

IOT Group Limited
Level 14
39 Martin Place
SYDNEY NSW 2000

IOT GROUP LIMITED - NOTICE OF 2016 ANNUAL GENERAL MEETING

Notice is given that the first Annual General Meeting (**Meeting** or **AGM**) of shareholders of IOT Group Limited (**IOT** or the **Company**) (formerly Ardent Resources Limited) will be held at the Company's offices at Level 14, 39 Martin Place Sydney NSW 2000 on **Thursday**, 30 June 2016 at 11:00 AM (Sydney time).

ORDINARY BUSINESS

1. Financial Report

To receive and consider the Financial Report of the Company and the consolidated entities, and the Reports of the Directors and Auditor for the financial year ended 31 December 2015.

2. Remuneration Report

To consider and if thought fit, to pass the following as an ordinary resolution:

"That the Remuneration Report for the financial year ended 31 December 2015, as set out in the Directors' Report section of the Annual Report, be adopted".

(Note – the vote on this resolution is advisory only and does not bind the Directors or the Company.)

3. Election of Directors

(a) To consider and if thought fit, to pass the following as an ordinary resolution:

*"That **Simon Kantor**, a Director appointed by the Directors as an additional Director on the Board, who in accordance with the Company's constitution holds office only until the close of the AGM, and who is eligible for re-election, be re-elected as a Director of the Company."*

(b) To consider and, if thought fit, to pass the following as an ordinary resolution:

*"That **Ian Duffell**, a Director appointed by the Directors as an additional Director on the Board, who in accordance with the Company's constitution holds office only until the close of the AGM, and who is eligible for re-election, be re-elected as a Director of the Company."*

4. Re-election of Director

To consider and if thought fit, to pass the following as an ordinary resolution:

*"That **Scott Brown**, who retires by rotation in accordance with clause 39 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a director of the Company".*

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5. Previous Issue of Shares

To consider and if thought fit, pass the following as an ordinary resolution:

“That the issue of;

- A. 340,000 ordinary shares and 80,000 ordinary shares in the company on 18 May 2016 and 24 May 2016 respectively;
- B. 2,000,000 ordinary shares in the company on 17 May 2016;
- C. 6,757,231 ordinary shares in the company on 12 May 2016;
- D. 4,000,000 ordinary shares in the company on 3 May 2016;
- E. 4,250,000 ordinary shares in the company on 19 April 2016; and
- F. 21,071,429 ordinary shares and 937,500 shares in the company issued 18 March 2016,

on the terms summarised in the Explanatory Notes accompanying the notice of meeting, be approved and ratified for the purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes”.

6. Issue of up to 100,000,000 ordinary shares

To consider and if thought fit, to pass the following as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given to allow the Directors to issue up to 100,000,000 ordinary shares within 3 months after the AGM”.

7. Issue options to Simon Kantor or his nominee

To consider and if thought fit, to pass the following as an ordinary resolution:

“That, approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, for the issue of 12,500,000 options to acquire 12,500,000 ordinary shares in the capital of the Company to Simon Kantor, a Director of the Company or his nominee, in the manner described in the Explanatory Notes accompanying the notice of meeting.”

8. Issue options to Ian Duffell or his nominee

To consider and if thought fit, to pass the following as an ordinary resolution:

“That, approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, for the issue of 10,000,000 options to acquire 10,000,000 ordinary shares in the capital of the Company to Ian Duffell, a Director of the Company or his nominee, in the manner described in the Explanatory Notes forming part of this Notice of Meeting.”

9. Issue options to Scott Brown or his nominee

To consider and if thought fit, pass the following as an ordinary resolution:

“That, approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, for the issue of 7,500,000 options to acquire 7,500,000 ordinary shares in the capital of the Company to Scott Brown, a Director of the Company or his nominee, in the manner described in the Explanatory Memorandum forming part of this Notice of Meeting.”

10 – Removal of auditor

To consider and if thought fit, pass the following as an ordinary resolution:

“That Russell Bedford NSW be removed as the auditor of the Company, under section 329 of the Corporations Act 2001.”

Note: Russell Bedford NSW has informed the Company that it has applied to ASIC requesting its consent to resign from the office of auditor of the Company, and that it will provide formal written notification of resignation in accordance with section 329(5) of the Corporations Act 2001 once ASIC’s consent is received. If ASIC’s consent and Russell Bedford NSW’s resignation is received before the meeting, thereby making resolution 10 unnecessary, the resolution will be withdrawn.

SPECIAL BUSINESS

11 – Appointment of auditor

To consider and if thought fit, pass the following as a **special resolution**:

“That, subject to resolution 10 being passed (or the Company receiving written notification of resignation as auditor of the Company from Russell Bedford NSW with the consent of ASIC before the date of the meeting), the firm A.D. Danielli Audit Pty Ltd be appointed as auditor of the Company in place of Russell Bedford NSW, under section 327D(2) of the Corporations Act 2001 (if resolution 10 is passed) or under section 327B(1) of the Corporations Act 2001 (if the Company receives Russell Bedford NSW’s written notification of resignation with the consent of ASIC before the date of the meeting).”

12. Amendment of Constitution

To consider and if thought fit, to pass the following as a **special resolution**:

That, the Constitution of the Company be amended to include the following clause with effect from the close of the Meeting:

“Agreement on behalf of members

If the company distributes specific assets to any members, the company may make, as agent of those members, or the board may authorise any other person to make, as agent of those members, an agreement with the company or any other person under which those members accept the transfer of those assets and, in the case of a distribution of shares of a body corporate or securities of a trust, agree to become members of that body corporate or holders of securities in that trust.”

By Order of the Board



Ron Hollands
30 May 2016

ELIGIBILITY TO VOTE

For the purpose of the Meeting, the Directors have determined that shares will be taken to be held by persons registered as shareholders of the Company as at **7:00 PM (Sydney time) on Tuesday, 28 June 2016**.

PROXIES

Each shareholder who is entitled to attend and vote at the AGM may appoint not more than two proxies to attend and vote at the AGM on the shareholder's behalf. A proxy need not be a shareholder of the Company, and may be either an individual or a body corporate. Where two proxies are appointed by a shareholder, the shareholder may specify the proportion or number of votes which each proxy is entitled to exercise on a poll. If the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise one half of the votes (disregarding fractions) on a poll.

Due to the voting exclusions and requirements referred to in this Notice, if you intend to appoint any Director or other member of the Company's 'key management personnel'¹ (**KMP**) or their closely related parties, **other than the Chairman**, as your proxy, you should direct your proxy how to vote on **Item 2** (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for the relevant Item of business. If you do not direct such a proxy how to vote on those Items they will **not** be able to vote an undirected proxy and your vote will not be counted. This does not apply to the Chairman, who is able to vote undirected proxies.

Direction to Chairman: *If the Chairman of the Meeting is appointed, or taken to be appointed, as proxy, the shareholder can direct the Chairman of the Meeting to vote for or against or to abstain from voting on a resolution, including **Item 2** (Remuneration Report), by marking the appropriate box opposite each resolution on the Proxy Form. However, if a shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on the proposed resolutions set out in this Notice, then **the Chairman intends to vote all available undirected proxies in favour of each of the proposed resolutions, including Item 2 (Remuneration Report)** (if a poll is called on the relevant resolution).*

CORPORATE REPRESENTATIVES

A body corporate which is a shareholder or the proxy of a shareholder may appoint an individual as its representative to exercise all or any of its powers that it could exercise at the Meeting. The representative should bring to the meeting original documentary evidence of his or her appointment, including any authority under which the appointment is signed.

VOTING EXCLUSIONS

The Company will disregard any votes cast on the resolutions as follows:

Item 2 Remuneration Report

A vote must not be cast (in any capacity) on **Item 2**, and the Company will disregard any votes cast on **Item 2**:

- by or on behalf of a KMP whose remuneration is included in the Remuneration Report; or
- by or on behalf of a closely related party² (such as close family members and any controlled companies) of a KMP whose remuneration is included in the Remuneration Report.

However, a person described above may cast a vote on **Item 2** if:

- the person does so as a proxy that specifies how the proxy is to vote (For, Against or Abstain) on **Item 2**; or
- the person is the Chairman of the Meeting and has been appointed as a proxy without being directed how to vote on **Item 2**, and the appointment expressly authorises the Chairman to exercise the proxy even though **Item 2** is connected directly or indirectly with the remuneration of a member of the KMP for the Company; and
- in either case, the vote is not cast on behalf of a person described above.

¹ For the full definition of 'key management personnel', please refer to section 9 of the *Corporations Act 2001*.

² For the full definition of 'closely related party', please refer to section 9 of the *Corporations Act 2001*.

Items 5 Previous Issue of Shares

Concerning Resolution 5, the company will disregard any votes cast on the resolution by a person who participated in the issue and any of their associates.

However, the company need not disregard a vote if it is cast:

- as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

Items 6 Issue of up to 100,000,000 Shares

Concerning Resolution 6, the company will disregard any votes cast on the resolution by a person who participated in the issue and any of their associates.

However, the company need not disregard a vote if it is cast:

- as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

Item 7 Issue of Options to Simon Kantor or his nominee

The Company will disregard any votes cast on the proposed Resolution 7 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme concerning the Company) and any associate of any such Director.

However, the Company need not disregard a vote if it is cast:

- by such person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

Items 8 Issue of Options to Ian Duffell or his nominee

The Company will disregard any votes cast on the proposed Resolution 8 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme concerning the Company) and any associate of any such Director.

However, the Company need not disregard a vote if it is cast:

- by such person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

Items 9 Issue of Options to Scott Brown or his nominee

The Company will disregard any votes cast on the proposed Resolution 9 by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme concerning the Company) and any associate of any such Director.

However, the Company need not disregard a vote if it is cast:

- by such person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

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PROXY DEADLINE

A Proxy Form and, if the Proxy Form is not signed by the shareholder, the power of attorney or other authority (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority), must be received by the Company at least 48 hours before the time for holding the Meeting – that is, **by 11:00 AM (Sydney time) on Tuesday, 28 June 2016**.

Documents may be lodged with the Company by:

1. Email to investor@iotgroup.com; or
2. Mail to: IOT Group Limited
Level 14, 39 Martin Place
Sydney NSW 2000

ANNUAL REPORT - ONLINE

IOT's Annual Report for the year ended 31 December 2015 is available on the IOT website at <http://www.iotgroup.com>.

QUESTIONS FROM SHAREHOLDERS

Shareholders are invited to register questions in advance of the AGM. If you would like further information on IOT, or would like to ask a question of IOT or the Auditor at this AGM, you may submit your questions in writing to the Company at either the above email or postal addresses. Shareholders may submit written questions to the auditor about their audit report or the conduct of the audit. Written questions must be received no later than 5 business days before the day before the Meeting, being **5:00 PM (Sydney time) on Thursday, 23 June 2016**.

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EXPLANATORY NOTES

These Explanatory Notes have been prepared for the information of shareholders concerning the business to be transacted at the 2016 Annual General Meeting of shareholders (AGM or Meeting). The Directors recommend shareholders read these Explanatory Notes in full before making any decision concerning the resolutions in question.

ITEM 1 – FINANCIAL REPORT

A copy of the IOT Annual Report 2015 (**Annual Report**) can be found on the Company's website (<http://www.iotgroup.com>).

During discussion of this item, there will be an opportunity for shareholders to ask questions about, or comment on, the Annual Report and the management and performance of the Company. Shareholders will also have the opportunity to ask the auditor questions relevant to the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company, and the independence of the auditor concerning the conduct of the audit.

ITEM 2 – REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Remuneration Report includes an explanation of IOT's remuneration policy and the remuneration arrangements in place for Directors and other key management personnel.

The objective of IOT's executive reward framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework seeks to align executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board seeks to ensure that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage/alignment of executive;
- compensation;
- transparency; and
- capital management.

In summary, the Remuneration Report deals with:

- key management personnel;
- principles used to determine the nature and amount of remuneration;
- non-executive Director remuneration;
- details of remuneration;
- executive service agreements;
- share-based compensation; and
- additional information.

During discussion of this Item, there will be an opportunity for shareholders to ask questions about, or comment on, the Remuneration Report.

The Board submits the Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution as required by the Corporations Act ('Act'). Although the vote on this resolution does not bind the Directors or the Company, the Board respects the views of its shareholders and will take the outcome of the vote into account when considering remuneration policy in the future.

As a result of amendments to the Act generally known as the "two strikes rule", shareholders should note that the results of the vote on this item may impact the conduct of next year's AGM.

The Directors encourage shareholders to apply the same level of diligence concerning this resolution as they do with the binding resolutions.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 2.

ITEM 3 (a) – ELECTION OF DIRECTOR: SIMON KANTOR

Two of the Company's three Directors were appointed by the Directors in March 2016. Therefore, in accordance with the Company's constitution, they may hold office only until the close of the AGM but are eligible for re-election. Simon Kantor will seek re-election on this basis at the 2016 AGM.

Simon Kantor - Executive Director

Simon Kantor was appointed to the Board on 18 March 2016.

Simon has spent the past 12 years working around the globe with leaders of innovative technology and is the founder of IOT. He is known for thinking beyond the box and has consulted on projects with Google, Intel, IBM and Microsoft as well as major government organisations such as NSW Health, the Royal Australian Navy, and NATO. A key highlight in Simon's career is while he was at NSW Health, within four weeks he managed to successfully deploy optimisation software to over 130,000 users despite the \$30m. project being stagnant for 6 months prior to his arrival. Simon is truly a global citizen speaking multiple languages and having spent the majority of his career consulting for multinationals around the world.

Simon Kantor began his professional career in late 2004 when he was employed by Nu Solutions where he worked on several projects involving testing, correcting and developing code for some major Australian corporations including Westpac Bank, Macquarie Bank, Commonwealth Bank, NSW Rail and the Department of Community Services. Simon is the driving force behind the IoT Group and paving the way in innovative technology.

He has an indirect interest in 20,791,411 shares and 10,536,810 options in the Company.

Directors' recommendation:

Each of the Directors (excluding Simon Kantor) recommends that shareholders vote in favour of Item 3 (a).

ITEM 3(b) – ELECTION OF DIRECTOR: IAN DUFFELL

Two of the Company's three Directors were appointed by the Directors in March 2016. Therefore, in accordance with the Company's constitution, they may hold office only until the close of the AGM but are eligible for re-election. Ian Duffell will seek re-election on this basis at the 2016 AGM

Ian Duffell - Executive Director

Ian Duffell is an English businessman with international experience in the Entertainment and Leisure Industries. Initially working in the UK as a Marketing Executive for Sony Corporation with responsibility for launching products such as the Walkman and Compact Disc. Moving into the music industry Ian was appointed as Managing Director of HMV, opening the world's largest music store in 1987. His International career began in 1987 as CEO of Virgin Entertainment Group heading up the company's expansion into the Asia- Pacific region. In 1992 he relocated to the United States of America opening more than 20 Virgin Megastores in a six-year period, including the landmark Times Square, New York City store.

In 2001 he relocated back to Australia and joined Brazin Ltd as Managing Director, with a mandate to restructure the retail business portfolio and extend the music division into overseas markets. Following this success, he has been an investor and advisor to new ventures, capitalising on his broad International experience.

He has an indirect interest in 8,777,136 shares and 6,021,034 options in the Company.

Directors' recommendation:

Each of the Directors (excluding Ian Duffell) recommends that shareholders vote in favour of Item 3 (b).

ITEM 4 – RE-ELECTION OF DIRECTOR: SCOTT BROWN

Pursuant to clause 39 of the Company's Constitution, Scott Brown retires by rotation as a Director of the Company.

Scott Brown – Non Executive Director

B. Bus (University of Technology, Sydney, Australia)

M. Com (University of New South Wales, Australia)

Member of the Institute of Chartered Accountants and the Petroleum Exploration Society of Australia

Scott Brown is the co-founder and Managing Director of Real Energy Corporation Limited (ASX: RLE) with an extensive background in finance and management of public companies including IOT (previously Ardent Resources Limited) and Objective Corporation Limited.

Scott was previously Chief Financial Officer of Mosaic Oil NL (ASX: MOS), a listed oil and gas production company with interest in Queensland, New Zealand and offshore WA. During his time at Mosaic, Scott was involved in the acquisition of production properties and the growth of its business and profitability with the companies and was instrumental in putting together a Scheme of Arrangement with AGL Energy Ltd to acquire Mosaic for consideration of \$142 million.

Scott was also formerly the CFO and Company Secretary with a number of public companies including Turnbull & Partners Limited, Allegiance Mining NL, FTR Holdings Limited and Garratt's Limited. Scott also worked at accounting firms, Ernst Young and KPMG.

Scott Brown has a beneficial interest in 788,716 shares in the company.

Directors' recommendation:

Each of the Directors (excluding Scott Brown) recommends that shareholders vote in favour of Item 4.

ITEM 5 – PREVIOUS ISSUE OF SHARES

The ASX Listing Rules restrict the number of shares a listed company may issue in any 12 months without the approval of shareholders to 15% of the number of shares on issue at the start of the period, subject to certain adjustments and permitted exceptions.

This resolution seeks shareholder approval to the previous issue of shares in the Company for the purposes of Listing Rule 7.4. Listing Rule 7.4 provides that, where a company's shareholders ratify a previous issue of securities made without approval under Listing Rule 7.1 (provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been issued with shareholder approval.

The purpose of the seeking shareholder approval of the issue of shares in this resolution is to ensure that the previous issue of shares as described below, does not reduce the Company's placement capacity under the Listing Rules ie: the company's 15% placement capacity is freshened or reset.

- (1) As announced 18 March 2016, the company issued of 21,071,929 ordinary shares at 2.8 cents per share to fulfil obligations due to certain OK IOT Group Pty Ltd vendors as part of the IOT Group acquisition and 937,500 ordinary shares at 3.2 cents per share to fulfil obligations due to PAC Partners Pty Limited concerning the capital raising associated with the IOT Group acquisition.
- (2) As announced 19 April 2016, the company issued 4,250,000³ ordinary shares at 2 cents per share to parties for consulting services provided.
- (3) As announced 3 May 2016, the company issued 4,000,000 ordinary shares at 4.5 cents per share to Top Tech Distribution LLC as part of a Distribution Agreement.
- (4) As announced 12 May 2016, the company issued a total of 6,757,231 ordinary shares following the exercise of 6,757,231 options at an average price of 5.1 cents/option.
- (5) As announced 17 May 2016, the company issued 2,000,000 ordinary shares at 11 cents per share in lieu of payment of establishment fees and marketing expenses due under a distribution agreement with The Product Group Pty Limited.

³ Stocks Digital - 2,250,000 ordinary class shares/Ueyama & Associates, Inc. – 2,000,000 ordinary class shares

- (6) As announced 24 May 2016, the company issued a total of 420,000 ordinary shares following the exercise of 420,000 options at an average price of 3.6 cents/option.

All of the abovementioned ordinary shares have the same rights as existing ordinary shares in the company.

Resolution 5 seeks shareholder ratification pursuant to Listing Rule 7.4 for the above prior issues.

At the date of this notice, the company had issued 549,518,013 ordinary shares. If this resolution is approved by shareholders, the company will be able to issue 15% of this amount, being a further 82,427,702 ordinary shares without shareholder approval in the 12 month period to 30 June 2017.

The directors believe that it is important for, and in the best interests of, the company to have the ability to issue the maximum number of shares under Listing Rule 7.1 as it enables the company to move quickly and efficiently to undertake fund raising/issue capital when necessary.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 5.

ITEM 6 – ISSUE OF UP TO 100,000,000 ORDINARY SHARES

The ASX Listing Rules restrict the number of shares a listed company may issue in any 12 months without the approval of shareholders to 15% of the number of shares on issue at the start of the period, subject to certain adjustments and permitted exceptions.

Listing Rule 7.1 however allows a company, with shareholder approval, to obtain approval to issue equity in the company above this amount.

This resolution seeks shareholder approval to allow the company to issue up to 100,000,000 ordinary shares in the company, in addition to the abovementioned 15%, for the purposes of Listing Rule 7.1.

The company provides the following information concerning this matter pursuant to Listing Rule 7.3:

- a) The company seeks to issue up to 100,000,000 ordinary shares.
- b) The company will issue seek to issue up to 100,000,000 ordinary shares by 30 September 2016, being within 3 months of its 2016 AGM.
- c) Any share issued under this resolution will be issued at a minimum price equal to at least 80% of the Volume Weighted Average Price for the Company's ordinary shares over the last 5 trading days on which trades in that class were recorded.
- d) The Company may issue some of the shares for non-cash consideration, for example, as part of the consideration for an acquisition, but the issue price attributable to the shares shall be in accordance with the pricing parameters referred to above.
- e) The basis upon which persons will be identified or selected has not yet been determined but could be for non-cash consideration of services (manufacturing, consulting and /or distribution) and acquisitions.
- f) The ordinary shares will be issued with the same rights as existing ordinary class shares.
- g) Whilst the company does not have any immediate plans to issue shares under this resolution, purposes for which shares may be issued pursuant to this resolution include non-cash consideration of services (manufacturing, consulting and /or distribution) and acquisitions.
- h) Any ordinary shares issued under approval of this resolution will be issued with by 30 September 2016, being within 3 months of the company's 2016 AGM.
- i) At the date of this notice, the company had issued 549,518,013, ordinary shares. If this resolution and resolution 5 above are approved by shareholders, the company will be able to issue;
- j) a further 82,427,702 ordinary shares without shareholder approval in the 12 month period to 30 June 2017 per resolution 5 above; and

- k) a further 100,000,000 ordinary shares without shareholder approval in the 3 month period to 30 September 2016 per this resolution.

The directors believe that it is important for, and in the best interests of, the company to have the ability to issue the maximum number of shares under Listing Rule 7.1 as it enables the company to move quickly and efficiently to undertake fund raising/issue capital when necessary.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 6.

BACKGROUND INFORMATION FOR RESOLUTIONS 7,8 AND 9

The Company has introduced the IoT Group Option Plan – refer Appendix 1 (**Plan**) to assist in the reward, motivation and retention of personnel (including executives and eligible employees) and to drive Company growth and therefore, shareholder returns. The below is a summary of the Plan:

1. **Eligibility:** The Board may determine from time to time that any employee, contractor, consultant, director of or to the Company or any company in the corporate group or any individual who is otherwise engaged by the group to provide services is eligible to participate in the Plan (**Eligible Employee**).
2. **Instrument:** The Board may issue options to Eligible Employees which will entitle the Eligible Employee to acquire ordinary shares in the capital of the Company, subject to vesting and exercise of the options. The Board may issue the following types of options:
 - a) options with an exercise price that is greater than the market value of the underlying shares which may be acquired on exercise of the options at the date of issue of the options (referred to as **Premium Price Options**); and
 - b) options with an exercise price equal to the market value of the underlying shares which may be acquired on exercise of the options at the date of issue (referred to as **Market Price Options**).
3. **Exercise Price:**

The exercise price for Market Price Options is equal to the market value of the underlying shares at the date of issue determined by reference to the volume weighted average price of a Company share sold on the ASX during the five trading days immediately prior to the date of issue of the options.

The exercise price for Premium Price Options is greater than the market value of the underlying shares at the date of issue determined by reference to the volume weighted average price of a Company share sold on the ASX during the five trading days immediately prior to the date of issue of the options.

 - a)
4. **Vesting Conditions:** Service and performance based vesting conditions apply to Market Price Options. Service based vesting conditions apply to Premium Price Options.

In accordance with the ASX Listing Rules, shareholder approval is required for the issue of securities (including rights to acquire securities) under an employee incentive scheme to a Director of the Company. Therefore, the purpose of the above resolutions is to obtain shareholder approval to the issue of options to the Directors of the Company (see Explanatory Notes for further details).

ITEM 7 - ISSUE OF 12,500,000 OPTIONS TO SIMON KANTOR OR HIS NOMINEE

Summary

Shareholders are asked to approve for all purposes (including ASX Listing Rule 10.14), the issue of a maximum of 12,500,000 Premium Price Options to acquire 12,500,000 ordinary shares in the capital of the Company (**Shares**) to Simon Kantor (**Kantor Options**), a Director of the Company.

If approved by Shareholders, the Kantor Options will be issued as soon as reasonably practicable following approval and no later than 12 months after this Meeting (**Issue Period**). The Kantor Options do not carry dividend or voting rights. The Shares delivered on exercise of the Kantor Options will have full voting and dividend rights corresponding to the rights of other holders of ordinary shares in the Company.

ASX Listing Rule 10.14 requires simply majority shareholder approval for the issue of securities under an employee incentive scheme to a Director.

IoT Group Option Plan (Plan)

Premium Price Options may be issued to Eligible Employees at the discretion of the Board in accordance with the Plan rules. There is no ability for the Company to provide any cash equivalent on exercise.

The Kantor Options will vest immediately following their issue and may be exercised by Simon Kantor any time prior to 31 December 2022, after which any vested but unexercised Kantor Options will lapse.

As the Kantor Options exercise price is significantly greater than the market value of a Share at the date of issue, the Share price must increase above this premium in order for any value to be realised by Simon Kantor (**Performance Hurdle**).

In the Board's view, the Performance Hurdle that must be satisfied before any value may be realised Simon Kantor links the ultimate value of the Kantor Options to the continued growth of the Company's earnings and shareholder returns and therefore provides a major incentive for Simon Kantor and the shareholders to ensure the Company continues on its growth trajectory.

Termination of employment

If Simon Kantor's employment is terminated for any reason, Simon Kantor may retain all vested Kantor Options. As the Kantor Options vest immediately following their issue, there will be no unvested Kantor Options.

Shareholder approval

ASX Listing Rule 10.14 requires Shareholder approval before a Director can acquire securities or rights to securities under an employee incentive scheme. Approval from Shareholders is being sought to issue the Kantor Options to Simon Kantor under the Plan during the Issue Period.

Information required by ASX Listing Rule 10.15

i) Number of Options

The maximum number of Premium Price Options that may be granted to Simon Kantor within the Issue Period is 12,500,000.

On the issue of the Kantor Options, Simon Kantor may acquire a maximum of 12,500,000 ordinary shares. Each Kantor Option will, upon issue, become exercisable and entitle the holder to one Share for each Kantor Option. Any vested but unexercised Kantor Options will expire on 31 December 2022.

On exercise of the Kantor Options, the Board will determine whether to purchase Shares on market or to issue new Shares.

The price for the issue of the Kantor Options is \$0.0001 per Kantor Option. The exercise price of the Kantor Options is a premium to market value at the date of issue calculated in accordance with the following formula:

$$\text{Exercise Price} = \text{Number of Kantor Options} \times P$$

Where P is calculated in accordance with the following formula:

$$P = \text{ISP} \times 2$$

Where ISP is the volume weighted average price of a Company share sold on the ASX during the five trading days immediately prior to the date of issue of the Kantor Options.

ii) Persons who received Shares under the Plan since last approval

No Options or Shares have been issued to any persons under the Plan.

iii) Persons who are entitled to participate in the IoT Group Option Plan

Eligibility to participate in the Plan will be determined by the Board.

iv) Terms of any related loan

There is no loan to be provided by the Company concerning the issue of the Kantor Options and, subject to exercise, the underlying Shares to Simon Kantor.

v) Issue date of Options

The Kantor Options will be issued to Simon Kantor or his nominee within the Issue Period, on the conditions described in this Explanatory Note.

Directors' recommendation

Given the interest of the Directors in the subject matter of this resolution, the Board makes no recommendation to shareholders on this resolution.

ITEM 8 ISSUE OF 10,000,000 OPTIONS TO IAN DUFFELL OR HIS NOMINEE

Summary

Shareholders are asked to approve for all purposes (including ASX Listing Rule 10.14) the issue of a maximum of 10,000,000 Premium Price Options to acquire 10,000,000 ordinary shares in the capital of the Company (**Shares**) to Ian Duffell (**Duffell Options**), a Director of the Company.

If approved by Shareholders, the Duffell Options will be issued as soon as reasonably practicable following approval and no later than 12 months after this Meeting (**Issue Period**). The Duffell Options do not carry dividend or voting rights. The Shares delivered on exercise of the Duffell Options will have full voting and dividend rights corresponding to the rights of other holders of ordinary shares in the Company.

ASX Listing Rule 10.14 requires simply majority shareholder approval for the issue of securities under an employee incentive scheme to a Director.

IoT Group Option Plan (Plan)

Premium Price Options may be issued to Eligible Employees at the discretion of the Board in accordance with the Plan rules. There is no ability for the Company to provide any cash equivalent on exercise.

The Duffell Options will vest immediately following their issue and may be exercised by Ian Duffell any time prior to 31 December 2022, after which any vested but unexercised Duffell Options will lapse.

As the Duffell Options exercise price is significantly greater than the market value of a Share at the date of issue, the Share price must increase above this premium in order for any value to be realised by Ian Duffell (**Performance Hurdle**).

In the Board's view, the Performance Hurdle that must be satisfied before any value may be realised by Ian Duffell links the ultimate value of the Duffell Options to the continued growth of the Company's earnings and shareholder returns and therefore provides a major incentive for Ian Duffell and the shareholders to ensure the Company continues on its growth trajectory.

Termination of employment

If Ian Duffell's employment is terminated for any reason, Ian Duffell may retain all vested Duffell Options. As the Duffell Options vest immediately following their issue, there will be no unvested Duffell Options.

Shareholder approval

ASX Listing Rule 10.14 requires Shareholder approval before a Director can acquire securities or rights to securities under an employee incentive scheme. Approval from Shareholders is being sought to issue the Duffell Options to Ian Duffell under the Plan during the Issue Period.

Information required by ASX Listing Rule 10.15

i) Number of Options

The maximum number of Premium Price Options that may be granted to Mr Duffell within the Issue Period is 10,000,000.

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On the issue of the Duffell Options, Mr Duffell may acquire a maximum of 10,000,000 ordinary shares. Each Duffell Option will, upon issue, become exercisable and entitle the holder to one Share for each Duffell Option. Any vested but unexercised Duffell Options will expire on 31 December 2022.

On exercise of the Duffell Options, the Board will determine whether to purchase Shares on market or to issue new Shares.

The price for the issue of the Duffell Options is \$0.0001 per Duffell Option. The exercise price of the Duffell Options is a premium to market value at the date of issue calculated in accordance with the following formula:

Exercise Price = Number of Duffell Options x P

Where P is calculated in accordance with the following formula:

$P = ISP \times 2$

Where ISP is the volume weighted average price of a Company share sold on the ASX during the five trading days immediately prior to the date of Issue of the Duffell Options.

ii) Persons who received Shares under the Plan since last approval

No Options or Shares have been issued to any persons under the Plan.

iii) Persons who are entitled to participate in the IoT Group Option Plan

Eligibility to participate in the Plan will be determined by the Board.

iv) Terms of any related loan

There is no loan to be provided by the Company concerning the issue of the Duffell Options and, subject to exercise, the underlying Shares to Ian Duffell.

v) Issue date of Options

The Duffell Options will be issued to Ian Duffell or his nominee within the Issue Period, on the conditions described in this Explanatory Note.

Directors' recommendation

Given the interest of the Directors in the subject matter of this resolution, the Board makes no recommendation to shareholders on this resolution.

ITEM 9 ISSUE OF 7,500,000 OPTIONS TO SCOTT BROWN OR HIS NOMINEE

Summary

Shareholders are asked to approve for all purposes (including ASX Listing Rule 10.14) the issue of a maximum of 7,500,000 Premium Price Options to acquire 7,500,000 ordinary shares in the capital of the Company (**Shares**) to Scott Brown (**Brown Options**), a Director of the Company.

If approved by Shareholders, the Brown Options will be issued as soon as reasonably practicable following approval and no later than 12 months after this Meeting (**Issue Period**). The Brown Options do not carry dividend or voting rights. The Shares delivered on exercise of the Brown Options will have full voting and dividend rights corresponding to the rights of other holders of ordinary shares in the Company.

ASX Listing Rule 10.14 requires simply majority shareholder approval for the issue of securities under an employee incentive scheme to a Director.

IoT Group Option Plan (Plan)

Premium Price Options may be issued to Eligible Employees as determined by the Board in accordance with the Plan rules. There is no ability for the Company to provide any cash equivalent on exercise.

The Brown Options will vest immediately following their issue and may be exercised by Scott Brown any time prior to 31 December 2022, after which any vested but unexercised Brown Options will lapse.

As the Brown Options exercise price is significantly greater than the market value of a Share at the date of issue, the Share price must increase above this premium in order for any value to be realised by Scott Brown (**Performance Hurdle**).

In the Board's view, the Performance Hurdle that must be satisfied before any value may be realised by Mr Brown as the ultimate value of the Brown's Options is linked to the continued growth of the Company's earnings and shareholder returns and therefore provides a major incentive for Scott Brown and the shareholders to ensure the Company continues on its growth trajectory.

Termination of employment

If Scott Brown's employment is terminated for any reason, Scott Brown may retain all vested Brown Options. As the Brown Options vest immediately following their issue, there will be no unvested Brown Options.

Shareholder approval

ASX Listing Rule 10.14 requires Shareholder approval before a Director can acquire securities or rights to securities under an employee incentive scheme. Approval from Shareholders is being sought to issue the Brown Options to Scott Brown under the Plan during the Issue Period.

Information required by ASX Listing Rule 10.15

i) Number of Options

The maximum number of Premium Price Options that may be granted to Scott Brown within the Issue Period is 7,500,000.

On the issue of the Brown Options, Scott Brown may acquire a maximum of 7,500,000 ordinary shares. Each Brown Option will, upon issue, become exercisable and entitle the holder to one Share for each Brown Option. Any vested but unexercised Brown Options will expire on 31 December 2022.

On exercise of the Brown Options, the Board will determine whether to purchase Shares on market or to issue new Shares.

The price for the issue of the Brown Options is \$0.0001 per Brown Option. The exercise price of the Brown Options is a premium to market value at the date of issue calculated in accordance with the following formula:

$$\text{Exercise Price} = \text{Number of Brown Options} \times P$$

Where P is calculated in accordance with the following formula:

$$P = \text{ISP} \times 2$$

Where ISP is the volume weighted average price of a Company share sold on the ASX during the five trading days immediately prior to the date of issue of the Brown Options.

ii) Persons who received Shares under the Plan since last approval

No Options or Shares have been issued to any persons under the Plan.

iii) Persons who are entitled to participate in the IoT Group Option Plan

Eligibility to participate in the Plan will be determined by the Board.

iv) Terms of any related loan

There is no loan to be provided by the Company concerning the issue of the Brown Options and, subject to exercise, the underlying Shares to Scott Brown.

v) Issue date of Options

The Brown Options will be issued to Scott Brown or his nominee within the Issue Period, on the conditions described in this Explanatory Note.

Directors' recommendation

Given the interest of the Directors in the subject matter of this resolution, the Board makes no recommendation to shareholders on this resolution.

ITEM 10 – REMOVAL OF AUDITOR

The Company's auditor is currently Russell Bedford NSW. For administrative reasons, shareholder approval is sought for the appointment of A.D Danieli Audit Pty Ltd as auditor of the Company in place of Russell Bedford NSW.

Section 329(1) of the Corporations Act states that an auditor of a company may be removed from office by resolution of the company passed at a general meeting, provided that notice of the intention to remove the current auditor has been given to the company before the company calls the general meeting.

The Company has received a notice of intention to remove Russell Bedford NSW as its auditor – See Appendix 2. The Company has provided a copy of that notice of intention to Russell Bedford NSW and ASIC, as required by the Corporations Act.

The purpose of resolution 10 is to remove Russell Bedford NSW as the Company's auditor. This resolution is not conditional on any other resolutions also being passed. Accordingly, the proposed removal of Russell Bedford NSW will occur if resolution 10 is passed.

Note: Russell Bedford NSW informed the Company that they have applied to ASIC requesting its consent to resign from the office of auditor of the Company, and that it will provide formal written notification of resignation in accordance with section 329(5) of the Corporations Act 2001 once ASIC's consent is received. If ASIC's consent and Russell Bedford NSW's resignation is received before the meeting, thereby making resolution 10 unnecessary, the resolution will be withdrawn

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 10.

ITEM 11 – APPOINTMENT OF AUDITOR

Section 327D (2) of the Corporations Act states that a company which has removed its auditor at a general meeting may pass a special resolution to appoint a replacement auditor at that same meeting, provided that a copy of the notice of nomination of the auditor has previously been sent to the proposed replacement auditor (as well as to the current auditor and each person entitled to receive a notice of meeting).

Where an auditor of a company ceases to hold office before an annual general meeting of the company, the company may by resolution appoint an auditor to fill the vacancy under section 327B (1) of the Corporations Act, provided that a copy of the notice of nomination of the auditor has previously been sent to the proposed new auditor (as well as to each person entitled to receive a notice of the meeting).

Further, section 328A states that a company must not appoint an auditor unless the auditor has first consented to act as auditor and has not withdrawn that consent before the appointment is made.

A.D Danieli Audit Pty Ltd has given its written consent to act as auditor and, as at the date of the notice of meeting to which this explanatory statement relates, has not withdrawn that consent – refer Appendix 3.

The purpose of resolution 11 (which is to be passed as a special resolution either for the purpose of section 327D (2) or section 327B (1) of the Corporations Act) is to appoint A.D Danieli Audit Pty Ltd as auditor of the Company. This resolution is stated to be subject to resolution 10 also being passed or the Company receiving written notification of resignation as auditor of the Company from Russell Bedford NSW with the consent of ASIC before the date of the meeting. Accordingly, the proposed appointment of A.D Danieli Audit Pty Ltd will only occur if Russell Bedford NSW is removed as auditor by resolution 11 or resigns from office with ASIC's consent.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 11.

ITEM 12 – AMENDMENT OF CONSTITUTION

The Company is seeking shareholder approval for the inclusion of an additional clause in the constitution (Proposed Change). If approved by shareholders, the amended Constitution will be effective from the close of the Meeting.

The Company's current Constitution is in the same form as the Ardent Resources Limited version. The only change made since listing of IOT on 24 March 2016 has been to change the name from Ardent Resources Limited to IOT Group Limited.

The Proposed Change is being put to shareholders to allow the Company to act as an agent of members or to allow a person authorized by the Board to be appointed to act as an agent of members should there be a decision to distribute specific assets to any members.

Approval of the Proposed Change will provide the Company and Board with flexibility to distribute assets to shareholders in a timely manner without having to first seek shareholder approval which would likely delay a distribution.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Item 12.

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LOCATION OF ANNUAL GENERAL MEETING - IOT GROUP LIMITED, LEVEL 14, 39 MARTIN PLACE, SYDNEY NSW 2000 AT 11.00 AM (Sydney time) ON THURSDAY, 30 JUNE 2016

Public transport: IOT's office is located near Martin Place train station. The area is also serviced frequently by buses.

Car: There are also multiple public carparks located near 39 Martin Place Sydney.

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Proxy Form for Shareholders

Shareholder
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX

1. I / We (please print): Name _____

Address _____

_____ Security Holder Reference Number (if known) _____

2. Appointment of Proxy

I / We being a member/s of IOT Group Limited hereby appoint

	The Chairman of the Meeting (mark with an "x")	or	
--	--	----	--

(Write here the name of the person you are appointing if this person/s is someone other than the chairman of the meeting)

or failing the person/s named, or if no person/s is named, the Chairman of the meeting, as my/our proxy and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of IOT Group Limited to be held at the offices of the company at Level 14, 39 Martin Place Sydney NSW 2000 at **11am on Thursday, 30 June 2016** and at any adjournment of that meeting.

3. Votes on Resolution directions to your proxy – please mark with a cross to indicate your directions

		For	Against	Abstain
Resolution 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a)	Election of Simon Kantor as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b)	Election of Ian Duffell as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Scott Brown as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Previous issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of up to 100,000,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Options to Simon Kantor or his nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Options to Ian Duffell or his nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Options to Scott Brown or his nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Amendment of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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PLEASE NOTE: Undirected proxies received by the Chairman of the meeting will be voted in favour of each item of business. If you have appointed the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default), you can direct the Chairman of the meeting to vote for, against or to abstain from voting on, Resolution 1 by marking the relevant box opposite Resolution 1. Note that under Section 2, if the Chairman of the meeting is your proxy and you do not mark any of the boxes opposite Resolution 1, you are directing the Chairman to vote in favour of Resolution 1.

4. _____ **Appointment of a Second Proxy** I/We wish to appoint a second proxy
State the percentage of your voting rights
Or the number of shares for this Proxy

Form

Mark with an "x" if you wish to appoint a second proxy and or

5. Authorised Signature/s

This section must be signed in accordance with the instructions provided to enable your directions to be implemented.

<p>Individual or Security Holder</p> <p><input type="checkbox"/> <input type="checkbox"/></p> <p>Individual/Sole Director and Sole Company Secretary</p>	<p>Security Holder 2</p> <p><input type="text"/></p> <p>Director</p>	<p>Security Holder 3</p> <p><input type="text"/></p> <p>Director/Company Secretary</p>
--	--	--

Contact Name _____ Contact daytime telephone _____

Email _____ Date _____

Completed proxy forms must be received by the Company no later than 11am on Tuesday, 28 June 2016 to be valid. You may return the form by:

1. Email to investor@theiotgroup.com ; or
2. Mail to: IOT Group Limited
 Level 14, 39 Martin Place
 Sydney NSW 2000

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How to Complete this Proxy Form

(a) Your Name and Address

The name and address on the Proxy Form is as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note: you cannot change ownership of your shares using this form.

(b) Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the name of the person in Section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

(c) Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he chooses. If you mark more than one box on an item your vote on that item will be invalid.

(d) Appointment of Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy, you must:

- A. On each of the first Proxy Form and the second Proxy Form state that percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, your proxy appointments will be invalid. Fractions of votes will be disregarded.
- B. Return both forms together.

(e) Signing instructions

You must sign this form as follows in the spaces provided:

Individual:	Where the holding is in one name, the holder must sign.
Joint Holding:	Where the holding is in more than one name, either security holder may sign.
Power of Attorney:	To sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given above (via mail or email) by not later than 48 hours before commencement of the meeting ie **11am Tuesday, 28 June 2016**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Appendix 1 - IOT 2016 AGM NOM

IOT Group Limited
Level 14
39 Martin Place
SYDNEY NSW 2000

19 May 2016

Ron Hollands – Company Secretary

IOT Group Limited
Suite 3, Level 14
39 Martin Place
SYDNEY NSW 2000

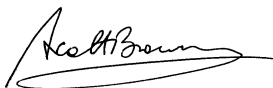
IOT Group Limited - Notice of intention to remove auditor

Dear Ron,

I, Scott Brown, request the company to convene a general meeting of the company to consider and, if thought fit, pass the resolution that Russell Bedford NSW be removed as auditor of the company.

The company seeks to appoint A.D Danielli Audit Pty Limited, the current auditor of OK IOT Group Pty Limited which is the IOT Group Limited's main operating entity.

Yours sincerely,
IOT Group Limited



Scott Brown
Director

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Appendix 2 – IOT 2016 AGM NOM

IoT Group Option Plan Rules

IoT Group Ltd

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Epoch Employee Share Option Plan Rules

1 Purpose

The Plan is designed to align the interests of Eligible Employees with the interests of shareholders of the Company and each Group company and to assist the Company and each Group company to attract, reward and retain high quality staff.

2 Commencement

The Plan commences on the date determined by the Board.

3 Rules Binding

The Plan must be operated in accordance with these Rules which bind the Company, each Group company and each Participant.

4 Offers

4.1 Eligibility

Only Eligible Employees may participate in the Plan.

4.2 Issue

- (a) The Board may, from time to time and at its absolute discretion, issue Options to Eligible Employees.
- (b) Options will not be quoted on the ASX.

4.3 Terms of offer

Subject to these Plan Rules, offers of Options to Eligible Employees may be made on such terms and conditions as the Board determines at its absolute discretion, provided the offer:

- (a) is made in writing;
- (b) specifies:
 - (i) the number of Options the subject of the offer;
 - (ii) the Exercise Price;
 - (iii) the Vesting Conditions;
 - (iv) the Exercise Period;
 - (v) the Disposal Restrictions;
 - (vi) any other specific terms and conditions that apply to the offer of the Options; and
- (c) includes any document required by law or regulatory authority to be provided.

4.4 Right to receive benefits in respect of Options

Nothing in these Plan Rules confers any right or benefit in respect of the Option Shares that correspond to the Options issued (whether the right to receive dividends, the right to vote or otherwise) unless and until the Option is exercised and the Option Shares are issued, allotted or transferred to the Participant in accordance with Rule 6.

5 Acceptance of Options

5.1 Acceptance Form

An Eligible Employee may accept an offer of Options made in accordance with Rule 4 by:

- (a) delivering to the Company an Acceptance Form within the time period specified in the offer; and
- (b) if the Options the subject of the offer are Premium Price Options, together with the Option Price payable for the total Premium Price Options to be issued, by way of bank cheque made out in favour of the Company or any other payment method determined by the Board and notified to the Eligible Employee from time to time.

5.2 Acceptance in Whole

An Acceptance Form delivered to the Company in accordance with Rule 5.1 must be in respect of all, not some, Options issued in accordance with Rule 4.

5.3 Issue of Options

On receipt of an Acceptance Form, the Company will issue the Options the subject of the offer to the Eligible Employee.

5.4 Nominee

An Eligible Employee is not permitted to have their Options issued, allotted or transferred to any other person or associated body corporate unless the Board, at its absolute discretion, determines otherwise.

5.5 Employee agrees to be bound

On delivery of an Acceptance Form in accordance with Rule 5.1, an Eligible Employee is deemed to have agreed to be bound by:

- (a) the terms of the issue;
- (b) the provisions of these Plan Rules;
- (c) the Constitution;
- (d) the Listing Rules; and
- (e) all applicable laws.

6 Vesting and Exercise

6.1 Exercise of Options

- (a) As soon as reasonably practicable after the Options may be exercised (whether as a result of the Options Vesting or otherwise), the Board will deliver a Vesting Notice to the relevant Participant.
- (b) Subject to the Listing Rules, any applicable laws (including the Corporations Act) and any policy of the Company or the Group in respect of insider trading, on receipt of a Vesting Notice, the Participant may exercise the Vested Options at any time during the Exercise Period by delivering to the Company:
 - (i) an Exercise Notice in respect of the Vested Options; and
 - (ii) the Exercise Price for each Option Share to be issued, allotted or transferred upon exercise of the Vested Options, by way of bank cheque made out in favour of the Company or any other payment method determined by the Board and notified to the Participant from time to time.
- (c) For the avoidance of doubt, an Exercise Notice may be in respect of some but not all of the Vested Options.

- (d) Where a Participant delivers an Exercise Notice in respect of only some of the Vested Options, the Board will deliver a new Vesting Notice which details the remaining number of Vested Options which may be exercised by the Participant.

6.2 Satisfaction of Options upon Vesting or Exercise by Shares

- (a) Subject to the Listing Rules, any applicable laws (including the Corporations Act) and any policy of the Company or the Group in respect of insider trading, as soon as reasonably practicable following the exercise of Options in accordance with Rule 6.1 (or where applicable, Rule 9.2) the Company will:
- (i) issue, allot or transfer (as determined by the Company at its absolute discretion) Option Shares to the Participant;
 - (ii) cause the Option Shares to be registered in the name of the Participant; and
 - (iii) otherwise do all things necessary to ensure the Option Shares are issued, allotted or transferred to the Participant in accordance with the terms and conditions of these Plan Rules.
- (b) Option Shares issued, allotted or transferred to a Participant in accordance with this Rule 6.2 will rank equally with all existing Shares from the date of issue.

6.3 Waiver

For the avoidance of doubt, the Board may, at its absolute discretion, waive some or all of the Vesting Conditions applicable to Options in respect of a Participant such that the Options may Vest despite a Vesting Condition not being satisfied.

7 Participation in future issues and reorganisation

7.1 Participation in future issues

- (a) A Participant cannot participate in new issues of Shares or other securities to holders of Shares, unless the Shares in respect of Options held by the Participant have been acquired by, and registered in the name of, the Participant before the record date for determining entitlements to the new issue.
- (b) If the Company makes a pro rata bonus issue of Shares or other securities to shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and Shares in respect of Options held by a Participant have not been acquired by, and registered in the name of, the Participant before the record date for determining entitlements to the bonus issue, then the number of Shares the subject of the Options shall be increased by the number of Shares that the Participant would have received if the Shares the subject of the Options had been registered in the name of the Participant before the record date for the bonus issue.
- (c) If the Company makes a pro rata issue of Shares (except a bonus issue) to shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and
- an Exercise Price is payable on the exercise of Options, the Exercise Price shall be changed as permitted by the Listing Rules.

7.2 Reorganisation

In the event of any reorganisation of the issued capital of the Company, a Group company or the Group, the number of Options, Option Shares or the Exercise Price payable will be adjusted in accordance with the Listing Rules as applicable to options at the time of the reorganisation.

8 Restrictions

8.1 **General**

Except as specified in these Plan Rules or unless otherwise approved by the Board, a Participant must not sell, assign, transfer or otherwise Encumber their Options.

8.2 **Disposal Restrictions**

- (a) The Board may at its absolute discretion, determine that a restriction period or other conditions will apply to some or all Option Shares, and may determine the terms and conditions applying to any such restriction period or other conditions.
- (b) If the Board determines a restriction period applies to Option Shares, a Participant must not dispose of or otherwise deal with, or purport to deal with, their Option Shares which are subject to a restriction period unless otherwise as required or approved by the Board.

9 Forfeiture

9.1 **General**

The provisions of this Rule 9 will apply if the terms of the offer of Options made in accordance with Rule 4 state that this Rule 9 applies.

9.2 **Good Leaver**

(a) **Unvested Options**

- (i) If:
 - (A) a Participant is a Good Leaver; and
 - (B) as at the date the Participant became a Good Leaver some or all of that Participant’s Options have not Vested,
 the Participant will be entitled to retain that part of the Unvested Options for each tranche with the same issue date calculated in accordance with the following formula:

$$RA = \frac{\text{Number of Unvested Options}}{TPV} \times D$$

Where:

RA = The number of Unvested Options which the Participant may retain on becoming a Good Leaver.

TVP = The total number of full months in the Vesting Period.

D = The total number of full months which have elapsed in the period beginning on the date the Options last Vested (and if the Options have not yet Vested, beginning on the date of issue of the Options) and ending on the date the Participant became a Good Leaver.

- (ii) Those Unvested Options that a Participant is not entitled to retain in accordance with Rule 9.1(a) will be forfeited by the Participant and all rights of the Participant in respect of those Unvested Options which are forfeited will cease.

(b) **Vested Options**

- (i) If:
 - (A) a Participant is a Good Leaver; and
 - (B) that Participant is the holder of Vested (but unexercised) Options; and

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irrespective of the Exercise Period applicable to those Vested Options, as soon as reasonably practicable after the Participant becomes a Good Leaver, the Board will deliver a Vesting Notice to that Participant.

- (ii) On receipt of a Vesting Notice, the Participant may exercise some or all of the Vested Options until the earlier of 90 days from the date of the Vesting Notice delivered in accordance with Rule 9.2(b)(i) and the expiration of the Exercise Period by delivering to the Company:
 - (A) an Exercise Notice in respect of the Vested Options; and
 - (B) the Exercise Price for each Option Share to be issued, allotted or transferred upon exercise of the Vested Options, by way of bank cheque made out in favour of the Company or any other payment method determined by the Board and notified to the Participant from time to time.
- (iii) For the avoidance of doubt, if a Participant exercises some but not all Vested Options in accordance with Rule 9.2(b)(ii), any unexercised Vested Options will be forfeited immediately on delivery of the Exercise Notice to the Company in accordance with Rule 9.2(b)(ii).
- (iv) If a Participant exercises Vested Options in accordance with Rule 9.2(b)(ii), the provisions of Rules 6.2 will apply.

9.3 **Bad Leaver**

If a Participant is a Bad Leaver, all Options held by that Participant will be forfeited and all rights of the Participant in respect of all:

- (a) unvested Options;
 - (b) exercised Options for which Shares are yet to be transferred, allotted or issued; and
 - (c) vested but unexercised Options,
- will cease.

10 **Corporate Action**

In the event of a Corporate Action or any other event determined by the Board at its absolute discretion, subject to the Listing Rules and any applicable laws (including the Corporations Act), the Board may determine at its absolute discretion that:

- (a) a Participants' Unvested Options will Vest notwithstanding some or all of the Vesting Conditions have not been satisfied in which case the provisions of Rule 6 will apply;
- (b) a Participant may transfer or otherwise dispose of their Options; or
- (c) any Disposal Restrictions will be waived.

11 **Administration of the Plan**

11.1 **Board to administer Plan**

The Plan is to be administered by the Board in accordance with these Plan Rules.

11.2 **Delegation of Board powers and discretions**

Any power or discretion which is conferred on the Board by these Plan Rules including the power to issue Options to Eligible Employees may be delegated by the Board to any person on such terms it determines at its absolute discretion.

11.3 Documents

The Company may from time to time require an Eligible Employee to complete and return such other documents as may be required by law to be completed by that person or Participant, or such other documents which the Company considers should, for legal, taxation or administrative reasons, be completed by that person or Participant.

11.4 Decisions of the Board Final

All decisions of the Board as to the interpretation, effect or application of these Plan Rules and all calculations and determinations made by the Board under these Plan Rules are final, conclusive and binding in the absence of manifest error.

11.5 Suspension of Plan

The Board may from time to time suspend the operation of the Plan and may at any time cancel the Plan. The suspension or cancellation of the Plan must not prejudice the existing rights (if any) of Participants.

12 Limits on capital

The Company will comply with such legal and regulatory limits (including those imposed by the applicable laws or regulations of a foreign jurisdiction), which limit the percentage of the capital of the Company that may be available under this Plan from time to time as determined by the Board to be appropriate.

13 Amendment of the Plan

13.1 Board may amend

Subject to Rules 13.2 and the Listing Rules, the Board may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Plan Rules (including this Rule 13).

13.2 No alteration to existing rights

Any amendment to the provisions of these Plan Rules must not materially alter the rights of any Participant in respect of an issue of Options under the Plan prior to the date of the amendment, unless the amendment is introduced primarily:

- (a) for the purpose of complying with or conforming to present or future local or foreign legislation governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to enable the Plan, the Company or any Group company to comply with any applicable local or foreign laws or any required policy of a local or foreign regulatory body.

13.3 Retrospective amendment possible

Subject to Rule 13.2, any amendment made under Rule 13.1 may be given retrospective effect as specified in the written instrument or resolution by which the amendment is made.

14 Rules for Specific Countries

14.1 General

The Board may, in its absolute discretion:

- (a) issue Options to Eligible Employees who reside outside of Australia; and
- (b) by written instrument or by resolution of the Board, introduce specific rules applicable to the issue of Options to Eligible Employees who reside outside of Australia.

14.2 Inconsistency

To the extent the provisions of any specific rule(s) introduced in accordance with Rule 14.1(b) conflict with these Plan Rules, the provisions of the specific rule(s) will apply.

14.3 Application

Unless otherwise specified, any specific rule(s) introduced in accordance with Rule 14.1(b) shall apply only to Options issued to Participants under the jurisdiction of the country that is the subject of the specific rule(s).

15 Termination of the Plan

The Plan terminates and is to be wound up:

- (a) if an order is made or an effective resolution is passed for the winding up of the Company other than for the purpose of amalgamation or reconstruction; or
- (b) if the Board determines that the Plan is to be wound up.

16 General provisions

16.1 Rights of Participants

- (a) Nothing in these Plan Rules:
 - (i) confers on any Eligible Employee any expectation to become a Participant or Participant Shareholder;
 - (ii) confers on any Employee the right to be invited to apply for, to be offered or to receive any Option or Share;
 - (iii) confers on any Participant or Participant Shareholder the right to continue as an employee of the Company or any Group company;
 - (iv) affects any rights which the Company or any Group company may have to terminate the employment of any Employee; or
 - (v) may be used to increase damages in any action brought against the Company or any Group company in respect of any termination of employment.
- (b) No person, whether a Participant, Participant Shareholder or otherwise, has any claim, right or interest in respect of the Plan or any Shares (including Option Shares) or other property of the Plan, whether against the Company or any other person, as a consequence of termination of the Employee's employment or appointment or otherwise, except under and in accordance with these Plan Rules.

16.2 Withholding

- (a) If the Company or any person (excluding the Participant) is obliged as a result of, or in connection with, the issue, Vesting or exercise of Options to account for income tax, withholding tax or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contribution or levy or charge of a similar nature, that person is entitled to be reimbursed by the Participant for the amounts so paid or that will become payable.
- (b) Where Rule 16.2(a) applies, the Company is not obliged to pay the relevant amount or issue or transfer the relevant Option Shares to the Participant unless the relevant person is satisfied that arrangements have been made for reimbursement. Such arrangements may include reimbursement prior to the amounts becoming payable by the relevant person and the sale, on behalf of the Participant, of Option Shares issued, allotted or transferred or otherwise to be issued, allotted or transferred to the Participant and, in the event of such a sale, the Participant must also reimburse the costs of any such sale (including brokerage).

16.3 Attorney

- (a) Each Participant, in consideration of the issue of Options, shall be deemed to irrevocably appoint the Company, and any person nominated from time to time by the Company (each an **Attorney**) severally, as the Participant's attorney to complete and execute any documents including applications for Option Shares and Option Share transfers and to do all things necessary on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Plan Rules.
- (b) The Participant shall be deemed to covenant that the Participant shall:
- (i) ratify and confirm any act or thing done pursuant to the powers conferred by this Rule 16; and
 - (ii) release the Company, each Group company, each Director and the Attorney (where applicable) from any liability whatsoever arising from the exercise of the powers conferred by this Rule 16,

and shall indemnify and hold harmless the Company, each Group company, each Director and the Attorney (where applicable) in respect of such powers.

16.4 Notices

- (a) Any notice, certificate, consent, approval, waiver or other communications given by the Board, the Company or any Group company is deemed to have been duly given if:
- (i) sent by electronic mail or delivered by hand; or
 - (ii) sent by ordinary prepaid mail,
- and is deemed to have been served:
- (iii) if sent by electronic mail or delivered by hand, at the time of sending or delivery; or
 - (iv) if posted, three Business Days (or, if posted to a Participant's address outside Australia, seven Business Days) after the date of posting.
- (b) Delivery, transmission and postage is to the address of any Participant as indicated on the Application Form, any other address as the Board or any Participant may notify to the other or in the case of a Participant who is an Employee, the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of his or her office or employment.

16.5 Governing Law and Jurisdiction

This Plan is governed by the laws of New South Wales. Any person referred to in the Plan submits to the exclusive jurisdiction of the Courts of New South Wales and Australia.

17 Definitions and Interpretation

17.1 Definitions

In this document, unless the context requires otherwise:

Acceptance Form means a duly completed document of acceptance of the issue of Options signed by an Eligible Employee, in the form set out in Schedule 1 or such other form approved by the Board from time to time, and lodged in accordance with rule 5.1.

ASX means ASX Limited ABN 98 008 624 691, or the stock market conducted by it, as the context requires.

Attorney has the meaning given to that term by Rule 16.3(a).

Bad Leaver means a Participant who ceases to be an employee and who:

- (a) breaches any provision of the terms of their employment and who the Board determines is a Bad Leaver; or

- (b) breaches any provision of these Plan Rules and fails to rectify such breach within 10 days of the date the Board issues notice of such breach;
- (c) is subject to an Insolvency Event; or
- (d) the Board determines at its absolute discretion is a Bad Leaver,
- but does not include a Participant who is a Good Leaver.

Board means all or some of the Directors of the Company acting as a board or a duly authorised committee of the board.

Business Day means a day that is not a Saturday, Sunday or public holiday in New South Wales.

Company means IoT Group Ltd ACN 140 475 921 of Suite 3, Level 14, 39 Martin Place, Sydney, NSW 2000.

Constitution means the constitution of the Company as amended from time to time.

Corporate Action means where:

- (a) the Board determines there are circumstances which have occurred or are likely to occur which will result in significant changes to the structure or control of the Company or the Group or any person with a controlling interest in the Company or the Group which may adversely affect the rights of or value of benefits to Participants;
- (b) offers are made to acquire all of the Shares (or all of those that the offeror does not already have a relevant interest in) and after the announcement of the offer the offeror acquires Control of the Company or the Group or offers are made to acquire all of the Shares (or all of those that the offeror does not already have a relevant interest in) by any person who has Control of the Company or the Group;
- (c) a scheme of arrangement under the Corporations Act is proposed between the Company and its shareholders; or
- (d) a resolution for a members' voluntary winding of the Company is passed.

Corporations Act means the Corporations Act 2001 (Cth).

Director means the director of any Group company from time to time (including an alternate director or managing director appointed in accordance with the relevant constitution).

Disposal Restrictions means such restriction on disposal or dealing in Options, or in an Option Share, as determined by the Board from time to time at its absolute discretion, including the restrictions referred to in Rule 7.

Eligible Employee means:

- (a) in respect of Premium Price Options, an Employee who is a director or executive of the Company or any Group company;
- (b) in respect of Market Price Options, an Employee who is not a director or executive of the Company or any Group company,

and who the Board determines in its absolute discretion to issue Options.

Employee means:

- (a) an employee, contractor or consultant of the Group;
- (b) a director of the Company or any Group company;
- (c) a person to whom an offer of employment, engagement as a contractor or engagement as a consultant by the Group has been made; or
- (d) any individual who is otherwise engaged by the Group to provide services.

Encumbrance means any security interest, mortgage, lien, charge, pledge, restriction against transfer, title retention, preferential right or trust arrangement, claim, covenant, easement or any other arrangement having the same effect and **Encumber** has the corresponding meaning.

Exercise Notice means a duly completed exercise notice in respect of Vested Options signed by the Participant, in the form set out in Schedule 3 or such other form approved by the Board from time to time, and lodged in accordance with Rule 6.1(b).

Exercise Period means the period commencing on the First Exercise Date and ending on the Last Exercise Date.

Exercise Price means the price payable for the acquisition of Option Shares on the exercise of Vested Options and which is specified in the terms of the issue of those Options.

First Exercise Date means the first possible time Options may be exercised, being a date determined by the Board at its absolute discretion and specified in the terms of the issue of those Options.

Good Leaver means a Participant who:

- (a) ceases to be an Employee, is not a Bad Leaver and who the Board determines at its absolute discretion is a Good Leaver; or
- (b) is subject to a Qualifying Event and who the Board determines at its absolute discretion is a Good Leaver.

Group means the Company and its Subsidiaries and Group company means any one of them.

Last Exercise Date means the last possible time Options may be exercised, being 31 December 2022.

Listing Rules means the official listing rules of ASX.

Market Price Options means Options with an Exercise Price equal to the market value of the underlying Shares which may be acquired on exercise of the Options at the date of issue of the Options determined by taking the volume weighted average price of a Share sold on the ASX during the five trading days immediately prior to the date of issue of the Options.

Option means a right to acquire a specified number of Shares at the Exercise Price in accordance with the Plan Rules and includes (but is not limited to) Market Price Options and Premium Price Options.

Option Price means the price payable for the issue of Premium Price Options being the amount of \$0.0001 per Premium Price Option.

Option Share means a Share acquired by a Participant as a result of the exercise by that Participant of its Options.

Participant means an Eligible Employee to whom an Option has been issued.

Participant Shareholder means a Participant who is the holder of Option Shares.

Plan means the IoT Group Option Plan, being the plan constituted by these Plan Rules.

Plan Rules means the rules of the Plan set out in this document, as amended from time to time.

Premium Price Options means Options with an Exercise Price that is greater than the market value of the underlying Shares which may be acquired on exercise of the Options at the date of issue of the Options as determined by taking the volume weighted average price of a Share sold on the ASX during the five trading days immediately prior to the date of issue of the Options.

Qualifying Event means a Participant who ceases to be an employee as a result of genuine redundancy, death or Total and Permanent Disablement.

Share means an ordinary share in the capital of the Company.

Subsidiary has the meaning given in the Corporations Act but so that:

- (a) an entity will also be deemed to be a Subsidiary of a company if it is controlled by that company (expressions used in this paragraph have the meanings given for the purposes of Parts 2.6 and 2.7 of the Corporations Act);

- (b) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
- (c) a corporation or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.

Total and Permanent Disablement means the Participant, has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation with the Group for which he or she is reasonably qualified by education, training or experience.

Unvested or Unvested Options means Options in respect of which the Vesting Conditions have not been:

- (a) satisfied as required by the terms of the relevant issue and these Plan Rules; or
 - (b) waived by the Board in accordance with these Plan Rules,
- and which have not lapsed.

Vest, Vested or Vesting means Options in respect of which the Vesting Conditions have been:

- (a) satisfied as required by the terms of the relevant issue and these Plan Rules; or
 - (b) waived by the Board in accordance with these Plan Rules,
- and which have not lapsed.

Vesting Conditions means, in respect of Options, any conditions (including any Vesting Period), determined by the Board at its absolute discretion applicable to those Options and specified in the terms of the issue to an Eligible Employee.

Vesting Notice means a notice, in the form set out in Schedule 2 or such other form approved by the Board from time to time, delivered by the Board to a Participant in accordance with Rule 6.1(a) in respect of the satisfaction or waiver of the Vesting Conditions.

Vesting Period means the period during which the Vesting Conditions applicable to those Options must be satisfied, as determined by the Board at its absolute discretion and specified in the terms of the issue to an Eligible Employee.

17.2 Interpretation

In these Plan Rules, unless the context requires otherwise:

- (a) the singular includes its plural and vice versa;
- (b) words denoting any gender include all genders;
- (c) headings are for convenience only and do not affect interpretation;
- (d) a reference to:
 - (i) a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity;
 - (ii) a party in these Plan Rules or another document includes that party's successors, permitted substitutes or permitted assigns;
 - (iii) a particular time is a reference to that time in Sydney, New South Wales;
 - (iv) any agreement (including these Plan Rules) or document is to the agreement or document as amended, supplemented, novated or replaced from time to time;
 - (v) a clause, paragraph, schedule or annexure is to a clause, paragraph, schedule or annexure in or to these Plan Rules;
 - (vi) these Plan Rules include any schedules and annexures to it;
 - (vii) writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible or tangible form; and

- (viii) legislation (including subordinate legislation) or a provision of it is to that legislation or provision as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
- (e) words such as including or for example do not limit the meaning of the words preceding them;
- (f) an obligation or liability assumed by, or a right conferred on, two or more parties binds or benefits all of them jointly and each of them severally; and
- (g) nothing in these Plan Rules is to be interpreted against a party solely on the ground that the party or its advisers drafted it.

17.3 **Inconsistency**

In the event of an inconsistency between these Plan Rules and the terms of an offer or issue of Options, the terms of these Plan Rules prevail over the terms of the issue of those Options.

Schedule 1

ACCEPTANCE FORM

TO: **IoT Group Ltd**
Suite 3, Level 14, 39 Martin Place
Sydney
New South Wales 2000
(Company)

FROM: Participant Name: _____

Address: _____

Date of offer (date of participant letter): _____

Number of Options specified in Vesting Notice: _____

Pursuant to the terms of the offer of my Options referred to in this Acceptance Form, I, the Participant, request the Company issued to me all of the Options specified in the Acceptance Form referred to above.

[DELETE IF NOT APPLICABLE] Attached to this Acceptance Notice is a bank cheque in favour of the Company in the amount of:

Total Option Price: \$ _____

I, the Participant:

- (a) request that you issue to me that number of Options referred to in this Acceptance Form;
- (b) agree to be bound by the Plan Rules, the terms of the issue of my Options, the Listing Rules and the Constitution of the Company; and
- (c) acknowledge and agree that I have had the opportunity to obtain my own professional advice in respect of my participation in the Plan.

Dated:

EXECUTED by:

Signature

Insert Name



For personal use only

Schedule 2

VESTING NOTICE

TO: **Participant Name:** _____

Address: _____

Date of issue of Options: _____

Number of Vested Options: _____

Exercise Price: _____

Exercise Period: _____

FROM: **IoT Group Ltd**
Suite 3, Level 14, 39 Martin Place
Sydney
New South Wales 2000
(Company)

Pursuant to the terms of the issue of your Options, the Company notifies you that the Options specified in this Vesting Notice have Vested.

The Options specified in this Vesting Notice may be may be exercised by you within the Exercise Period specified above by:

- 1) completing the Exercise Notice attached to this Vesting Notice; and
- 2) providing the completed Exercise Notice together with a bank cheque in favour of the Company for the total Exercise Price payable to the exercise the Vested Options, to the Company.

Dated:

EXECUTED by **IoT GROUP LTD** ACN 140 475 921 in accordance with section 127 of the Corporations Act 2001 (Cth):

Signature of director

Signature of director/company secretary
(Please delete as applicable)

Name of director (print)

Name of director/company secretary (print)

Date

Date

For personal use only

Schedule 3

EXERCISE NOTICE

TO: **IoT Group Ltd**
Suite 3, Level 14, 39 Martin Place
Sydney
New South Wales 2000
(Company)

FROM: Participant Name: _____

Address: _____

Date of issue of Options _____

Date of Vesting Notice: _____

Number of Options specified in Vesting Notice: _____

Pursuant to the terms of the issue of my Options referred to in this Exercise Notice, I, the Participant, exercise all of the Options specified in the Vesting Notice referred to above.

Attached to this Exercise Notice is a bank cheque in favour of the Company in the amount of:

Total Exercise Price: \$ _____

I, the Participant:

- (a) request that you allot to me that number of Option Shares which corresponds to the number of Vested Options referred to in this Exercise Notice;
- (b) authorise the Company to enter my name in the register of members in respect the number of Option Shares which corresponds to the number of Vested Options referred to in this Exercise Notice;
- (c) agree to be bound by the Plan Rules, the terms of the issue of my Options and the Constitution of the Company; and
- (d) acknowledge and agree that I have had the opportunity to obtain my own professional advice in respect of my participation in the Plan.

Dated:

EXECUTED by:

Signature

Insert Name

For personal use only



A D Danieli Audit Pty Ltd

Authorised Audit Company
ASIC Registered Number 339233

Audit & Assurance Services

Level 14, 275 George Street
Sydney NSW 2000
PO Box H88
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ABN: 56 136 616 610

Ph: (02) 9290 3099

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Email: add3@addca.com.au

Website: www.addca.com.au

Our Ref: 64672_1:2832.sd.af
Contact: Sam Danieli
sam@addca.com.au
Allan Facey
allan@addca.com.au

24 March 2016

The Directors
IOT Group Limited
Suite 3, Level 14
39 Martin Place
SYDNEY NSW 2000

Dear Sir/Madam

IOT Group Limited
Audit: Consent to Act

We are pleased to receive nomination to act as auditors of IOT Group Limited.

This letter is our formal consent to act as statutory auditor of the above-named company, pursuant to Section 328A of the Corporations Act 2001 and subject to the ASIC's approval of the incumbent auditor's resignation.

We also note that we are required to correspond with the incumbent auditor to ascertain if there is any professional or ethical reason why we should not accept the appointment.

The appointment proposed, and to which we consent, is an appointment as statutory auditor only and not, in the absence of written agreement to the contrary, as auditor with duties other than those prescribed or implied by the Corporations Act 2001.

We would be pleased to provide any additional services compatible with that appointment that may be required from time to time, although such services are to be regarded as distinct from the performance of our duties as statutory auditor.

Yours faithfully,
A D Danieli Audit Pty Ltd

Sam Danieli