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CONNECTED IO LIMITED

(ACN 009 076 233)

Offer Document

Offer

For a non-renounceable, pro rata Offer of Shares at an issue price of $0.002 each on the basis of 1 new Share for every 1 Share held by Eligible Shareholders at the Record Date to raise up to approximately $1,066,159 before costs (**Offer**).

The Offer is fully underwritten by 708 Capital Pty Ltd.

Important Notice

This Offer Document is not a prospectus and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the Shares offered by this Offer Document.

This Offer Document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of the Offer. The Shares offered under this Offer Document should be considered highly speculative.

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IMPORTANT INFORMATION

GENERAL

This Offer Document is dated 28 May 2021. This document is not a prospectus and does not contain all of the information that an investor would find in a prospectus or which may be required to make an informed decision regarding, or about the rights attaching to, Shares offered by this Offer Document

No person is authorised to give information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

The Offer is an offer of continuously quoted securities (as defined in the Corporations Act) of the Company and has been prepared in accordance with section 708AA of the Corporations Act. In broad terms, section 708AA relates to rights issues by certain companies that do not require the provision of a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than that required in a prospectus. Eligible Shareholders should therefore consider whether the securities offered under this document are a suitable investment in light of their own investment objectives and financial circumstances and the merits or risks involved, having regard to their own knowledge of the Company and the disclosures made by the Company to the ASX. If, after reading this Offer Document, Eligible Shareholders have any questions regarding the Offer, they should contact their stockbroker, lawyer, accountant or other professional adviser before deciding whether or not to accept the Offer.

Neither ASX nor ASIC takes any responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

Capitalised terms in this Offer Document are generally defined terms. Their meaning is set out in the Definitions Section of this Offer Document.

RISK FACTORS

Before deciding to invest in the Company, Eligible Shareholders should read the entire Offer Document. In considering the prospects for the Company, Eligible Shareholders should consider the risk factors set out in Section 3 that could affect the performance of the Company. Eligible Shareholders should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, lawyer, accountant or other professional adviser before deciding to invest.

APPLICATIONS FOR SHARES

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form accompanying this Offer Document. The Entitlement and Acceptance Forms sets out an Eligible Shareholder's Entitlement to participate in the Offer.

The Offer made pursuant to this Offer Document is not made to persons to which, or in places in which, it would not be lawful to make such an offer of Shares. No action has been taken to register the Offer under this Offer Document or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Offer Document should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Please refer to Section 1.9 for further information.

FINANCIAL AMOUNTS

All references in this Offer Document to "$" or "A$" are references to Australian currency unless otherwise stated.

Any discrepancies between the totals and sums of components in tables contained in this Offer Document are due to rounding.

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CORPORATE DIRECTORY

DIRECTORS

Adam Sierakowski
Non-Executive Chairman

Davide Bosio
Non-Executive Director

Dougal Ferguson
CEO, Executive Director

COMPANY SECRETARY

Simon Whybrow

REGISTERED OFFICE

c/- Trident Capital
Level 24, 44 St Georges Terrace
Perth WA 6000

WEBSITE

www.connectedio.com.au

SHARE REGISTRY[1]

Computershare
Level 11, 172 St Georges Terrace
Perth WA 6000
Ph: +61 8 9323 2000

AUDITOR[1]

HLB Mann Judd (WA) Partnership
Level 4, 130 Stirling Street
PERTH WA 6000

LEGAL ADVISER

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
Perth WA 6000

ASX CODE

CIO

1. Named for information purposes only.

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1 DETAILS OF THE OFFER

1.1 STRUCTURE OF THE OFFER

The Company is undertaking a non-renounceable, pro rata offer of Shares at an issue price of $0.002 each on the basis of 1 new Share for every 1 Share held by Eligible Shareholders at the Record Date to raise up to approximately $1,066,159 before costs. Before deciding to invest in the Company, you should consider the risk factors set out in Section 3 that could affect the performance of the Company.

Entitlements under the Offer will be rounded down to the nearest whole number.

The Shares issued pursuant to the Offer (including Shortfall Shares) will be fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares are set out in Section 4.1.

Eligible Shareholders are being sent this Offer Document together with a personalised original Entitlement and Acceptance Form and are invited to apply for new Shares. The Offer opens on 4 June 2021 and closes at 5.00pm (AEST) on 21 June 2021.

The Offer is fully underwritten by 708 Capital (see Section 4.2 for further details).

1.2 PLACEMENT

As announced on 28 May 2021, the Company has received commitments, subject to Shareholder approval, for a placement to sophisticated and institutional investors (**Placement**) of up to 175,000,000 Shares at an issue price of $0.02 (on a post-Consolidation basis) to raise approximately $3,500,000 (before costs). The Placement and the Consolidation are subject to Shareholder approval to be sought at the General Meeting, to be held on 30 June 2021 (refer to the Company's ASX announcement platform for further details on the General Meeting and the Notice dated 28 May 2021). Subject to Shareholder approval being received, the Placement Shares are proposed to be issued on or about 1 July 2021 (being after the Record Date) meaning that participants in the Placement will not be eligible to participate in the Offer.

The Company notes that the indicative date for issuing the Placement Shares as set out in the indicative timetable below is 1 July 2021. In any event, the Company will not issue the Placement Shares later than 3 months from the Meeting Date, in accordance with ASX Listing Rules.

The Placement is fully underwritten by 708 Capital (see Section 4.2 for further details).

1.3 TIMETABLE

The indicative timetable for the Offer is set out below.

Event	Date
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	4 June 2021

Entitlement and Acceptance Forms sent to Shareholders	
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 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
Record Date for Consolidation	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.

All dates (other than the date of lodgement of the Offer Document with ASX) are indicative only. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offer, including extending the Closing Date or accepting late acceptances, either generally or in particular cases, without notice.

1.4 USE OF FUNDS

As the Offer is fully underwritten, it is expected that the funds raised under the Offer and after allocation of any Shortfall Shares to the Underwriter or its nominees or sub-underwriters pursuant to the Underwriting Agreement, will be used in the manner as indicated below.

Although the Placement is fully underwritten, the issue of the Placement Shares is subject to Shareholder approval at the General Meeting and as such, the use of funds table below does not include the Placement of $3,500,000 (less costs of the Placement).

Item	Amount
Accrued interest on owing on Convertible Notes to 30 June 2021 (assuming no Convertible Noteholders agree to convert their Convertible Notes into Shares on the terms proposed in the Notice of Meeting)	$181,469
Tyche Line of Credit accrued interest to 31 March 2021[1]	$107,573
Partial repayment of Convertible Noteholders	$750,000

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Working capital contribution[2]	$36,852
Cost of the Offers	$63,970
Total	**$1,066,159**

Notes:

1. Subject to Shareholder approval being received, it is anticipated that the majority of the current debt holders (other than Convertible Noteholders), being certain lenders and creditors, will be issued Debt Restructuring Shares in settlement of the debts owing to them as at 31 March 2021, pursuant to the Notice of Meeting resolutions being put to Shareholders at the General Meeting.
2. The Company currently has sufficient working capital to contribute to the retirement of the above level of debt if required.
3. Refer to the Company's Notice of Meeting dated 28 May 2021 for the use of funds should Shareholder approval be obtained for the Placement.

The above table is a statement of the Board's current intention as at the date of this Offer Document. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of the General Meeting which is seeking approval to issue Debt Restructuring Shares in lieu of debts and also its ongoing strategic review and therefore, the Board reserves the right to alter the way the funds are applied.

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1.5 EFFECT ON CAPITAL STRUCTURE

As the Offer is fully underwritten, the effect of the Offer on the capital structure of the Company is set out in the table below.

Security	Existing	Completion of the Offer, Placement and Debt Restructuring
Existing Shares	533,079,662	533,079,662
Shares issued under the Offer	-	533,079,662
Total Shares	**533,079,662**	**1,066,159,325**
Consolidation (1:10 basis)[1]	**53,307,966**	**106,615,932**
Underwritten Placement[1]	-	175,000,000
Issue of Shares to A.C.N. 627 852 797 for debt conversion[1]	-	20,000,000
Conversion of interest on Tyche Line of Credit[1]	-	5,378,630
Conversion of Director's fees in lieu of cash payment[1]	-	10,925,000
Total Shares	**53,307,966**	**317,919,562**
Unlisted Options on issue[3]	750,000	750,000
Performance Shares[4]	2,000,000	2,000,000
Issue of Underwriting Options[5]	-	8,400,000
Issue of Stage 2 Options[5]	-	33,600,000
Issue of ACN Options[5]	-	20,000,000
Issue of Director Options[6]	-	9,000,000
Fully Diluted Capital Structure	**56,057,966**	**391,669,562**

Note:

1. Subject to Shareholder approval at the General Meeting.

2. All other amounts subsequent to completion of the Offer are provided on a post-Consolidation basis.

3. The unlisted options (CIOAE) are exercisable at $1.00 and expiring on 20/12/2022 (on a post-Consolidation basis).

4. 10,000,000 Class A Performance Shares and 10,000,000 Class B Performance Shares held by Mr Temov.

5. The Underwriting Options, Stage 2 Options, ACN Options to be issued subject to Shareholder approval proposed to be obtained at the General Meeting will be exercisable at $0.03 and expire three years from the date of issue. Refer to Annexure A of the Notice of Meeting for a summary of the terms and conditions.

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6. The Director Options to be issued subject to Shareholder approval proposed to be obtained at the General Meeting will be exercisable at $0.03 and expire three years from the date of issue. Refer to Annexure B of the Notice of Meeting for a summary of the terms and conditions.

1.5.1 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document, noting that the Offer is the issue of 1 Share for every 1 Share held).

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	Approximate % at Record Date[1]	Entitlements under the Offer	Holding if Offer not taken up	Approximate % post Offer
Shareholder 1	50,000,000	9.38%	50,000,000	50,000,000	4.69%
Shareholder 2	25,000,000	4.69%	25,000,000	25,000,000	2.34%
Shareholder 3	10,000,000	1.88%	10,000,000	10,000,000	0.94%
Shareholder 4	1,000,000	0.19%	1,000,000	1,000,000	0.09%
Shareholder 5	100,000	0.02%	100,000	100,000	0.01%

Notes:

1. This is based on an issued share capital of 533,079,662 Shares at the date of this Offer Document.

1.6 EFFECT ON CONTROL

1.6.1 General

The Offer is a pro rata offer so that if all Eligible Shareholders take up their Entitlements, the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Offer on control of the Company other than the dilution of any Ineligible Shareholders who are unable to participate in the Offer. If some Eligible Shareholders do not take up all of their Entitlements, then the voting power of those Eligible Shareholders will also be diluted.

As at the date of this Offer Document, the Company's largest shareholder is Splendor which is a Foreign Shareholder and is therefore not an Eligible Shareholder for the purposes of the Offer. Accordingly, the anticipated relevant interests of Splendor in the Shares of the Company upon completion of the Offer are set out in the table below.

Shareholder	Existing relevant interest in Shares	Existing voting power	Shares issued under the Offer	Relevant interest in Shares at completion
Splendor	26,000,000	**4.88%**	Nil	2.44%

1.6.2 The Underwriter

The Offer is fully underwritten by 708 Capital (see Section 4.2 for further details). The extent to which Shares are issued to 708 Capital pursuant to the Underwriting Agreement will increase 708 Capital's voting power in the Company.

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The table below sets out the results of various scenarios based on varying levels of participation in the Offer and their approximate effect on the Relevant Interests and voting power of the Underwriter.

Subscription %	Shortfall	Underwriter	
		Relevant Interest	Voting Power
At the date of this Offer Document			
N/A	N/A	1,263,134	0.24%
At completion of the Offer			
100%	Nil	2,526,268	0.24%
75%	25%	135,796,184	12.74%
50%	50%	269,066,099	25.24%
25%	75%	402,336,015	37.74%

The number of Shares in which the Underwriter has a Relevant Interest in the table above shows the potential effect of the Underwriter's underwriting of the Offer. However, it is unlikely that no Shareholders will take up entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the number of entitlements taken up under the Offer by Eligible Shareholders.

Despite any level of subscription under the Offer, the Underwriter's voting power will not exceed 19.9% as they will allocate those shares to their nominees or sub-underwriters.

The implementation of the Underwriter current intentions in relation to its ownership interest in the Company will be subject to the law (including the Corporations Act), the Listing Rules and the Company's Constitution.

1.7 DIRECTORS' INTERESTS

The Relevant Interest of each of the Directors in the Securities of the Company as at the Record Date is set out in the table below.

Director	Shares	Entitlement	Intentions to apply for under the Offer	Options	Performance Shares	Convertible Notes
Adam Sierakowski	11,290,320	11,290,320	11,290,320	Nil	Nil	Nil
Davide Bosio	1,300,000	1,300,000	1,300,000	Nil	Nil	2[1]
Dougal Ferguson	8,000,000	8,000,000	8,000,000	Nil	Nil	1[2]

Notes:

1. Convertible Notes with a total face value of $130,000.
2. Convertible Note with a total face value of $30,000.

1.8 ELIGIBLE SHAREHOLDERS

An Eligible Shareholder is a person who:

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- is registered as a holder of Shares as at 5.00pm (AEST) on the Record Date; and
- has a registered address in Australia or New Zealand, or is otherwise eligible under all applicable securities laws to receive an offer of Shares under the Offer.

Please refer to Section 1.9 for the treatment of foreign Shareholders.

A Shareholder who is not an Eligible Shareholders is an Ineligible Shareholder.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Offer to Ineligible Shareholders, having regard to:

- the small number of Ineligible Shareholders;
- the Company's largest Shareholder, Splendor who is an Ineligible Shareholder, indicating to the Company that it does not wish to participate in the Offer;
- the small number and value of the Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, the Offer is not being extended to any Shareholders outside Australia and New Zealand unless these Shareholders would be eligible under all applicable securities laws to receive an offer of, and be issued, Shares under the Offer.

Where this Offer Document has been dispatched to an Ineligible Shareholder and where that jurisdiction's law, code or legislation prohibits or restricts in any way the making of the Offer, this Offer Document is provided for information purposes only.

1.9 FOREIGN SHAREHOLDERS

The Offer is only made to, and available for acceptance by, Eligible Shareholders. This Offer Document and the accompanying Entitlement and Acceptance Form do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Return of a completed Entitlement and Acceptance Form or payment to the Company via BPAY® will be taken by the Company to constitute a representation and warranty by the applicant that it is eligible to receive an offer of, and be issued, Shares under the Offer and that there has been no breach of applicable securities laws.

The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law and anyone who receives this Offer Document should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares or the Offer, or otherwise permit a public offering of Shares, in any jurisdiction outside Australia. Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

1.10 NOMINEES, TRUSTEES AND CUSTODIANS

The foreign selling restrictions summarised in Section 1.9 apply to the underlying beneficial holder of Shares. Nominees, trustees or custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder.

Shareholders who hold Shares on behalf of persons who are resident outside Australia or New Zealand are responsible for ensuring that accepting the Offer and receiving Shares does not breach regulations in the relevant overseas jurisdictions. Return of a completed Entitlement and Acceptance Form or payment via BPAY® will constitute a representation by the applicant that there has been no breach of such regulations with respect to the Offer.

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Shareholders who are nominees, trustees and custodians are therefore advised to seek independent advice as to how they should proceed. Failure to comply with restrictions set out in this Offer Document may result in violations of applicable securities laws.

1.11 NO RIGHTS TRADING

Entitlements under the Offer are non-renounceable and accordingly cannot be traded on the ASX or any other stock exchange, or privately transferred.

1.12 MINIMUM SUBSCRIPTION

There is no minimum level of subscription for the Offer.

1.13 UNDERWRITING OF OFFER AND PLACEMENT

The Offer and Placement are fully underwritten by 708 Capital. The Company has agreed to pay the Underwriter an underwriting fee of 6% of the funds raised under the Offer and Placement with such a fee to be paid on the date of allotment of the new Shares.

Subject to receiving Shareholder approval, the Company has agreed to issue 37,000,000 options at an exercise price of $0.03 each and an expiry of 3 years from their date of issue. Of the 37,000,000 options, only 3,400,000 Underwriting Options will be issued to the Underwriter, with the remaining to be issued to sub-underwriters of the Underwriter.

Pursuant to the terms of the Underwriting Agreement, the Underwriter intends to enter into a formal sub-underwriting agreement prior to the issue of the remaining Underwriting Options. In the absence of a formal sub-underwriting agreement being entered into, the Company will not issue the remaining options. The sub-underwriters will be clients of the Underwriter and will be determined by the Underwriter.

.The material terms and conditions of the Underwriting Agreement are summarised in Section 4.2.

1.14 MARKET PRICE OF SHARES

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	($)	Date
Highest	$0.01	25 February 2021
Lowest	$0.007	30 May 2021
Last	$0.007	27 May 2021

1.15 TRADING IN NEW SHARES

The issue of Shares under the Offer will occur in accordance with the timetable set out in Section 1.3. Upon new Shares being issued under the Offer, holding statements will be sent to applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the new Shares. Applicants who sell their Shares before they receive their holding statement will do so at their own risk.

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1.16 APPLICATIONS MONIES

All Application Monies for Shares to be issued pursuant to the Offer will be held in the Subscription Account on behalf of applicants until the Shares are issued or, if the Shares are not issued, until the Application Monies are returned to applicants. All interest earned on Application Monies (including those which do not result in the issue of new Shares) will be retained by the Company.

Any Applications Monies received for more than an applicant's Entitlement to Shares will be refunded as soon as practicable after the Closing Date

If Shares are not issued to an applicant, the relevant Application Monies will be refunded as soon as practicable after the Closing Date.

1.17 ASX QUOTATION

The Company will apply to ASX within 7 days after the date of this Offer Document for quotation of the Shares offered under this Offer Document.

If approval for quotation of the Shares to be issued under the Offer is not granted within 3 months after the date of this Offer Document, the Company will not issue any Shares and all Application Monies will be repaid without interest as soon as practicable.

1.18 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement Pty Limited (**ASX Settlement**), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored following the completion of the Offer. Each CHESS statement will set out the number of new Shares issued to the Shareholder under this Offer Document, and provide details of the Shareholder's holder identification number and the participant identification number of the sponsor.

The Share Registry will send a statement to Shareholders who are registered on the issuer sponsored sub-register following the completion of the Offer. Each statement will contain the number of new Shares issued to the Shareholder under this Offer Document and the Shareholder's security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

1.19 PRO FORMA STATEMENT OF FINANCIAL POSITION

Set out on the following pages is the audit reviewed statement of financial position for the Company as at 31 December 2020, and pro forma statement of financial position as at completion of the Offer. The unaudited pro forma statement of financial position has been prepared on the basis and assumption that there have been no material movements in the assets and liabilities of the Company between 31 December 2020 and completion of the Offer other than:

a. the issue of 285,135,633 Shares pursuant to a placement and entitlement issue announced on 19 January 2021 which raised $536,055 (after costs);

b. an increase in cash and borrowings of $250,000 to reflect the drawdown of the balance of the loan announced on 9 December 2020;

c. the issue of 533,079,662 new Shares through the Offer to raise $1,002,190 (after costs);

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d. subject to Shareholder approval, the issue of 175,000,000 Shares (on a post Consolidation basis) through the Placement to raise $3,290,000 after costs;

e. subject to Shareholder approval, the issue of 175,000,000 Shares (on a post Consolidation basis) through the Placement to raise $3,500,000 after costs;

f. subject to Shareholder approval, the settlement of $107,573 of accrued interest on the Tyche Line of Credit through the issue of 5,378,630 Shares, the settlement of the $400,000 ACN 627 852 797 loan through the issue of 20,000,000 Shares and 20,000,000 Options and the settlement of $218,500 in related party creditors through the issue of 10,925,000 Shares for Director and company secretarial services all on a post Consolidation basis; and

g. the repayment of $1,321,000 plus accrued interest for the outstanding Convertible Notes which mature on 30 June 2021.

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	Consolidated HY 2021 $	a.	b.	c.	Pro-forma on Completion of the Offer	d.	e.	f.	Proforma on Completion of the Offer, Placement and Debt Restructure
Current assets									
Cash and cash equivalents	**73,327**	536,055	250,000	1,002,190	**1,861,572**	3,290,000		(1,502,469)	**3,649,103**
Trade and other receivables	**114,165**				**114,165**				**114,165**
Inventory	**408,927**				**408,927**				**408,927**
Total current assets	**596,419**	536,055	250,000	1,002,190	**2,384,664**	3,290,000	0	(1,502,469)	**4,172,195**
Non-current assets									
Plant and equipment	**14,426**				**14,426**				**14,426**
Right-of-use assets	**102,653**				**102,653**				**102,653**
Goodwill	**2,418,610**				**2,418,610**				**2,418,610**
Other intangibles	**90,320**				**90,320**				**90,320**
Other assets	**9,387**				**9,387**				**9,387**
Total non-current assets	**2,635,396**	0	0	0	**2,635,396**	0	0	0	**2,635,396**
Total Assets	**3,231,815**	**536,055**	**250,000**	**1,002,190**	**5,020,060**	**3,290,000**	**0**	**(1,502,469)**	**6,807,591**
Current Liabilities									
Trade and other payables	**986,035**				**986,035**		(326,073)	(153,770)	**506,192**
Lease liabilities	**36,729**				**36,729**				**36,729**
Borrowings	**550,000**		250,000		**800,000**		(400,000)		**400,000**
Convertible Notes	**1,321,000**				**1,321,000**			(1,321,000)	**0**
Total current liabilities	**2,893,764**	0	250,000	0	**3,143,764**	0	(726,073)	(1,474,770)	**942,921**
Non-current Liabilities									
Lease liabilities	**72,907**				**72,907**				**72,907**
Other payables	**225,915**				**225,915**				**225,915**
Total non-current liabilities	**298,822**	0	0	0	**298,822**	0	0	0	**298,822**
Total Liabilities	**3,192,586**	**0**	**250,000**	**0**	**3,442,586**	**0**	**(726,073)**	**(1,474,770)**	**1,241,743**
Net assets	**39,229**	**536,055**	**0**	**1,002,190**	**1,577,474**	**3,290,000**	**726,073**	**(27,699)**	**5,565,848**
Equity									
Issued capital	**70,927,326**	536,055		1,002,190	**72,465,571**	3,290,000	576,837		**76,332,408**
Reserves	**1,276,133**				**1,276,133**				**1,276,133**
Accumulated losses	**(72,164,230)**				**(72,164,230)**		149,236	(27,699)	**(72,042,693)**
Total Equity	**39,229**	**536,055**	**0**	**1,002,190**	**1,577,474**	**3,290,000**	**726,073**	**(27,699)**	**5,565,848**

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2 HOW TO APPLY

This Section 2 sets out the choices for an Eligible Shareholder with respect to applying for new Shares under the Offer. Please refer to Section 1.8 to determine who is an Eligible Shareholder.

2.1 CHOICES AVAILABLE

Eligible Shareholders may do any of the following:

- take up all or part of their Entitlement (refer to Section 2.2); or
- do nothing (refer to Section 2.3).

The Offer is a non-renounceable pro rata offer to Eligible Shareholders. Eligible Shareholders who take up their Entitlement in full will not have their percentage shareholding in the Company diluted by the Offer. The percentage shareholdings of Eligible Shareholders who do not take up all of their Entitlement will be diluted. For further details on the effect of the Offer on control of the Company, please refer to Section 1.6.

2.2 TAKE UP ALL OR PART OF ENTITLEMENT

Eligible Shareholders who wish to take up all or part of their Entitlement under the Offer should complete the Entitlement and Acceptance Form in respect of the number of new Shares they wish to subscribe for and arrange for payment of the Application Monies in accordance with Section 2.4.

2.3 ALLOW ALL OR PART OF ENTITLEMENT TO LAPSE

If Eligible Shareholders decide not to accept all or part of their Entitlement under the Offer, or fail to accept their Entitlement by the Closing Date, the part of their Entitlement not accepted will lapse. The Shares not subscribed for will form part of the Shortfall Shares which will be taken up by the Underwriter (and any sub-underwriter) pursuant to the Underwriting Agreement.

Eligible Shareholders should note that if they do not take up their Entitlement in full then although they will continue to own the same number of Shares, their percentage holding in the Company may be reduced.

2.4 MAKING AN APPLICATION

Option 1: Submit a completed Entitlement and Acceptance Form together with a cheque, bank draft or money order.

To follow option 1, applicants should:

- complete the personalised Entitlement and Acceptance Form accompanying this Offer Document in accordance with the instructions set out on that form, and indicate the number of new Shares they wish to subscribe for; and
- return the form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:
  - in respect of the full Application Monies (being $0.002 multiplied by the number of new Shares they wish to subscribe for); and
  - in Australian currency drawn on an Australian branch of a financial institution; and
  - made payable to “Connected IO Limited” and crossed ‘Not Negotiable’.

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Applicants should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of the cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of Shares applied for in the Entitlement and Acceptance Form in full, the applicant will be taken to have applied for the lowest number of whole Shares as the cleared Application Monies will pay for (and to have specified that number of Shares in the Entitlement and Acceptance Form). Alternatively, the application will be rejected.

Cash payments will not be accepted. Receipts for payment will not be issued.

Applicants need to ensure that their completed Entitlement and Acceptance Form and cheque, bank draft or money order reaches the Share Registry at the address below by no later than 5.00pm (AEST) on 21 June 2021.

Completed Entitlement and Acceptance Forms should be returned to the Share Registry at the following address:

By post:

Computershare Investor Services Pty Limited
GPO Box 505
MELBOURNE VIC 3001

Entitlement and Acceptance Forms (and payment of Application Monies) may not be accepted if received after 5.00pm (AEST) on 21 June 2021.

Option 2: Pay via BPAY® payment

To follow option 2, applicants should pay the full Application Monies, being $0.002 multiplied by the number of new Shares comprising their Entitlement or, if subscribing for only part of their Entitlement, the number of new Shares the applicant wishes to subscribe for, via BPAY® payment in accordance with the instructions set out on the personalised Entitlement and Acceptance Form (which includes the biller code and the applicant's unique customer reference number). Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution.

Please note that if payment is made by BPAY®:

- the applicant does not need to submit the personalised Entitlement and Acceptance Form but is taken to make the statements on that form; and
- if the applicant subscribes for less than its Entitlement or does not pay for its full Entitlement, the applicant is taken to have taken up its Entitlement in respect of such whole number of Shares which is covered in full by the Application Monies.

Applicants need to ensure that their BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on 21 June 2021. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above.

2.5 REPRESENTATIONS BY ACCEPTANCE

Returning a completed Entitlement and Acceptance Form or making a BPAY® payment will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Offer Document accompanying the form and has read it in full;
- agrees to be bound by the terms of this Offer Document and the Constitution;

- makes the representations and warranties in Section 1.8 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of Shares under the Offer;

- declares that all details and statements in the Entitlement and Acceptance Form are complete and accurate;

- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Entitlement and Acceptance Form;

- acknowledges that once the Entitlement and Acceptance Form is returned or a BPAY® payment is made its acceptance may not be withdrawn;

- agrees to being issued the number of new Shares it applies for at $0.002 each (or a lower number issued in a way described in this Offer Document);

- authorises the Company to register it as the holder(s) of the Shares issued to it under the Offer;

- acknowledges that the information contained in this Offer Document is not investment advice or a recommendation that the Shares are suitable for it, given its investment objectives, financial situation or particular needs; and

- authorises the Company and its officers or agents to do anything on its behalf necessary for the new Shares to be issued to it, including correcting any errors in its Entitlement and Acceptance Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Entitlement and Acceptance Form.

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3 RISK FACTORS

3.1 GENERAL

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business. Whilst the Directors recommend that Shareholders take up their Entitlement, there are numerous risk factors involved in an investment in the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which Shares will trade.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. Please note that the summary is not exhaustive and investors should examine the contents of this Offer Document in its entirety and consult with their stockbrokers, lawyers, accountants or other professional advisers before deciding whether or not to apply for Shares.

3.2 SPECIFIC RISKS

3.2.1 Coronavirus (COVID-19) risk

Global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may also be adversely affected by the economic uncertainty caused by COVID-19.

There is a risk that this uncertainty may continue for the foreseeable future, which could interrupt the Company's operations, impair deployment of its products to users and prevent users and suppliers from honouring their contractual obligations.

3.2.2 Competition and new technologies

The industry in which the Company is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of their competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of the Company's business. For instance, new technologies could overtake the advancements made by the Company's products. In that case, the Company's revenues and profitability could be adversely affected.

3.2.3 Special Reputational Risks

The Company operates in a fast-changing environment, and negative publicity can spread quickly, whether true or false. Negative comments by disgruntled customers about the Company may have a disproportionate effect on the Company reputation and its ability to earn revenues and profits. Additionally, complaints by such customers can lead to additional regulatory scrutiny and a consequential increase compliance burden in responding to regulatory inquiries. This could negatively impact on the Company's profitability.

3.2.4 Outsourcing

The Company outsources to consultants for expert advice and contract organisations for manufacturing services and research and development services. There is no guarantee that such experts or organisations will be available as required or will meet expectations.

3.2.5 Customer Service Risk

Customers may need to engage with the Company's customer service personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a customer and the Company. The Company recruits and retain the Company's staff with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If the Company lose

key customer service personnel, or fail to provide adequate training and resources for customer service personnel, this could lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on the Company's revenue.

3.2.6 Risks Associated with the Regulatory Environment

If the Company expands into other markets, for example Germany, then the Company will be subject to German laws and regulations. Users, competitors, members of the general public or regulators could allege breaches of the legislation. This could result in remedial action or litigation, which could potentially lead to the Company being required to pay compensation or a fine. The Company's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Company's profitability. In addition, if regulators took the view that the Company had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to the Company and consequently impact upon its revenue.

3.2.7 Future Capital Needs

Further funding may be required by the Company to support ongoing operations, working capital and to meet future debt and interest repayments. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and consequently its performance.

3.2.8 Liability Claims

The Company may be exposed to liability claims if its services are provided in fault and/or cause harm to its customers. As a result, the Company may have to expend significant financial and managerial resources to defend against such claims. If a successful claim is made against the Company, the Company may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

3.2.9 Foreign Exchange Risks

As the Company has costs and expenses in the United States of America they will likely be denominated in US$. Accordingly, the depreciation and/or the appreciation of the US$ relative to the Australian currency would result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the US$ relative to the Australian currency may result in lower than anticipated revenue, profit and earning. The Company could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the US$, and will have to monitor this risk on an ongoing basis.

3.2.10 Low Barriers to Entry

There are relatively low barriers to entry in the field of next generation wireless technology and the market is experiencing the emergence of providers of these services. Potential risks relate to other providers of these services operating on a lower cost basis placing pressure on the Company's prices.

3.2.11 Insurance Coverage

The Company faces various risks in connection with its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company

maintains insurance coverage for its employees (as required by law the relevant jurisdictions) as well as insurance coverage for management liability, corporate liability, employment practices liability, crime protection and statutory liability. However, the Company does not maintain insurance against various other liabilities. If the Company incurs substantial losses

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or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, its financials may be adversely affected.

3.2.12 Commercialisation Risk

There is a risk that the Company will not be able to further successfully commercialize or sell their products, or be unable to attract further customers to be sufficiently profitable to fund future operations.

3.2.13 Partnerships

The commercial strategy for products which may be derived from internet-of-things (IoT) markets potentially includes forming partnerships with other companies that have the ability to effectively commercialise next generation wireless technology products in key economic markets and there is no assurance that suitable partnerships will be secured or maintained, or that products can be commercialised. For example, the Machine Connect product was developed by a subsidiary of the Company in partnership with Verizon Wireless. Verizon Wireless retained the intellectual property in the Machine Connect product, however granted a non-exclusive licence to the Company's subsidiary to exploit the Machine Connect hardware, software and mechanical design.

3.2.14 Competition

The IoT industry is highly competitive and other corporations may commercialise products that may compete with the Company's products.

3.2.15 Shortage of electronic components

Communications industry is experiencing shortage of certain components which could impact company's ability to manufacture products. Not being able to manufacture products to meet demand poses significant risks to the Company's business.

3.2.16 Termination of Underwriting Agreement

The Underwriting Agreement includes various termination events, the occurrence of which enable the Underwriter to elect to terminate the Underwriting Agreement.

In the event that the Underwriting Agreement is terminated, the Offer will not be fully underwritten and may not raise the full amount intended. If the Underwriting Agreement is terminated, the Directors may determine not to proceed with the Offer.

3.3 GENERAL RISKS

3.3.1 Reliance on key personnel

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

3.3.2 Investment risks

The new Shares to be issued pursuant to the Offer should be considered speculative due to the nature of the Company's business. There is no guarantee as to the payment of dividends, return of capital or the market value of the new Shares. The prices at which an investor may be able to trade the new Shares may be above or below the price paid by the investor for the new Shares.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

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3.3.3 Share market risks

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the new Shares may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the new Shares will develop or that the price of the new Shares will increase. There may be relatively few buyers or sellers of new Shares on the ASX at any particular time:

3.3.4 Competition risks

The industry in which the Company will be involved is subject to domestic and global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, and such activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

3.3.5 Economy risks

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the education industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the education sector;
- movement in, or outlook on, exchange rates, interest rates and inflation rates; and
- natural disasters, social upheaval or war.

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4 ADDITIONAL INFORMATION

4.1 RIGHTS AND LIABILITIES ATTACHING TO SHARES

The rights attaching to the Shares are set out in the constitution of the Company. A broad summary (although not an exhaustive or definitive statement) of the rights attaching to the Shares are outlined below.

4.1.1 Ranking of Shares

At the date of this Offer Document, all shares in the Company are of the same class and rank equally in all respects.

4.1.2 Voting rights

Subject to any special rights or restrictions (at present there are none), at any Shareholder meeting, each Shareholder present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held.

4.1.3 Dividend rights

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

4.1.4 Variation of rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

4.1.5 Transfer of Shares

Subject to the constitution of the Company, the Corporations Act and other relevant laws, the Shares are freely transferable.

4.1.6 General meetings

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to Shareholders under the Company's constitution, the Corporations Act and any other laws.

4.1.7 Rights on winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- divide among the Shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the Shareholders.

Subject to any special rights (at present there are none), any surplus assets (following full satisfaction of all creditors debts) on a winding up are to be distributed to Shareholders in proportion to the number of Shares held by them irrespective of the amounts paid or credited as paid.

4.2 UNDERWRITING AGREEMENT

Pursuant to an agreement between the Underwriter and the Company, the Underwriter has agreed to fully underwrite the Offer and Placement (**Underwriting Agreement**), under which the Company has agreed to pay the Underwriter an underwriting fee of 6% of the total funds raised under the Offer and 6% of the funds raised under the Placement.

Subject to receiving Shareholder approval at the General Meeting, the Company has agreed to issue 37,000,000 options at an exercise price of $0.03 each and an expiry of 3 years from

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their date of issue. Of the 37,000,000 options, only 3,400,000 Underwriting Options will be issued to the Underwriter, with the remaining to be issued to sub-underwriters of the Underwriter.

The Underwriter, in its sole discretion after consultation with the Company, may appoint sub-underwriters to sub-underwrite subscriptions for the Offer and the Placement. The Underwriter is solely responsible for paying any commission and other fees payable to the sub-underwriters.

The obligations of the Underwriter to underwrite the Offer and Placement are subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if any one of the following events occur:

- (**Market fall**) the S&P or ASX 200 Index closes on any two (2) consecutive trading days by 10% or more below its respective level as at the close of business on the business day prior to the execution date;

- (**New circumstance**) an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act or a new circumstance arises or becomes known which, if known at the time of issue of the Offer Cleansing Statement would have been required to be included in the Offer Cleansing Statement;

- (**Unable to issue**) the Company is prevented from granting the Entitlements or issuing Offer Securities in accordance with Listing Rules, any applicable laws, a Government Agency or an order of a court of competent jurisdiction;

- (**Withdrawal of Offer**) the Company withdraws or indicates that it does not intend to proceed with the Offer or any part of the Offer or withdraws a document forming part of the Offer;

- (**Hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Canada, New Zealand, the United States of America, Hong Kong or the United Kingdom;

- (**Prosecution**): any of the following occurs:

  - a director, chief executive officer or chief financial officer of the Company is charged with an indictable offence;

  - any Government Agency commences any public proceedings against the Company or any director in their capacity as a director of the Company, or announces that it intends to take such action; or

  - any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act or any other relevant law;

- (**Other Termination Events**) the Underwriting Agreement contains other termination events that are considered standard for an agreement of this type, including (but not limited to):

  - default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking which is incapable of remedy or is not remedied by the required date;

  - the Company alters its capital structure in any manner not contemplated by the Offer Document; and

  - any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs

of any Relevant Company is or becomes misleading or deceptive in a material respect or likely to mislead or deceive in a material respect.

4.3 NO PROSPECTUS

The Offer complies with the requirements of section 708AA of the Corporations Act and applicable ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument 2016/84**). Accordingly, neither this Offer Document nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Offer will be prepared.

4.4 CONTINUOUS DISCLOSURE

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Some documents relating to the Company are required to be lodged with ASIC. These documents may be obtained from, or inspected at, an ASIC office.

4.5 FINANCIAL INFORMATION

The Company published its half year financial results for the period ended 31 December 2020 (**Half Yearly Report**) on 26 February 2021. Shareholders should refer to the Company's Half Yearly Report for the period ended 31 December 2020 on the Company website at www.connectedio.com and related announcements on the ASX website at www.asx.com.au if they wish to obtain more detailed disclosures and commentary on historical financial information.

Investors should note that past price performance of the Company's Shares provides no guidance as to future price performance.

4.6 TAXATION IMPLICATIONS

It is the responsibility of all Shareholders to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offer by consulting their own professional tax advisers. Neither the Company nor the Directors accept any liability or responsibility in respect of the taxation consequences for Shareholders as a result of the matters referred to in this Offer Document.

4.7 PRIVACY DISCLOSURE

Persons who apply for new Shares under this Offer Document are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications, to provide facilities and services to security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares may not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

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4.8 GOVERNING LAW

This Offer Document and the contracts formed on acceptance of the Entitlement and Application Forms are governed by the laws applicable in Western Australia. Each applicant for Shares and Shortfall Shares submits to the non-exclusive jurisdiction of the courts of Western Australia.

4.9 ENTIRE AGREEMENT

The terms contained in this Offer Document constitute the entire agreement between the Company and you as to the Offer and your participation in it to the exclusion of all prior representations, undertakings and agreements between the Company and you.

4.10 ENQUIRIES

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Shareholders who:

- have questions relating to the calculation of their Entitlement;
- have questions on how to complete an Entitlement and Acceptance Form or take up their Entitlements; or
- have lost their Entitlement and Acceptance Form and would like a replacement form,

should contact the Company on 08 6211 5099 (from within Australia) or +61 8 6211 5099 (from outside Australia) between 8:30am to 5:30pm (AEST) during the Offer period.

Enquiries relating to this Offer Document should also be directed to the Company by telephone on 08 6211 5099.

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DEFINITIONS

708 Capital means 708 Capital Pty Ltd (ACN 142 319 202).

ACN 627 852 797 means A.C.N. 927 852 797 Pty Ltd (ACN 627 852 797).

ACN Options means the Options proposed to be issued to ACN 627 852 797 on the terms and conditions as outlined in Annexure A of the Notice of Meeting.

AEST means Australian Eastern Standard Time, being the time in Sydney, New South Wales.

Application Monies means monies received from persons applying for Shares under the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the official listing rules of the ASX.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the official settlement and operating rules of ASX Settlement.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the date that the Offer closes which is 5.00pm (AEST) 16 June 2021, or such other time and date as the Board determines.

Company means Connected IO Limited (ACN 009 076 233).

Computershare means Computershare Investor Services Pty Limited (ACN 078 279 277).

Consolidation means a proposed consolidation of the Securities of the Company on a ratio of 1 Security for every 10 Securities held in the Company to be voted on at the General Meeting.

Constitution means the Constitution of the Company.

Convertible Note means convertible notes issued by the Company having in aggregate total face values of $1,321,000 due to mature on 30 June 2021.

Convertible Noteholders means means a holder of a Convertible Note issued by the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Debt Restructuring means the restructuring of the Company's balance sheet and liabilities as contemplated under the Notice of Meeting.

Director means a director of the Company.

Director Options means the options proposed to be issued to Directors on the terms and conditions as outlined in Annexure B of the Notice of Meeting.

Eligible Shareholder has the meaning given in Section 1.8.

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Entitlement means the entitlement of an Eligible Shareholder to subscribe for 1 new Share for every 1 Share held at the Record Date pursuant to the Offer.

Entitlement and Acceptance Form means a personalised acceptance form in the form accompanying this Offer Document pursuant to which applicants may apply for Shares.

General Meeting means the General Meeting proposed to be held at the offices of Shaw and Partners, Level 20, 108 St Georges Terrace, Perth WA 6000 at 10.00am on 30 June 2021.

Ineligible Shareholder has the meaning given in Section 1.8.

Notice of Meeting means the notice for the General Meeting sent to Shareholders on 28 May 2021.

Offer means the offer of Shares made under this Offer Document.

Offer Cleansing Statements means the notices given to ASX by the Company under section 708AA(2)(f) of the Corporations Act (in respect of the Offer) and under section 708A(5)(e) of the Corporations Act (in respect of the Placement) and **Offer Cleansing Statement** means either of them.

Offer Document means this offer document dated 28 May 2021.

Opening Date means the first date for receipt of acceptances under the Offer, being 9:00am (AEST) on 4 June 2021 or such other time and date as the Board determines.

Option means an Option to acquire a Share.

Record Date means the date for determining the Entitlements of Shareholders under the Offer, being 5.00pm (AEST) on 2 June 2021.

Relevant Interest has the meaning given in the Corporations Act

Security means a Share, Option, Performance Right or Convertible Note.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

Shareholder means a holder of one or more Shares.

Shortfall Shares means any Shares which are offered to Eligible Shareholders under the Offer but are not subscribed for. .

Splendor means Splendor Limited of 411-415 Cyberport 1, 100 Cyberport Road, Hong Kong.

Subscription Account means the account established by the Company to hold Application Monies received under the Offer.

Tyche Investments means Tyche Investments Pty Ltd (ACN 103 938 165).

Tyche Line of Credit means the line of credit facility with Tyche Investments on or about 12 July 2019 whereby Tyche Investments provided a line of credit of up to $500,000 to enable the Company to fund manufacturing of its products.

Underwriter means 708 Capital.

Underwriting Agreement means the agreement between the Underwriter and the Company.

Underwriting Options means the options issued to the Underwriter on the terms and conditions as set out in Annexure A of the Notice of Meeting.

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