

CONNECTED IO LIMITED
(ACN 009 076 233)

28 May 2021

Dear Optionholder

CONNECTED IO LIMITED - PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER

As announced on 28 May 2021, Connected IO Limited (ACN 009 076 233) (**Company**) is undertaking a pro rata non-renounceable rights issue offer of up to approximately 533,079,662 shares (**Offer**) to raise up to approximately \$1,066,159 on the basis of 1 new share (**New Share**) for every 1 share held at an issue price of \$0.002 per New Share. The Company expects to lodge an offer document for the Offer (**Offer Document**) with the ASX today.

The Offer is fully underwritten by 708 Capital Pty Ltd.

The funds raised from the Offer are planned to be used towards debt repayment, associated interest costs, expenses of the Offer and working capital.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (WST) on 2 June 2021 (**Record Date**), whose registered address is in Australia or New Zealand.

The Offer is being made by the Company in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, meaning that no prospectus or other disclosure document needs to be prepared.

You are the holder of unlisted options to purchase Shares in the Company. The Offer is only available to holders of issued Shares in the Company, and not with respect to Shares that underly any options that have not been exercised.

The purpose of this letter is to advise you that you are not entitled to participate in the Offer (with respect to any Shares that underly your options) without first exercising some or all of your options. The exercise of your options needs to be completed before the Record Date.

If you decide to exercise some or all of your options before the Record Date, the Shares that are issued upon exercise of those options will be included in your shareholding as at the Record Date. Your aggregate holding of Shares at the Record Date determines the extent of your entitlement to participate in the Offer.

Key dates for the Offer

Event	Date²
Announcement of Placement and Offer	28 May 2021
Release of Offer Document, Cleansing Notice and Appendix 3B with ASX	28 May 2021
Ex-date for the Offer	1 June 2021
Record Date (date for determining Eligible Shareholders to participate in the Offer)	2 June 2021
Offer Opening Date – Offer Document and personalised Entitlement and Acceptance Forms sent to Shareholders	4 June 2021

Event	Date ²
Last day to extend the Offer Closing Date	16 June 2021
Closing Date for the Offer	21 June 2021
New Shares quoted on a deferred settlement basis	22 June 2021
Notification to ASX of Offer Shortfall	24 June 2021
Issue date for new Shares and lodgement of Appendix 2A with ASX applying for quotation of the securities	28 June 2021
Quotation of new Shares under the Offer	29 June 2021
Issue of Shortfall Shares and Appendix 2A	29 June 2021
Meeting Date	30 June 2021
Issue of Placement Shares and Debt Restructuring Shares, Cleansing Notice and Appendix 2A	1 July 2021

Notes:

1. Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.
2. These dates are indicative only and are subject to change.

Shareholders may view all the Company's ASX announcements, including those relating to the Offer, on the ASX's website at www.asx.com.au or alternatively on the Company's website at www.connectedio.com.

It is anticipated that the Offer Document offering New Shares for subscription will be mailed to Eligible Shareholders on 4 June 2021 and will be available on the ASX and Company's website on 28 May 2021.

Please ensure you read the Offer Document in its entirety and refer to the Company's ASX announcements before considering whether to participate in the Offer. If in any doubt you should consult your professional advisor.

If you have any queries concerning the Offer, please contact Adam Sierakowski, Chairman, on 08 6211 5099.

Yours sincerely



Adam Sierakowski
Chairman

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