

KTM Option Terms of Issue

The capitalised terms and expressions have the meanings set out in the prospectus issued by the Company and dated 30 October 2015.

The terms and conditions of 2,112,500 options issued to KTM Capital Pty Limited (ACN 086 281 950) by BuildingIQ, Inc. (**Company**) in accordance with the underwriting agreement entered into between the parties in relation to the Company's initial public offer (**Options**) are as follows:

Register

The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act.

Transfer/Transmission

An Option may be transferred or transmitted in any manner approved by ASX.

Exercise

An Option may be exercised by delivery to the Company of a duly completed Notice of Exercise of Options, signed by the registered holder of the Option, together with payment to the Company of \$1.15 per Option being exercised.

Each Option is exercisable into 1 fully paid share of common stock in the Company (**Share**).

The holder can transfer the Shares issued on exercise to CHESS Depository Nominees Pty Ltd and receive 1 CHESS Depository Interest (**CDI**) for each Share. CDIs will be issued by delivery to the Company of a duly completed transfer form signed by the registered holder of the Option (if the election is made at the same time as exercise) or the Share (if the election is made after exercise).

An Option may be exercised on any business day from the date of grant to 17 December 2020, (inclusive) but not thereafter.

A Notice of Exercise of Options is only effective when the Company has received the full amount of the exercise price in cash or cleared funds.

Rights Dividend Entitlement

Options do not carry any rights to vote, dividend entitlement or other Shareholder rights until they are exercised.

Shares issued on exercise of Options rank equally with other issued Shares of the Company on and from issue.

Participating rights

For determining entitlements to the issue, an Option holder may only participate in new issues of securities to holders of Shares in the Company if the Option has been exercised and Shares allotted in respect of the Option before the record date.

The Company must give at least 6 Business Days' notice to Option holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules of ASX.

If between the date of issue and the date of exercise of an Option the Company makes 1 or more rights issues (being a pro rata issue of Shares in the capital of the Company that is not a bonus issue), the exercise price of Options on issue will be reduced in respect of each rights issue according to the following formula:

$$NE = OE - \frac{E[P-(S + D)]}{(N + 1)}$$

where:

NE is the new exercise price of the Option;

OE is the old exercise price of the Option;

E is the number of underlying Shares into which one Option is exercisable;

P is the average closing sale price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (excluding special crossings and overnight sales);

S is the subscription price for a Share under the rights issue;

D is the dividend due but not yet paid on each Share at the relevant time; and

N is the number of Shares that must be held to entitle holders to receive a new Share in the rights issue.

If there is a bonus issue to the holders of Shares in the capital of the Company, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

Reconstructions and Alteration of Capital

Any adjustment to the number of outstanding Options and the exercise price under a re-organisation of the Company's share capital must be made in accordance with the Listing Rules. The rights of holders will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of the Company's share capital at the time of such reorganisation.

ASX Listing

The Company must make application for quotation of Shares issued on exercise of the Options on ASX in accordance with the Listing Rules. Shares so issued will rank equally with other issued Shares of the Company.

US Securities Law

The Option has not been, and will not be, registered under the 33 Act, by reason of a specific exemption from the registration provisions of the 33 Act which depends upon, among other things, the bona fide nature of the acquisition intent and the accuracy of representations provided by the Optionholder.

The Shares issued upon exercise of the Options will be characterized as "**restricted securities**" under applicable United States federal and state securities laws. Pursuant to these laws, the Optionholder must hold the Option indefinitely unless subsequently registered with the Securities and Exchange Commission ("**SEC**") and qualified by state authorities, or an exemption from such registration and qualification requirements is available.

The Company has no obligation to register or qualify the Options for resale. If an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Options or Shares issued in

respect of the Options, and on requirements relating to the Company which are outside of the Optionholder's control, and which the Company is under no obligation and may not be able to satisfy.

Option certificate(s) and certificate(s) evidencing Shares issued upon exercise of the Options shall be endorsed with legend(s) substantially similar to the following:

1933 Act Legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT EFFECTIVE REGISTRATIONS THEREUNDER OR AN OPINION OF COUNSEL, SATISFACTORY TO THE CORPORATION AND ITS COUNSEL, THAT SUCH REGISTRATIONS ARE NOT REQUIRED.

Restriction Agreement Legend (24 months)

THE SECURITIES REPRESENTED HEREBY ARE SUBJECT TO A LOCK-UP AGREEMENT THAT RESTRICTS THE TRANSFER OF THESE SECURITIES BEFORE 17 DECEMBER 2017. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST OF THE SECRETARY OF THE COMPANY.

Costs and Tax

The holder is responsible for its own tax liabilities that may arise as a result of its acquisition of the Option or Shares.

Governing Law

These Option terms shall be governed by and construed for all purposes under and in accordance with the laws of the State of New South Wales without regard to principles of conflicts of law.