

ASX Announcement

19th November 2018

IOT Group and US based NetObjex enter into a Strategic Alliance Agreement for IoT technologies in Australia and New Zealand

IOT Group Limited (ASX: IOT) (“IOT” or “the Company”) is pleased to announce that it has entered into a Strategic Alliance - Teaming Agreement, together with a Marketing and Referral Agreement with NetObjex Inc, based in Irvine, California, United States of America (netobjex.com). The partnership will focus on expanding business opportunities around IoT technologies and leverage NetObjex’s flagship Digital Asset Management Platform for applications across multiple industries.

The NetObjex Digital Asset Management Platform provides advanced functionality in developing IoT data marketplaces where connected products can transact. The platform provides an effective means of asset tracking and tracing along with better tools for measuring performance, efficiency and utilisation. The NetObjex platform is also used as blockchain middleware for off-chain processing, searching across chains, data aggregation across chains and more. It is currently used in Manufacturing to prevent downtime and protect against counterfeiting; in Supply Chain and Logistics to track and trace ensuring efficiency, optimisation and prevent theft; in Transportation and Automation allowing inter-device communication and smart applications (parking, tolls and drone delivery); and in Smart Cities to allow usage-based billing, reduce waste and measure consumption.

IOT intends to use the NetObjex Digital Asset Management Platform to connect its Internet of Things devices for clients. This includes wearables, drones, cameras and other devices allowing them to communicate to achieve outcomes such as environmental and energy management, security and automation.

Subject to fulfillment of key performance indicators and targets, IOT has exclusive rights to represent NetObjex in Australia and New Zealand on a year on year basis under the Marketing and Referral Agreement. For any referral, IOT will receive 10% of the monthly payment received from the referral for the length of the contract or product licence. IOT and NetObjex also intend to work together in a collaborative sales process to develop business and generate sales globally under the Strategic Alliance - Teaming Agreement.

“We are excited about this partnership with the ASX-listed IOT Group as it provides an important alliance in terms of establishing our brand in Australia and New Zealand. Both companies believe in a shared vision that the nexus of IoT-AI-Blockchain will transform and shape entire industries,” comments Mr. Raghu Bala, CEO of NetObjex.

“IOT Group’s partnership with NetObjex will allow it to explore new opportunities in emerging technologies such as Internet of Things (IoT), Artificial Intelligence (AI) and Blockchain. Many businesses are coming to the realisation of how, when combined, these technologies can yield significant competitive advantages. Both NetObjex and IOT Group bring complementary skills and capabilities which we believe would yield immediate positive outcomes for this partnership,” comments Mr. Mark Roper, General Manager of IOT Group Limited.

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

About NetObjex

netobjex.com

NetObjex is an innovative Internet of Things (IoT) application enablement platform provider for managing digital assets with applications in Transportation, Manufacturing/Industry, Supply Chain and Logistics, Tourism, Property, Media, Healthcare and Smart City ecosystems.



EVERYTHING IS CONNECTED

Website: www.theiotgroup.com

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
Mark Roper	General Manager

Investor Enquiries: investors@theiotgroup.com

All references to IOT Group includes its subsidiaries and Companies it controls.

Annexure

The following information is provided in relation to the Agreements:

- Parties to the Agreements are NetObjex Inc. with a principal location at 92 Corporate Park, Suite C-750, Irvine, CA 92606 ("NTBJX") and IOT Group Limited (ACN: 140 475 921) of Suite 902, Level 9, 100 William Street, Woolloomooloo NSW 2011 ("IOT").
- There are no conditions precedent.
- The Agreements do not contemplate the issue of securities in IOT nor any changes to the board or senior management of IOT.

The following information is provided in relation to the Strategic Alliance – Teaming Agreement:

- IOT has exclusive rights to represent NetObjex within the territory of Australia and New Zealand on a year on year basis, subject to fulfillment of key performance indicators and targets.
- Temporary exclusivity will be given in other territories IOT has opportunities. Rights will continue subject to key performance indicators.
- IOT will keep the market informed in relation to the status of exclusivity in all territories.
- The term of the Agreement is one (1) year and shall be automatically extend for an additional one (1) year term unless written notice to the contrary is provided by either party at least two (2) months prior to the expiration of the existing term, or unless otherwise terminated. Either party may terminate the Agreement upon giving 90 day's written notice.

The following information is provided in relation to the Marketing and Referral Agreement:

- The term of the Agreement is three (3) years. Either party may terminate the Agreement at any time.
- NetObjex will pay IOT 10% of the monthly payment received from the referred party for the length of the contract or product licence.
- NetObjex will allow IOT to increase the costs of products and services provided by NetObjex on a contract by contract basis.