



For immediate release - ASX announcement

19 May 2020

Update on the Letter of Intent with SNAPS Holdings Company

Sydney – BuildingIQ, Inc. (ASX: BIQ) has today indicated that a further A\$310,530 has been drawn in connection with the previously announced Letter of Strategic Intent (LOI) with SNAPS Holding Company (SNAPS), a US-based diversified technology holdings firm (*ASX announcements: 23 March 2020 and 27 April 2020*).

These funds have been received in exchange for the issue of secured Promissory Notes (Loan Notes). In total, the Company has now received A\$735,310 of the A\$1 million originally expected in March 2020.

There have been delays in receiving the expected loan funds contemplated in the LOI and in executing definitive agreements for completion of the Proposed Transaction, which is understandably putting pressure on the Company's cash position. As a result, the Proposed Transaction will not be completed by 31 May 2020 as originally intended.

Further, whilst the pilot of BuildingIQ technology across twenty sites in North America is proceeding, the Company advises that Covid-19 has caused delays in accessing buildings to progress the pilot.

As a result of the above:

- (i) The proposed special meeting of stockholders to obtain approval for the issue of equity securities and other matters necessary for the completion of the Proposed Transaction will likely occur in June (rather than May). Details will be provided in due course.
- (ii) The conversion of the promissory notes issued on 27 April 2020 will not occur on 31 May 2020 but at a later date as conversion is contingent on stockholder approval and completion of the pilot. The Company anticipates that this will occur prior to 30 September 2020.
- (iii) The parties are working to finalise the timeline for the remaining A\$1,264,690 of the working capital loan.
- (iv) The A\$3.9 million private placement will likely be delayed due to the delay in commencing the technology pilot.

The Company continues to negotiate with SNAPS with the intent to complete the Proposed Transaction as soon as possible. Discussions are also continuing with SNAPS regarding the strategic collaboration, leveraging our respective technologies and our commercial relationship.

This announcement was authorised for lodgement with the ASX by the Board of BuildingIQ Inc.

Ends.

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About SNAPS Holding Company

SNAPS Holding Company is a Fargo, North Dakota (USA) based corporation, which owns and operates multiple companies in the fields of telecom, healthcare, communication, industrial, software and agriculture technology industries. SNAPS has significant investments and relationships in commercial real estate markets with its core team management experience of over 130 years.

About BuildingIQ

BuildingIQ (ASX: BIQ) helps building owners and operators worldwide lower energy use, increase building operations efficiency and enhance tenant comfort. The Company's 5i cloud-based platform and Managed Services deliver on the promise of Internet of Things (IoT) for buildings. Over 140M square feet of building space is currently under management with BuildingIQ. www.buildingiq.com

Foreign Ownership Restrictions

BuildingIQ's CHES Depositary Interests (CDIs) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers or sales which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. The holders of BuildingIQ's CDIs are unable to sell the CDIs into the US or to a US person unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the ASX. This designation restricts any CDIs from being sold on ASX to US persons. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.