your immediate attention.

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the "Risks" section of this Offer Booklet, any of which could affect the operating and financial performance of BuildingIQ or the value of an investment in BuildingIQ.

You should consult your stockbroker, accountant or other independent professional adviser to evaluate whether or not to participate in the Entitlement Offer.

What are the CDIs?

The ASX uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. BuildingIQ is incorporated in the State of Delaware in the US, which does not recognise the CHESS system of holding securities. Accordingly, to enable companies such as BuildingIQ to have their securities cleared and settled electronically through CHESS, depositary instruments called CDIs are issued. CDIs represent beneficial interests in the underlying Common Stock and are traded in a manner similar to shares of Australian companies listed on ASX.

Eligible Securityholders

The Offer Documents contain an offer of New CDIs to Eligible Securityholders in the Eligible Countries and has been prepared in accordance with section 708AA of the Corporations Act, as modified by ASIC Class Order [CO 14/827].

Eligible Securityholders are those persons who:

- are registered as a holder of CDIs and/or Shares as at the Record Date, being 7.00pm (Sydney time) on Wednesday 20 December 2017;
- have a registered address on the BuildingIQ CDI register and/or share register in the Eligible Countries;
- are not in the United States, and are not acting for the account or benefit of a person in the United States (to the extent such person holds CDIs or Shares of BuildingIQ for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

If you are a holder of CDIs and/or Shares who does not satisfy each of the criteria listed above, you are an Ineligible Securityholder. BuildingIQ reserves the right to determine whether a holder of CDIs and/or Shares is an Eligible Securityholder or an Ineligible Securityholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Securityholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

BuildingIQ has decided that it is unreasonable to make offers under the Entitlement Offer to Securityholders of CDIs and/or Shares who have registered addresses outside Australia and New Zealand, having regard to the number of such

holders in those places and the number and value of the New CDIs that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places. BuildingIQ may (in its absolute discretion) extend the Entitlement Offer to holders of CDIs and/or Shares who have registered addresses outside the Eligible Countries (except the United States) in accordance with applicable law.

Ranking and transfer of New CDIs

New CDIs issued under the Entitlement Offer will rank equally with existing CDIs. New CDIs will be entitled to any dividends payable to CDI holders on a record date after the date of issue. The rights and liabilities attaching to the New CDIs are set out in BuildingIQ's constituent documents (including its certificate of incorporation, as amended, and its by-laws), a copy of which is available at www.asx.com.au.

In order to enforce transfer restrictions applicable under the securities laws of the United States, all CDIs (including CDIs on issue prior to the Entitlement Offer) will bear a "FOR US" designation on ASX. As a result of the imposition of the "FOR US" designation, all holders of CDIs in BuildingIQ will be restricted from selling their CDIs on ASX to United States persons.

Reconciliation, Top-Up CDIs and the rights of BuildingIQ and the Underwriter

The Entitlement Offer is a complex process and in some instances investors may believe that they own more CDIs or Shares than they ultimately did as at the Record Date or are otherwise entitled to more New CDIs than initially offered to them. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that BuildingIQ may need to issue additional New CDIs (**Top-Up CDIs**) to ensure that the relevant investors receive their appropriate allocation of New CDIs. The price at which these Top-Up CDIs would be issued would be the Offer Price.

BuildingIQ also reserves the right to reduce the size of an Entitlement or number of New CDIs allocated to Eligible Securityholders, or persons claiming to be Eligible Securityholders or other applicable investors, if BuildingIQ believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, BuildingIQ may, in its discretion, require the relevant holder to transfer excess New CDIs to the Underwriter or to BuildingIQ at the Offer Price per New CDI. If necessary, the relevant holder may need to transfer existing CDIs held by them or to purchase additional CDIs on-market to meet this obligation. The relevant holder will bear any and all losses caused by subscribing for New CDIs in excess of their Entitlement and any actions they are required to take in this regard.

By applying under the Entitlement Offer, those doing so irrevocably acknowledge and agree to do the above as required by BuildingIQ in its absolute discretion. Those applying acknowledge that there is no time limit on the ability of BuildingIQ to require any of the actions set out above.

Notice to nominees and custodians

If BuildingIQ believes you hold CDIs as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Entitlement Offer is not available to, and they must not purport to accept the Entitlement Offer in respect of, Ineligible Securityholders.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

BuildingIQ is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing CDIs, Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary, including following acquisition of Entitlements on ASX or otherwise, complies with applicable foreign laws. BuildingIQ is not able to advise on foreign laws.

Continuous Disclosure

BuildingIQ is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

BuildingIQ is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, BuildingIQ has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information

of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of its CDIs. That information is available to the public from ASX.

Not investment advice

This Information is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. BuildingIQ is not licensed to provide financial product advice in respect of the New CDIs. This Information does not purport to contain all the information that you may require to evaluate a possible application for New CDIs, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with BuildingIQ's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au.

Before deciding whether to apply for New CDIs, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

Nominees and custodians may not distribute any part of this Offer Booklet in the United States or in any other country outside the Eligible Countries to beneficial holders of CDIs and/or Shares in other countries (other than the United States) where BuildingIQ may determine it is lawful and practical to make the Entitlement Offer.

Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New CDIs.

Quotation and trading

BuildingIQ has applied to the ASX for official quotation of the New CDIs in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New CDIs, BuildingIQ will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New CDIs allotted under the Entitlement Offer will commence at 10.00am (Sydney time) on Monday 29 January 2018.

Information availability

Eligible Securityholders in the Eligible Countries can obtain a copy of these Offer Documents during the Offer Period on the BuildingIQ website at www.buildingiq.com/investor-relations/. Eligible Securityholders who access the electronic version of the Offer Documents should ensure that they download and read all of the Offer Documents in their entirety. The electronic version of the Offer Documents on the BuildingIQ website will not include a personalised Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be obtained during the Offer Period by emailing the Company Secretary, Lisa Jones, at lisajones@buildingiq.com.

Governing law

The Offer Documents, the Entitlement Offer and the contracts formed on acceptance of the Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New CDIs submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

Foreign jurisdictions

This Information has been prepared to comply with the requirements of the securities laws of the Eligible Countries. BuildingIQ is not able to advise on the laws of any other foreign jurisdictions. To the extent that you hold CDIs or Entitlements on behalf of another person resident outside the Eligible Countries it is your responsibility to ensure that any participation (including for your own account or when you hold CDIs or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

The information contained in the Offer Documents does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify

the Entitlement Offer, the Entitlements or the New CDIs, or otherwise permit the public offering of the New CDIs, in any jurisdiction other than the Eligible Countries.

The distribution of the Offer Documents (including an electronic copy) outside the Eligible Countries may be restricted by law. If you come into possession of any Offer Documents, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The New CDIs (and any Additional New CDIs) are not being offered or sold to the public within New Zealand other than to existing holders of CDIs and/or Shares with registered addresses in New Zealand to whom the offer of New CDIs (and Additional New CDIs) is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand). This Offer Booklet has not been registered, filed or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This Offer Booklet is not a product disclosure statement under New Zealand law, and may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

The offer of the New CDIs (and Additional New CDIs) will comply with the laws of Australia applicable to the offer of the New CDIs (and Additional New CDIs).

The taxation treatment of Australian securities is not the same as for New Zealand securities. The offer of the New CDIs (and Additional New CDIs) may involve a currency exchange risk as they will be quoted on the ASX in Australian dollars.

United States

The New CDIs have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The New CDIs may not be offered or sold, directly or indirectly, to persons in the United States or to persons that are acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States. The New CDIs in the Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The distribution of this Offer Booklet outside Australia may be restricted by law. In particular, this Offer Booklet or any copy of it must not be taken into or distributed or released in the United States. Persons who come into possession of this document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Germany

This Offer Booklet has not and will not be submitted to for approval to the German Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin*) and does not contain or constitute a public offer of, or the solicitation of a public offer to buy or subscribe for, New CDIs to investors in Germany. The subscription of New CDIs by German investors is generally not possible.

In Germany, the offer or the solicitation of an offer to buy or subscribe for, New CDIs contained in this Offer Booklet is exclusively addressed to qualified investors in the meaning of the Prospectus Directive and Section 2 No. 6 German Securities Prospectus Act (*Wertpapierprospektgesetz - WpPG*).

This Offer Booklet and any other document relating to the New CDIs, as well as any information contained therein, must not be supplied to the public in Germany or used in connection with any offer for subscription of the New CDIs to the public in Germany, any public marketing of the New CDIs or any public solicitation for offers to subscribe for or otherwise acquire New CDIs. This Offer Booklet and other materials relating to the offer of New CDIs are strictly confidential and may not be distributed to any person or entity other than the designated recipients thereof.

France

The New CDIs are not offered or sold, and will not be offered or sold, in the context of a public offering of financial securities (*offre au public de titres financiers*) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) and Articles 211-1 et seq. of the General Regulation of the French *Autorité des marchés financiers* (the "AMF"). The New CDIs may not be offered or sold, directly or

indirectly, to the public in France. The New CDIs may only be offered or sold in France to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

This Offer Booklet and any other offering material relating to the New CDIs have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New CDIs cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Cayman Islands

This document shall not constitute an offer, invitation or solicitation to any member of the public in the Cayman Islands to subscribe for any of the New CDIs.

British Virgin Islands

Nothing in the Offer Booklet is intended to and shall not constitute an offer, invitation or solicitation to any member of the public in the British Virgin Islands for purposes of the Securities and Investment Business Act of the British Virgin Islands.

Underwriting

BuildingIQ has entered into the Underwriting Agreement with the Underwriter, which has agreed to partially underwrite the Entitlement Offer and the placement to existing institutional securityholders to A\$3,000,000 (in aggregate) on the terms and conditions set out in the Underwriting Agreement. The obligations of the Underwriter are subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement. The Underwriting Agreement also contains terms that are customary in underwriting agreements of this type, including that:

- BuildingIQ will indemnify the Underwriter and its directors, officers, employees and advisers (**Indemnified Persons**) against all losses, expenses, damages, costs (on a solicitor and own client basis and whether incurred by or awarded against the Indemnified Persons), outgoings and payments that any of the Indemnified Persons may sustain or incur in connection with the Entitlement Offer or the Offer Documents;
- BuildingIQ and the Underwriter have each given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer;
- the Underwriter may terminate the Underwriting Agreement and be released from its obligations on the occurrence of certain events (in some cases, subject to the materiality of the relevant event), including (but not limited to) where:
 - approval for quotation of the New CDIs is not given by ASX;
 - certain changes are made to the timetable of the Entitlement Offer without the Underwriter's consent;
 - the All Ordinaries Index, the S&P/ASX 200 Index or the S&P/ASX Small Ords Index closes, on any 2 consecutive business days before the settlement date for the placement to institutional securityholders at a level that is 10% or more below the level on the last market close prior to the execution of the Underwriting Agreement (being 13 December 2017) (**Starting Level**), or closes on the business day before the closing date for the placement to institutional securityholders at a level which is 10% or more below the Starting Level;
 - BuildingIQ is in default of any of the terms and conditions of the Underwriting Agreement, or breaches any warranty or covenant given under the Underwriting Agreement, and that default or breach is not remedied within five business days;
 - BuildingIQ alters its capital structure, or alters its by-laws or any other constituent document, without the prior written consent of the Underwriter;
 - there is a material omission, a misleading or deceptive statement, or a forecast that becomes incapable of being met or unlikely to be met in the projected time, in an Offer Document; or
 - there is a material adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of BuildingIQ; and

- subject of shareholder approval, the Underwriter will receive remuneration from BuildingIQ for providing the underwriting services under the Underwriting Agreement through the issue of 4,603,899 new CDIs, and will also be entitled to reimbursement of certain expenses. If shareholder approval is not obtained the Company has agreed to pay to Exto (or its nominee) an underwriting fee of A\$207,175.

It is important to note that the Underwriter will be acting for and providing services to BuildingIQ in relation to the Entitlement Offer and placement to institutional securityholders, and will not be acting for or providing services to holders of CDIs and/or Shares. While the Underwriter is an existing holder of CDIs, the Underwriter has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with BuildingIQ. The engagement of the Underwriter by BuildingIQ is not intended to create an agency or other relationship between the Underwriter and holders of CDIs and/or Shares.

Privacy

As you are a holder of CDIs and/or Shares, BuildingIQ and the Share Registry have already collected certain personal information from you. If you apply for New CDIs, BuildingIQ and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New CDIs, service your needs as a holder of CDIs and/or Shares, provide facilities and services that you request and carry out appropriate administration.

To do that, BuildingIQ and the Share Registry may disclose your personal information for purposes related to your holdings to their agents, contractors or third party service providers to whom they outsource services, in order to assess your application for New CDIs, the Share Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation of the distribution of holder information and for handing of mail, or as otherwise under the *Privacy Act 1988* (Cth).

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by (or on behalf of) BuildingIQ or the Share Registry. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information by contacting BuildingIQ via email through the Share Registry at privacy@computershare.com.au

Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in these Offer Documents.

Any information or representation that is not in the Offer Documents may not be relied on as having been authorised by BuildingIQ, or its related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of BuildingIQ, or any other person, warrants or guarantees the future performance of BuildingIQ or any return on any investment made pursuant to this Information or its content.

Withdrawal of the Entitlement Offer

BuildingIQ reserves the right to withdraw all or part of the Entitlement Offer and the Offer Documents at any time, subject to applicable laws, in which case BuildingIQ will refund Application Monies in relation to New CDIs not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to BuildingIQ will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to BuildingIQ.

Glossary

In this Offer Booklet, the following words have the following meanings unless the context requires otherwise:

Term	Meaning
\$ or \$A	Australian dollars.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ACN 008 624 691 or, as the context requires, the market operated by it.
ASX Listing Rules	the official listing rules of the ASX as amended or replaced from time to time.
Board	the board of Directors of BuildingIQ.
BPAY®	the electronic payment facility by that name.
CDIs	CHESS Depositary Interests over Shares (with each CDI being equivalent to one Share).
CHESS	Clearing House Electronic Subregister System.
Closing Date	the deadline for accepting the Entitlement Offer, being Friday 19 January 2018.
Common Stock	fully paid shares of common stock in BuildingIQ.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Directors	the directors of BuildingIQ.
Eligible Securityholder	those holders of Shares and/or CDIs who are eligible to take up Entitlements under the Entitlement Offer, being holders that: <ul style="list-style-type: none"> are registered as a holder of CDIs and/or Shares as at the Record Date, being 7.00pm (Sydney time) on Wednesday 20 December 2017; have a registered address on the BuildingIQ CDI register in an Eligible Country; are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds CDIs for the account or benefit of such person in the United States); and are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.
Eligible Countries	Australia, New Zealand, Germany, France, the Cayman Islands, the British Virgin Islands, and certain other jurisdictions in which the Company has decided to extend the Offer.
Entitlement	the entitlements to acquire New CDIs offered to Eligible Securityholders under the Entitlement Offer.
Entitlement Offer	the pro rata non-renounceable entitlement offer to Eligible Securityholders outlined in this Offer Booklet.
Entitlement and Acceptance Form	the personalised form accompanying this Offer Booklet which may be used to make an application for New CDIs under the Entitlement Offer.
Ineligible Securityholder	a holder of CDIs and/or Shares who is not an Eligible Securityholder.
Issue Price	the price payable for each New CDI under the Entitlement Offer, being \$0.045 (4.5c).
New CDIs	the CDIs offered pursuant to the Entitlement Offer.

Offer Booklet	this Offer Booklet dated Friday 15 December 2017.
Offer Documents	this Offer Booklet and the personalised Entitlement and Acceptance Form.
Offer Period	the period beginning on the date on which the Entitlement Offer opens and ending on the Closing Date.
Record Date	7:00 PM Sydney time on Wednesday 20 December 2017.
Share Registry	Computershare Investor Services Pty Ltd.
Top Up Facility	the facility under which Entitlements not taken up under the Entitlement Offer can be taken up by Eligible Securityholders who apply for New CDIs in excess of their pro rata entitlement.
Underwriter	Exto Partners Pty Ltd.
US Securities Act	US Securities Act of 1933, as amended.

Corporate Directory

Directors

Alan Cameron
Tanya Cox
William Deane
Gerd Goette
Ken Pentimonti
Michael Nark

Company Secretary

Lisa Jones

BuildingIQ, Inc

ARBN: 605 422 166

US Headquarters:

2121 South El Camino Real, Suite 2000
San Mateo, California USA 94403

Australian Registered Office

Suite 1102
46 Market Street
Sydney NSW 2000

ASX Code

BIQ

Share Registry

Computershare Investor Services Pty Ltd
Level 4, 60 Carrington Street
Sydney NSW 2000

Legal Advisers

DLA Piper
Level 22, 1 Martin Place
Sydney NSW 2000

Auditors

BDO East Coast Partnership
Level 11
1 Margaret Street
Sydney NSW 2000

Underwriter

Exto Partners Pty Ltd
Suite 302, 19A Boundary Street
Rushcutters Bay NSW 2011
Tel: 02 9332 0600
Email: info@extopartners.com

Entitlement and Acceptance Form



For all enquiries:

Phone:
(within Australia) 02 9360 0602
(outside Australia) +61 2 9360 0602



BIQ


MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Non-Renounceable Entitlement Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (AEDT) Friday 19 January 2018**

This is an important document that requires your immediate attention. It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the securityholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you accept your full Entitlement, you can also apply for Additional New CDIs. Enter the number of New CDIs you wish to apply for and the amount of payment for those New CDIs.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Offer Booklet dated 15 December 2017.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**BuildingIQ, Inc.**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer →

Entitlement and Acceptance Form with Additional Shares

X 9999999991 I ND

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

For your security keep your SRN/HIN confidential.

Entitlement No: 12345678


Offer Details: Existing securities entitled to participate as at 20 December 2017:

Entitlement to New CDIs on a 1 for 1 basis:


Amount payable on full acceptance at \$0.045 per New CDI:

4,000
1
\$0.01

STEP 2 Make Your Payment

	Bill Code: 277855 Ref No: 1234 5678 9123 4567 89
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Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:
 Make your cheque, bank draft or money order payable to "BuildingIQ, Inc." and cross "Not Negotiable".
Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Lodgement of Acceptance
If you are applying for New CDIs and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEDT) Friday 19 January 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor BuildingIQ, Inc. accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.
If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEDT) Friday 19 January 2018. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. Other Eligible Securityholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor BuildingIQ, Inc. accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice
The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

BuildingIQ, Inc. Acceptance Payment Details

Entitlement taken up:	<input type="text"/>
Number of Additional New CDIs applied for:	<input type="text"/>
Amount enclosed at \$0.045 per New CDI:	A\$ <input type="text"/>



Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Payment must be received by 5:00pm (AEDT) Friday 19 January 2018

Contact Details

Contact Name	Daytime Telephone
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Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>