ASX Announcement

31st October 2018

IOT Business Update

IOT Group Limited (ASX: IOT) ("IOT" or "the Company") is pleased to update shareholders on its activities.

IOT has been developing its Internet of Things (IoT) full service consulting capabilities to provide clients with a fully integrated offering of IoT devices, together with the implementation of smart services. The Company is currently working on a pilot case scenario that it will be able to showcase and leverage off to build sales for the 4th Quarter 2018. To achieve this, IOT has been building resources and capabilities through recruiting additional staff and aligning with individuals and groups with exceptional technical skills and ability in this space.

To this end, IOT is pleased to announce that it has recruited Mr. Mark Roper as General Manager. Mark has been involved in developing Internet of Things operations since 2010. His experience includes IoT devices, chipsets, energy consumption and Artificial Intelligence. He holds a Bachelor of Business from La Trobe University. Mark's initial key role is to build upon the Company's IoT portfolio of solutions to be successfully brought to market. The Board is confident Mark will add significant value to the Group and welcomes him to the team.

International Blockchain Advisory Corporation (IBAC)

IBAC continues to work with advisory clients. An advisory partnership model is currently being developed to incorporate both established and up and coming talent to champion client projects.

Blockchain Applications Centre (BAC)

The Blockchain Application Centre will be set up behind the Grid of the Hunter Energy Power Station in the Hunter Valley once the Power Station is operational. IOT is currently awaiting advice from the Power Station on timing for these operations. Once these dates are known, the parties will be able to negotiate a more formal Power Purchase Agreement.

IOT has clients ready for activation as soon as BAC is operational.

Royalti Blockchain

IOT continues to provide advice to Royalti Blockchain Group (RBG), as announced on 23rd of July 2018. RBG is the world's leading Blockchain technology company, Bitfury's, Australian Integrator and approved partner. It is one of the first fully automated digital currency mines. IOT is providing advice in relation to blockchain protocol solutions for the RBG Initial Coin Offering.

The 5 million ERC20 tokens received by IOT as compensation for services provided under the Contract can only be traded once there is a Regulated Token Exchange available in Australia. IOT had expected a Regulated Token Exchange would be established in Australia by this quarter however there have been delays. IOT currently expects it could take another six months before Australian Authorities approve such an Exchange.

Enigma Mining Ltd

IOT continues to work on the Enigma Mining Ltd (EML) Project, as announced on 26 July 2018, however it believes this may now not be completed until the first half of 2019 due to current global sentiment in relation to Initial Coin Offerings (ICO).

IOT's EML tokens issued in compensation for services provided to EML can only be traded once a regulated Token Exchange is established in Australia. IOT currently expects this to be mid-2019.

Commentary

Executive Director and Founder of IOT Group Limited, Mr. Sean P. Neylon comments:

"IOT Group has many sources of potential income, primarily from its Internet of Things devices, consulting services from International Blockchain Advisory Corp, and future income from the Blockchain Applications Centre. IOT sees a great future with regards to IOT devices in commercial and lifestyle ventures."

Website: www.theiotgroup.com
Website: www.ibac.io

Company Information

IoT Group Limited (ABN 66 140 475 921)
Level 9, 100 William Street
EAST SYDNEY NSW 2011

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

Investor Enquiries: investors@theiotgroup.com