

ASX Announcement

26 July 2018

IOT to act as Advisor to UK Based Enigma Mining Ltd.

Highlights

- ✓ IOT Group Limited subsidiary, International Blockchain Advisory Corp Pty Ltd (IBAC) is to act as an Advisor for Enigma Mining Ltd. (EML). IOT's and IBAC's role is limited to an advisory role for the EML Blockchain Mining Project and the EML Initial Coin Offering (ICO)
- ✓ IBAC to receive 10 Bitcoins per month after the EML Initial Coin Offering (ICO) for the Term of the Binding Contract for ongoing Advisory Services regarding the EML Blockchain Mining Project.
- ✓ IBAC will receive within 30 days of signing this Binding Contract, an EML Token Certificate for 5 million EML Tokens (6.6% of the EML Tokens issued) for Advisory Services for the EML ICO.

INTERNATIONAL BLOCKCHAIN ADVISORY CORP (IBAC)

The IOT Group Limited (ASX: IOT) ("IOT" or "the Company") is pleased to announce that its subsidiary International Blockchain Advisory Corp Pty. Ltd (IBAC) (ibac.io) is advising EML to develop the EML Blockchain Mining Project and the EML ICO.

IBAC's role in this Project is to advise and introduce qualified technical management to complete the EML Blockchain Mining Project and to provide Advisory services for the EML ICO.

IOT's and IBAC's role is limited to an advisory role for the Blockchain solution. IOT will not itself directly, indirectly or jointly undertake the ICO and will remain as an advisor to EML. IBAC will not be participating in a Digital currency other than in receiving Tokens as compensation for services.

The Binding Contract Terms details that IBAC will receive 5 million EML Tokens as consideration for services and advising on EML's ICO with a proposed value of \$0.20USD per EML Token. IBAC will receive a Certificate for 5 Million EML Tokens within 30 days of signing the Binding Contract. IBAC will also receive 10 Bitcoins per month after the EML ICO for ongoing advisory services relating to the EML Blockchain Mining Project for the balance of the Binding Contract. This issue of EML Tokens and the Bitcoins represents the consideration for IBAC's provision of services under the Binding Contract. Subject to working capital requirements and prevailing investment market conditions, IOT will trade the EML Tokens and the Bitcoins on the relevant exchange to realise the cash value.

Investors should note that the basis for the EML Token valuation is, in fact, unknown at this stage and is only notional, and will only be known once the Tokens are planned to be listed on an exchange in Q4 this year. The Bitcoins received will have immediate value on all Crypto Exchanges. Furthermore, IBAC will receive a Certificate for 5 million tokens with a proposed value of \$0.20USD per unit within 30 days of signing the Binding Contract and that this Certificate constitutes an entitlement by IOT to be issued 5 million EML Tokens at the time EML issues the Tokens in connection with the EML ICO – which, if such EML ICO does not proceed, the effect is that the Certificate will no longer be effective. If the EML ICO does not proceed IOT will not be issued EML Tokens or Bitcoins and therefore IOT will not receive any monetary compensation for this project. Accordingly, there are significant risks associated with the Valuation of the Tokens and investors should be aware of these risks. IOT see this Binding Contract as significant, being IOT's Second Contract in this burgeoning market.

As noted above, IBAC has entered into a Binding Contract. IOT's and IBAC's role is limited to an advisory role and the development of the Blockchain solution.

A summary of the Binding Contract is contained in the Annexure to this announcement.

As previously announced on the ASX, International Blockchain Advisory Corp Pty. Ltd. (IBAC) will advise clients on how to use and benefit from the Blockchain protocol. IBAC will work with clients to develop Blockchain solutions and opportunities for their assets and businesses.

IBAC is taking the first mover advantage, rapidly expanding its blockchain capabilities and engaging with industry to both realise and drive the opportunities inherent in this new technology.

Commentary

Executive Director and Founder of IOT Group Limited: Sean Neylon comments:

“Another Blockchain deal for the IOT Group. IBAC is in the process of securing further clients to advise on how to develop a Blockchain solution for their business.”

Annexure

The following information is provided in relation to the Binding Contract:

- The Binding Contract is subject to no conditions precedent.
- In terms of the fees and timetable for implementing the transaction, the parties have agreed in this Binding Contract:
 - IBAC will begin to provide services upon signing of the Binding Contract.
 - IBAC will receive the following payment for Advisory Services given to EML:
 - 5,000,000 (Five Million) EML Tokens Certificate to be issued within 30 days of signing of the Binding Contract.
 - EML aims to list the EML Tokens on an exchange in Q4 of 2018 for a proposed value of US\$0.20 per token
 - IBAC will receive 10 Bitcoins per month after the EML ICO which is planned for Q4 2018.
 - The Term of the Binding Contract will continue for a period of two (2) years unless terminated earlier. EML may terminate the Binding Contract on 180 days written notice. All existing payments up to the Termination Date will remain the Property of IBAC. IOT have no Termination Rights during the Term of the Binding Contract.
- The Binding Contract does not contemplate the issue of securities or any changes to the board or senior management of IOT.
- No consideration is payable or was paid by or to IOT for entering into the Binding Contract.



EVERYTHING IS CONNECTED

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Company Information

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Sean Neylon	Founder and Executive Director
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Steven Kayalicos	Non-Executive Director
Elissa Hansen	Company Secretary

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All references to IOT Group includes its subsidiaries.