

22 August 2016

iWebGate Limited
ACN: 141 509 426
First Floor
18 Richardson St
West Perth, WA 6005
ASX: IWG

LIND AGREES TO WAIVE RIGHTS AND EXTEND REPAYMENT TERMS UNDER SETTLEMENT DEED

As announced to ASX on 14 March 2016, iWebGate Limited (ASX:IWG) (iWebGate or the Company) entered into a share purchase and convertible security agreement with Lind Asset Management V, LLC (Lind) which comprised a US\$1,920,000 convertible security and an equity funding facility of up to US\$6,975,000 (Funding Agreement). Further details of the Funding Agreement are set out in the Company's prospectus dated 28 June 2016 (a copy of which was released to ASX on the same date).

On 22 August 2016, iWebGate entered into a settlement deed with Lind pursuant to which the parties agreed that following the Company making cash payments to Lind in the amount of US\$1,889,759.14 (representing the amount owing to by the Company to Lind under the Funding Agreement plus a premium to be paid by the Company for early discharge), Lind will waive its rights against the Company under the Funding Agreement, and the agreement will be terminated with no further liability to either party, other than the parties' obligations with respect to the options and the collateral shares which will be preserved.

The Company is required to pay US\$1,417,319.36 on 22 August 2016 and will make the balance payment of an additional US\$472,439.78 by no later than 15 October 2016. If for any reason the balance payment is not made by this date, the Company will be in default of the settlement deed and Lind will retain all of its rights against the Company under the Funding Agreement.

iWebGate would like to thank Lind for its support and the commercially amicable manner in which it has acted in regards to settling the outstanding funds due.

Contact Information

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About iWebGate

iWebGate Limited (ASX:IWG) is a technology company providing network solutions to organisations of all sizes. iWebGate's software creates a new network of communication environment out front of firewalls. To compliment this innovation, iWebGate created interlinking

technology ensuring trusted computer devices, applications and users connect through this best practice design.

For the first time, iWebGate's software is enabling large and influential partners to deliver best of breed security and a wide range of mobility solutions as-a-Service to their customers. Our patented and multi-award winning software is currently available through the Telstra Marketplace with plans to rapidly expand offerings in the US and Europe.

iWebGate is well positioned to help many enterprises and government agencies network better. The worldwide cyber security and mobility market continues to grow rapidly and is expected to increase from US\$75 billion in 2015 to US\$170 billion by 2020.