

14th September 2017
ASX Announcement

US OPERATIONS

1. Highlights

- ✓ IOT has signed with SPRING – Retail Accelerator (www.spring2market.com) to manage its Sales and Marketing Operations for North America.
- ✓ IOT to relocate its US office to the hub of US Consumer Electronics, Minneapolis – Minnesota.
- ✓ Reorganisation creates further efficiencies in IOT Group operations.

2. Background

The IOT Group Limited (ASX: IOT) (“IOT Group” or “the Company”) **subsidiary IOT Group US LLC** has signed an agreement with one of the largest Consumer Electronics Retail Accelerators in the United States – SPRING, a CITIES Market Studios Company (“Spring”) to manage the market development of the Company’s ROVA Selfie Drone and AirSelfie products.

IOT Group is pleased to announce further efficiencies in its business by contracting with SPRING to handle all administration, marketing, promotions and sales, through its marketing specialist, sales agents and multi-channel retail distribution across the USA.

SPRING is one of the leading consumer electronics Retail Accelerators in North America. SPRING partners with entrepreneurial businesses accelerating the go-to-market process, positioning innovative products and brands for success. SPRING/CITIES clients include:

- Ubtech
- Friday Labs
- Adidas
- Ring
- Mophie

Eileen Murphy will be leading the SPRING/CITIES team on its IOT relationship. With over 30 years’ experience in the personal computer and consumer electronics industry, Eileen is well positioned to assist IOT take its business to the next level. Prior to joining Spring in 2014, she spent 28 years with Eastman Kodak.

Further details on Spring and its team members are available at www.spring2market.com
Further details on CITIES Market Studios are available at www.CITIESms.com

As a result of the Spring appointment, IOT no longer require a support office in California, thereby creating further cost savings. IOT’s US sales and operations will be managed by SPRING out of Minneapolis. In line with the streamlining of the US operations, further cost savings have been achieved by Steven Kayalicos transitioning to a Non-Executive Director role.

About CITIES Market Studios:

CITIES Market Studios is a consumer product and retail strategy company. CITIES collaborates with retail, brands and investors to develop and execute strategies, product and programs for the digital and physical markets. www.CITIESms.com

About SPRING:

Headquartered in Minneapolis, SPRING is a retail accelerator for the consumer packaged goods market, helping brands build, launch and grow on a national scale. SPRING partners with entrepreneurial businesses, ensuring their brand is positioned to realize the full potential of the retail opportunity through its proprietary platform to the world's biggest and best retailers. www.spring2market.com

3. Commentary

SPRING Founder Greg Applehof comments:

"Having initially met with the IOT team back in December 2016, we are extremely excited to be appointed as the North America Sales, Marketing and Operations representatives for the IOT Group. Their key products, the ROVA and AirSelfie are sure to be major sellers this Christmas holiday season and for 2018 Spring and Summer programs."

Executive Director of IOT Group, Mr. Sean Neylon commented:

"IOT has engaged one of the best and most experienced Consumer Product and Retail Strategy Companies in the United States. I met with SPRING back in December 2016 and was incredibly impressed. The experience within SPRING and their parent company CITIES is second to none and the IOT Board believes it will see improved sales results from this engagement."

The IOT Board's near term objective is focused on increasing Sales revenue and profit and reducing overall costs. This engagement with SPRING covers all aspects of our US operations."

About IOT Group Limited



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Website: www.theiotgroup.com

IoT Group has tapped into global niche markets by adapting and enhancing existing trend products and making them more affordable, useful and innovative for consumers, in particular, the IOT Group is designing and developing a range of drones that looks to create a complete new category in the retail drones space.

Company Information

IoT Group Limited (ABN 66 140 475 921)
Level 9, 100 William Street
EAST SYDNEY NSW 2011

Sean Neylon	Executive Director
John Forder	Non-Executive Director
Steven Kayalicos	Non-Executive Director
Ron Hollands	Company Secretary

Investor Enquiries: investors@theiotgroup.com

All references to IOT Group includes its subsidiaries.

Forward Looking Statements

All statements other than statements of historical fact including, without limitation, statements regarding projections, future plans and objectives of IOT Group, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘intend’, ‘may’, ‘opportunity’, ‘plan’, ‘in principle’, ‘potential’, ‘project’, ‘seek’, ‘will’ and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of IOT Group that could cause IOT Group’s actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by these forward-looking statements will actually occur and investors are cautioned not to place any reliance on these forward-looking statements.

IOT Group does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained above, except where required by applicable law and securities exchange listing requirements.

IOT Group

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