

For immediate release - ASX announcement

18 June 2020

BuildingIQ confirms final agreement signed with SNAPS Holding Company

Sydney – BuildingIQ, Inc. (ASX: BIQ) today confirmed that it had agreed the definitive terms of its agreement with SNAPS Holding Company (SNAPS), a US-based diversified technology holdings firm and both parties had signed the agreement. The terms were revised from the original Letter of Intent flagged in previous ASX announcements (*27 April & 23 March 2020*).

As previously indicated, this investment will result in SNAPS having a majority ownership position in BuildingIQ, subject to approval by BuildingIQ's shareholders at a meeting to be scheduled.

The key elements of the Investment Agreement are:

- To date, a total of A\$735,310 of funds has been provided in two tranches.
 - The first tranche of A\$424,780 was provided on April 10, 2020 and is convertible into a total of 23,598,889 shares of common stock (approx. A\$0.018 per share), subject to stockholder approval.
 - The second tranche, a loan of A\$310,530 was provided on May 6, 2020 and will be redeemed in return for the issue of convertible notes at a price of A\$0.006 per share of common stock resulting in 51,755,000 shares, subject to stockholder approval.
 - It was initially announced that A\$2m of funds would be provided in the form of convertible promissory notes, however, there is no longer any obligation to provide any further loans in the form of convertible notes.
- The Company has agreed to resolve and fund certain payables and other claims and make further working capital contributions up to a total of A \$4,027,727.
- As a result of the agreement, SNAPS will invest up to A\$4,763,037 and, in consideration of the investment in BuildingIQ, SNAPS will acquire and become owner of a total of 746,641,722 shares of common stock (in total, equal to approximately 66.26% of the total issued and outstanding shares, including the shares issuable on any conversion of the notes described above).
- No CDIs will be issued to or acquired by SNAPS as part of the investment.

Management Agreement

Following the Investment Agreement, BuildingIQ advises it has entered into a Management Agreement with SNAPS whereby they will help guide, and in some cases assume control of certain, operations of BuildingIQ. The management duties include all financial matters (including directing the use of funds invested by SNAPS); negotiation and settlement of certain claims involving BuildingIQ; business plans and strategy; and employment and contracting.

While convertible notes held by SNAPS remain outstanding, SNAPS will have approval rights with respect to certain actions, including:

- issuing any new securities or convertible securities;
- declaring or making payment of any dividends;
- disposing of all or a material portion of BuildingIQ's business or assets, or merging with another entity;
- being subject to a change in control (whether voluntary or involuntary);

- dissolving or liquidating BuildingIQ; and
- increasing or decreasing the number of directors on the Board.

Board Changes

Effectively immediately, the following board changes for BuildingIQ have been made:

- Both the Interim Chair and Non-executive Director, Mr. William Deane, and the Acting President & CEO and Director, Mr. Gerd Goette, have resigned.
- Two new directors, Mr. Sanjay Patel and Mr. Daivesh Sanghvi, have been appointed to the Board.

Mr. Patel, is the President, CEO and Chairman of SNAPS Holding Company.

An entrepreneur, with a track record of 29 years in business, Sanjay has established and operated multiple companies in various industries. He brings a unique combination of business experience in implementing enterprise solutions, and growing new ventures. He has technical expertise in the fields of wireless systems, computer hardware, software, telecommunications, network engineering and healthcare. Sanjay holds a Bachelor of Science in Electronics, Communication and Computer Engineering from California State University.

Mr. Sanghvi, as a founding member of SNAPS, brings 30 years of experience in next generation and disruptive technology businesses in IoT / AI, telecom, mission-critical communication, utility, manufacturing, retail, and enterprise solutions. His key focus is driving the strategic growth of these companies.

Daivesh's areas of expertise include business visioning, sales & marketing, product management, technical oversight and supervisory management of all the clients and partner relationships. Daivesh holds a Bachelor of Science in Electronics and Computer Science from MSRIT University.

- SNAPS will be entitled to nominate for election three Directors to the Board for so long as its convertible notes are outstanding or it and its associates hold at least 50% of BuildingIQ's shares of common stock on issue, with BuildingIQ to support the election of those nominated Directors at Director elections.

In commenting, Mr William Deane, past Interim Chair, said "This agreement is a positive outcome for all stakeholders - stockholders, employees, creditors and customers. Our discussions with SNAPS would indicate that they will manage the company well, with future growth planned globally."

Stockholders meeting

The issue of the shares of common stock to SNAPS in consideration of its investment, together with those to be issued on conversion of the convertible notes, are subject to stockholder approval for the purposes of ASX Listing Rule 7.1 within three months of the date of this announcement. BuildingIQ expects to convene a meeting of stockholders to seek this approval as soon as reasonably practicable.

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

Ends.

For further information contact:

Lisa Jones
Company Secretary
Ph: +61 422 133 352
E: lisajones@buildingiq.com

Christine Bowen
communicaterelate consulting - Investor Relations
Ph: +61 414 861 629
E: christine@communicaterelate.com.au



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. Approximately 138M 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.