

ASX Announcement

Settlement of Legal Proceedings

Sydney, 10 November 2016: IOT Group Limited (**ASX: IOT**) (**IOT Group** or **Company**) advises that it has entered into confidential settlement documentation with Mr Kantor and his former business Co-shareholders (Co-shareholders) in Roam Systems Pty Limited, with all parties, inter alia, agreeing to end NSW Supreme Court proceedings (including related issues).

The key outcomes for the IOT Group are:

1. The settlement documentation contemplates, subject to shareholder approval (as required by the Corporations Act) and the ASX granting a waiver request concerning escrowed shares and options, a net reduction of 7,715,610 ordinary shares and 28,036,810 options in the IOT Group.
2. Settlement agreement signed with the Co-shareholders in NSW Supreme Court proceedings under which the following has been agreed:
 - These proceedings are to be dismissed against the IOT Group and Mr Kantor.
 - All claims over IOT Group-owned Intellectual Property will cease.
 - IOT Group ownership of all related Intellectual Property will be formally acknowledged and affirmed.
3. Settlement agreement signed with Mr Kantor including:
 - Resignation from the IOT Group Board.
 - Termination of all other IOT Group appointments.
 - Mr. Kantor has a 12 month non-compete period.
4. All other connections between the IOT Group and Mr Kantor and associated entities will also be terminated.

IOT Group is satisfied with the settlement and can now focus on growing its operations without the distraction of these legal proceedings. The Company looks forward to updating shareholders on the progress being made with its operations over the coming weeks.



About IOT Group Limited

www.theiotgroup.com

(Internet of Things)

IOT Group has tapped into global niche markets by adapting and enhancing existing trend products and making them more affordable and useful to consumers. The IOT Group is designing and developing a range of smart wearables, a range of flying selfie drones, augmented reality, virtual reality, home automation products and much more; as we look to create a complete IoT ecosystem over the next 24 months.



Utilising industry specific innovation and our own technology, we've created the first facial recognition flying selfie device operated through smartphones and vision control systems, called ROAM-e. With unique follow me truly functionality, a flight time of up to 20 minutes and the capacity to charge in just two hours! You will always capture perfectly uninterrupted panoramic shots with ROAM-e's 360 degree 1080p HD camera. And you will never miss a moment with ROAM-e's live streaming capabilities, so the action is always in real time whenever, where ever. ROAM-e is your personal companion who will always be within 5m of you, so you never have to worry about invading anyone's personal space. Built with the world's first dual-axis collapsible blades means that ROAM-e's light, compact and easy to carry and ready for any occasion but most importantly not weigh you down. Selfies have reached new heights!



Outdoor Konnect (OK) is focussed on designing and developing a range of affordable innovative wearable devices, accessories and outdoor products combining the latest technology with unique features. Our devices include a variety of smart watches with some already available through retailers and from our website.

Company Information

IOT Group Limited (ABN 66 140 475 921)

Level 14, 39 Martin Place

SYDNEY NSW 2000

Email: info@theiotgroup.com

Scott Brown Non-executive Chairman

Tod McGrouther Non-executive Director

Ian Duffell Executive Director

Ron Hollands Company Secretary