

**PATENT ASSIGNMENT COVER SHEET**

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT5383345

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST
<b>SEQUENCE:</b>	2
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
LOCATION BASED TECHNOLOGIES, INC.	07/17/2017
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	GREGG HAUGEN
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	JEFF LEU
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	CHUCK SMITH
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	DAVID MEYERS
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	CODY EVANS
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III

**PATENT**

<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	ROLF HAUGEN
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	RICHARD CHENITZ
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	BRIDGE LOANS, LLC
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	ADAM MARCOTTE
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	ECPC CAPITAL II, LLC
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	ATLANTIC CAPITAL HOLDINGS, LLC
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450

**PATENT**

**REEL: 048380 FRAME: 0911**

<b>Name:</b>	SCOTT MONICO
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450
<b>Name:</b>	LARRY MONICO
<b>Street Address:</b>	C/O P.O. BOX 930
<b>Internal Address:</b>	ATTN: ALFRED G. ALLEN, III
<b>City:</b>	GRAHAM
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	76450

**PROPERTY NUMBERS Total: 20**

Property Type	Number
Patent Number:	8654974
Patent Number:	8542113
Patent Number:	8531289
Patent Number:	8497774
Patent Number:	8421619
Patent Number:	8421618
Patent Number:	8244468
Patent Number:	8224355
Patent Number:	8102256
Patent Number:	8098132
Patent Number:	8081072
Patent Number:	7728724
Patent Number:	7598855
Patent Number:	7333796
Patent Number:	7218242
Patent Number:	7005963
Patent Number:	6879244
Application Number:	11933024
Application Number:	14285070
Application Number:	14485990

**CORRESPONDENCE DATA**

**Fax Number:**

*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.*

**PATENT**

**REEL: 048380 FRAME: 0912**

**Phone:** 214-687-7448  
**Email:** rklinger12@gmail.com  
**Correspondent Name:** ROBERT C. KLINGER - CULHANE MEADOWS PLLC  
**Address Line 1:** 2591 DALLAS PARKWAY SUITE 300  
**Address Line 4:** FRISCO, TEXAS 75034

<b>ATTORNEY DOCKET NUMBER:</b>	ALLEN-2
<b>NAME OF SUBMITTER:</b>	ROBERT C. KLINGER
<b>SIGNATURE:</b>	/Robert C. Klinger/
<b>DATE SIGNED:</b>	02/20/2019

**Total Attachments: 34**

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## SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of July 17, 2017, but effective April 30, 2017, (this "Agreement"), is among Location Based Technologies, Inc., a Nevada corporation (the "Company"), the holders of the Company's Renewal and Extension Secured Convertible Note issued on July 17, 2017 (the "Renewal Note"), in the original aggregate principal amount of \$8,198,856.00 and accrued interest thereon under the terms of the notes described on Exhibit A attached hereto and made a part hereof for all purposes, (collectively, the "Secured Parties") and Jess N. Turner III, Esq., as collateral agent for the Secured Parties (the "Collateral Agent").

### WITNESSETH:

WHEREAS, pursuant to the Renewal Securities Purchase Agreement between the Secured Parties and the Company (the "Security Agreement"), the Secured Parties have severally agreed to extend the loans to the Company evidenced by the Renewal Note;

WHEREAS, in order to induce the Secured Parties to extend the loans evidenced by the Renewal Note, the Company has agreed to execute and deliver to the Collateral Agent this Agreement and to grant Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in certain property of the Company to secure the prompt payment, performance and discharge in full of all of the Company's obligations under the Renewal Note and all of the other documents and instruments executed in connection therewith (the "Transaction Documents").

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Certain Definitions.** As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 8 or 9 of the UCC (such as "account," "chattel paper," "commercial tort claim," "deposit account," "document," "equipment," "fixtures," "general intangibles," "goods," "instruments," "inventory," "investment property," "letter-of-credit rights," "proceeds" and "supporting obligations") shall have the respective meanings given such terms in Article 8 or 9 of the UCC, as applicable. Upper case terms shall have the meanings attributed to them in the Security Agreement.

(a) "Collateral" means the collateral in which the Collateral Agent is granted a security interest by this Agreement and which shall include all of the property of the Company, including but not limited to the assets identified on Schedule A hereto.

Nothing herein shall be deemed to constitute an assignment of any asset which, in the event of an assignment, becomes void by operation of applicable law or the assignment of which is otherwise prohibited by applicable law (in each case to the extent that such applicable law is not overridden by Sections 9-406, 9-407 and/or 9-408 of the UCC or other similar applicable law); provided, however, that to the extent permitted by applicable law, this Agreement shall create a valid security interest in such asset and, to the extent permitted by applicable law, this Agreement shall create a valid security interest in the proceeds of such asset.

(b) "Obligations" means all of the liabilities and obligations owed by the Company to the Secured Party under this Agreement and the Renewal Note.

(c) "Organizational Documents" means with respect to the Company, the documents by which the Company was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of the Company (such as bylaws, a partnership agreement or an operating, limited liability or members agreement).

(d) "UCC" means the Uniform Commercial Code of the State of Texas and or any other applicable law of any state or states which has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time.

2. **Grant of Security Interest in Collateral.** As an inducement for the Secured Parties to extend the loans as evidenced by the Notes and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, the Company hereby unconditionally and irrevocably pledges, grants and hypothecates to the Secured Parties a security interest in and to, a lien upon and a right of set-off against all of their respective right, title and interest of whatsoever kind and nature in and to, the Collateral (a "Security Interest" and, collectively, the "Security Interests").

3. **Delivery of Certain Collateral.** Contemporaneously or prior to the execution of this Agreement, the Company shall deliver or cause to be delivered to the Collateral Agent, any and all certificates and other instruments or documents representing any of the Collateral, in each case, together with all instruments evidencing ownership and title.

4. **Representations, Warranties, Covenants and Agreements of the Company.** Except as set forth under the corresponding section of the disclosure schedules delivered to the Secured Parties and Collateral Agent concurrently herewith (the "Disclosure Schedules"), which Disclosure Schedules shall be deemed a part hereof, as of the date hereof, the Company represents and warrants to the Secured Parties as follows and, until the repayment in full of the Obligations, covenants and agrees with, the Secured Parties as follows:

(a) The Company has the requisite corporate power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by the Company of this Agreement and the filings contemplated herein have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company. This Agreement, when executed and delivered, will constitute the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to or affecting the rights and remedies of creditors and by general principles of equity.

(b) The Company has no place of business or offices where their respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth on Schedule B attached hereto. Except as specifically set forth on Schedule B, the Company is the record owner of the real property where such Collateral is located, and there exist no mortgages or other liens on any such real property or on the Collateral, except as disclosed on Schedule B and except for Collateral to be held by the Collateral Agent, none of such Collateral is in the possession of any consignee, bailee, warehouseman, agent or processor.

(c) The Company is the sole owner of the Collateral, free and clear of any liens, security interests, encumbrances, rights or claims, and are fully authorized to grant the Security Interests. Except as set forth on Schedule C attached hereto, there is not on file in any governmental or regulatory

authority, agency or recording office an effective financing statement, security agreement, license or transfer or any notice of any of the foregoing (other than those that will be filed in favor of the Secured Parties pursuant to this Agreement) covering or affecting any of the Collateral.

(d) No written claim has been received that any Collateral or the Company's use of any Collateral violates the rights of any third party. There has been no adverse decision to the Company's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to the Company's right to keep and maintain such Collateral in full force and effect, and there is no proceeding involving said rights pending or, to the best knowledge of the Company, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) The Company shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule B attached hereto and may not relocate such books of account and records or tangible Collateral, except in the ordinary course of sales unless it delivers to the Secured Parties at least 15 days prior to such relocation (i) written notice of such relocation and the new location thereof (which must be within the United States) and (ii) evidence that appropriate financing statements under the UCC and other necessary documents have been filed and recorded and other steps have been taken to perfect the Security Interests to create in favor of the Secured Parties a valid, perfected and continuing perfected first priority lien in the Collateral, except as otherwise permitted hereby.

(f) This Agreement creates in favor of the Secured Parties a valid senior security interest in the Collateral, securing the payment and performance of the Obligations. Upon making the filings described in the immediately following paragraph, all security interests created hereunder in any Collateral that may be perfected by filing Uniform Commercial Code financing statements shall have been duly perfected. Except for the filing of the Uniform Commercial Code financing statements referred to in the immediately following paragraph and for filings with the U.S. Patent and Trademark Office ("PTO"), no action is necessary to create, perfect or protect the security interests created hereunder. Without limiting the generality of the foregoing, except for the filing of said financing statements and filings with the PTO, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation or perfection of the Security Interests created hereunder in the Collateral or (iii) the enforcement of the rights of the Collateral Agent and the Secured Parties hereunder.

(g) The Company hereby authorizes the Collateral Agent to file one or more financing statements under the UCC and filings with the PTO, with respect to the Security Interests, with the proper filing and recording agencies in any jurisdiction deemed proper by it and authorizes Collateral Agent to take any other action in Collateral Agent's absolute discretion to effectuate, memorialize and protect Secured Parties' interest and rights under this Agreement.

(h) The execution, delivery and performance of this Agreement by the Company does not (i) violate any of the provisions of any Organizational Documents of the Company or, to the knowledge of the Company, any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to the Company or (ii) to the knowledge of the Company, conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing the Company's debt or otherwise) or other understanding to which the Company is a party or

by which any property or asset of the Company is bound or affected. If any, all required consents (including, without limitation, from stockholders or creditors of the Company) necessary for the Company to enter into and perform its obligations hereunder have been obtained.

(i) The Company shall at all times maintain the liens and Security Interests provided for hereunder as valid and perfected first priority liens and security interests in the Collateral in favor of the Secured Parties until this Agreement and the Security Interest hereunder shall be terminated pursuant to Section 12 hereof. The Company hereby agrees to defend the same against the claims of any and all persons and entities. The Company shall safeguard and protect all Collateral for the account of the Secured Parties. Upon request of the Collateral Agent, the Company will sign and deliver to the Collateral Agent on behalf of the Secured Parties at any time or from time to time one or more financing statements pursuant to the UCC and one or more filings with the PTO in form reasonably satisfactory to the Collateral Agent and will pay the cost of filing the same in all public offices wherever filing is, or is deemed by the Collateral Agent to be, necessary or desirable to effect the rights and obligations provided for herein. Without limiting the generality of the foregoing, the Company shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interest hereunder, and the Company shall obtain and furnish to the Collateral Agent from time to time, upon demand, such releases and/or subordinations of claims and liens that may be required to maintain the priority of the Security Interest hereunder.

(j) The Company will not transfer, pledge, hypothecate, encumber, license, sell or otherwise dispose of any of the Collateral (except for non-exclusive licenses granted by the Company in its ordinary course of business, without the prior written consent of the Collateral Agent).

(k) The Company shall, within ten (10) days of obtaining knowledge thereof, advise Collateral Agent promptly, in sufficient detail, of any material adverse change in the Collateral, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral or on the Secured Parties' security interest.

(l) The Company shall promptly execute and deliver to the Collateral Agent such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Collateral Agent may from time to time request and may in its sole discretion deem necessary to perfect, protect or enforce the Secured Parties' security interest in the Collateral.

(m) The Company shall promptly notify the Secured Parties in sufficient detail upon becoming aware of any attachment, garnishment, execution or other legal process levied against any Collateral and of any other information received by the Company that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Secured Parties hereunder.

(n) All information heretofore, herein or hereafter supplied to the Secured Parties by or on behalf of the Company with respect to the Collateral is accurate and complete in all material respects as of the date furnished and in light of the circumstances under which such statements were made.

(o) The Company will not change its name, type of organization, jurisdiction of organization, organizational identification number (if it has one), legal or corporate structure, or add any new fictitious name unless it provides at least fifteen (15) days prior written notice to the Collateral Agent of such change and, at the time of such written notification, the Company provides any financing statements or fixture filings necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(p) The Company may not relocate its chief executive office to a new location without providing fifteen (15) days prior written notification thereof to the Secured Parties and provided that at the time of such written notification, the Company provides any financing statements necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(q) At any time that any Collateral consists of instruments, certificated securities or other items that require or permit possession by a secured party to perfect the security interest created hereby, the Company shall deliver such Collateral to the Collateral Agent.

(r) The Company shall cause all tangible chattel paper constituting Collateral to be delivered to the Collateral Agent or, if such delivery is not possible, then to cause such tangible chattel paper to contain a legend noting that it is subject to the security interest created by this Agreement. To the extent that any Collateral consists of electronic chattel paper, the Company shall cause the underlying chattel paper to be "marked" within the meaning of Section 9-105 of the UCC (or successor section thereto).

(s) The Company shall execute and deliver all such further instruments and documents, and take all such further action as may be reasonably necessary or desirable, or as the Collateral Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce Collateral Agent's rights and remedies hereunder and with respect to any Collateral or to otherwise carry out the purposes of this Agreement.

(t) None of the account debtors or other persons or entities obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or any similar federal, state or local statute or rule in respect of such Collateral.

(u) Notwithstanding anything herein contained to the contrary, the security interests granted herein shall be subject to and subordinate to the license granted to RSIP Licensing, LLC in that certain Patent Monetization License Agreement dated March 7, 2017, reference to which is made herein for all purposes.

5. **Defaults.** The following events shall be "Events of Default":

- (a) The occurrence of an Event of Default (as defined in the Notes) under the Notes;
- (b) Any representation or warranty of the Company in this Agreement shall prove to have been incorrect in any material respect when made;
- (c) The failure by the Company to observe or perform any of its obligations hereunder for thirty (30) days after delivery to the Company of notice of such failure by or on behalf of a Secured Party unless such default is capable of cure, but cannot be cured within such time and the Company is using best efforts to cure same in a timely fashion; or
- (d) If any material provision of this Agreement shall at any time for any reason be declared to be null and void, or the validity or enforceability thereof shall be contested by the Company, or a proceeding shall be commenced by the Company, or by any governmental authority having jurisdiction over the Company, seeking to establish the invalidity or unenforceability thereof, or the Company shall deny that the Company has any liability or obligation purported to be created under this Agreement.

6. **Rights and Remedies Upon Default.**

(a) After the occurrence and during the continuance of any Event of Default, the Collateral Agent shall have the right to exercise all of the remedies conferred hereunder and under the Renewal Note, and the Collateral Agent shall have all the rights and remedies of a secured party under the UCC. Without limitation, the Collateral Agent, for the benefit of the Secured Parties, shall have the following rights and powers:

(i) Subject to the limitation and forbearance agreements set forth in the Renewal Note, the Collateral Agent shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, so long as the same can be accomplished without breach of the peace and otherwise in compliance with applicable law, and the Company shall assemble the Collateral and make it available to the Collateral Agent at places which the Collateral Agent shall reasonably select, whether at the Company's premises or elsewhere, and make available to the Collateral Agent, without rent, all of the Company's respective premises and facilities for the purpose of the Collateral Agent taking possession of, removing or putting the Collateral in saleable or disposable form.

(ii) Subject to the limitation and forbearance agreements set forth in the Renewal Note, the Collateral Agent shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as are commercially reasonable. Upon each such sale, lease, assignment or other transfer or disposition of Collateral, the Collateral Agent, for the benefit of the Secured Parties, may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of the Company, which are hereby waived and released.

(b) The Collateral Agent shall comply with any applicable law in connection with a disposition of Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Collateral Agent may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Collateral Agent sells any of the Collateral on credit, the Company will only be credited with payments actually made by the purchaser.

(c) If any notice to the Company of the sale or other disposition of Collateral is required by then applicable law, ten business (10) days prior written notice (which the Company agrees is reasonable notice within the meaning of Section 9.612(a) of the Uniform Commercial Code) shall be given to the Company of the time and place of any sale of Collateral. The rights granted in this Section are in addition to any and all rights available to Collateral Agent under the Uniform Commercial Code.

7. **Applications of Proceeds.** The proceeds of any such sale, lease or other disposition of the Collateral hereunder or from payments made on account of any insurance policy insuring any portion of the Collateral shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like of the Collateral, if any and then to satisfaction of the Obligations pro rata among the Secured Party (based on then-outstanding principal amounts of the Renewal Note at the time of any such determination), after which the Secured Parties shall pay to the Company any surplus proceeds.



8. **Costs and Expenses.** The Company agrees to pay all reasonable out-of-pocket fees, costs and expenses incurred in connection with any filing required hereunder, including without limitation, any financing statements pursuant to the UCC, continuation statements, partial releases and/or termination statements related thereto or any expenses of any searches reasonably required by the Collateral Agent.

9. **Term of Agreement.** This Agreement and the Security Interest shall terminate on the date on which all payments under the Notes have been indefeasibly paid in full and/or the Note has been converted into equity or another equity-linked note and/or all other Obligations have been paid or discharged or sooner pursuant to the Renewal Note.

10. **Power of Attorney; Further Assurances.**

(a) The Company authorizes the Collateral Agent, and does hereby make, constitute and appoint the Collateral Agent and its officers, agents, successors or assigns with full power of substitution, as the Company's true and lawful attorney-in-fact, with power, in the name of the Collateral Agent or the Company, after the occurrence and during the continuance of an Event of Default, (i) to endorse any note, checks, drafts, money orders or other instruments of payment (including, without limitation, payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Collateral Agent; (ii) to sign and endorse any financing statement pursuant to the UCC or any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to transfer any Intellectual Property or provide licenses respecting any Intellectual Property; and (vi) generally, at the option of the Collateral Agent, at any time, or from time to time, to execute and deliver any and all documents and instruments and to do all acts and things which the Collateral Agent deems necessary to protect, preserve and realize upon the Collateral and the Security Interests granted therein in order to effect the intent of this Agreement and the Notes all as fully and effectually as the Company might or could do; and the Company hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding. The designation set forth herein shall be deemed to amend and supersede any inconsistent provision in the Organizational Documents or other documents or agreements to which the Company is subject or to which the Company is a party.

(b) On a continuing basis, the Company will make, execute, acknowledge, deliver, file and record, as the case may be, with the proper filing and recording agencies in any jurisdiction, including, without limitation, the jurisdictions indicated on Schedule C attached hereto, all such instruments, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Collateral Agent, to perfect the Security Interest granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Collateral Agent the grant or perfection of a perfected security interest in all the Collateral under the UCC.

(c) The Company hereby irrevocably appoints the Collateral Agent as the Company's attorney-in-fact, with full authority in the place and instead of the Company and in the name of the Company, from time to time, after notice to the Company, if applicable, to take any action permitted under this Agreement and to execute any instrument which the Collateral Agent may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including the filing, in its sole discretion, of one or more financing or continuation statements and amendments thereto, and filings with the PTO relative to any of the Collateral without the signature of the Company where permitted by law, and ratifies all such actions taken by the Collateral Agent. This power of attorney is coupled with an

interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding.

11. **Notices.** All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (a) personally served, (b) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (c) delivered by a reputable overnight courier service with charges prepaid, or (d) transmitted by hand delivery, telegram, or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (i) upon hand delivery or delivery by facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours), or the first business day following such delivery (if delivered other than on a business day during normal business hours), (ii) on the first business day following the date deposited with an overnight courier service with charges prepaid, or (iii) on the fifth business day following the date of mailing pursuant to subpart (b) above, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

To the Company:

Location Based Technologies, Inc.  
1 Jenner, Suite 100  
Irvine, CA 92618  
Attn: David Morse  
Fax: (714) 200-0287  
dave@pocketfinder.com

With a copy by email only to  
(which shall not constitute notice):

dave@pocketfinder.com

To the Collateral Agent:

Jess N. Turner III, Esq.  
455 Elm Street, Suite 100  
P. O. Box 930  
Graham, Texas 76450  
jnt@turnerandallen.com

If to Secured Parties:

Gregg Haugen  
3320 Fox Street  
Orono, MN 55356  
gregg.haugen@gmail.com

12. **Appointment of Collateral Agent.** The Secured Parties hereby appoint the Collateral Agent to act as their agent for purposes of exercising any and all rights and remedies of the Secured Parties hereunder. Such appointment shall continue until revoked in writing by a Majority in Interest, at which time a Majority in Interest shall appoint a new Collateral Agent. For purposes hereof, the term Majority in Interests means at any time the Holders of Note then constituting a majority of the aggregate outstanding principal amount of all of the Notes renewed. The Collateral Agent shall have the rights, responsibilities and immunities set forth in Annex A hereto.



13. Miscellaneous.

(a) No course of dealing between the Company and the Collateral Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Collateral Agent, any right, power or privilege hereunder or under the Renewal Note shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Collateral Agent with respect to the Collateral, whether established hereby or by the Renewal Note or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement, together with the exhibits and schedules hereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into this Agreement and the exhibits and schedules hereto. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and Collateral Agent or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

(d) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(e) No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Parties may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the other Party.

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Texas, without regard to the principles of conflicts of law thereof. The Company agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and the Renewal Note (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in Tarrant County, Texas. The Company hereby

irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in Texas for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. If any party shall commence a proceeding to enforce any provisions of this Agreement, then the prevailing party in such proceeding shall be reimbursed by the other party for its reasonable attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such proceeding.

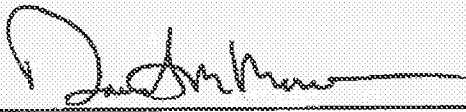
(i) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile or other electronic transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such signature were the original thereof.

(j) To the extent that the grant of the security interest in the Collateral and the enforcement of the terms hereof require the consent, approval or action of any partner or member, as applicable, of the Company or any direct or indirect subsidiary of the Company or compliance with any provisions of any of the Organizational Documents, the Company hereby grants such consent and approval and waive any such noncompliance with the terms of said documents.

[SIGNATURE PAGES FOLLOW]

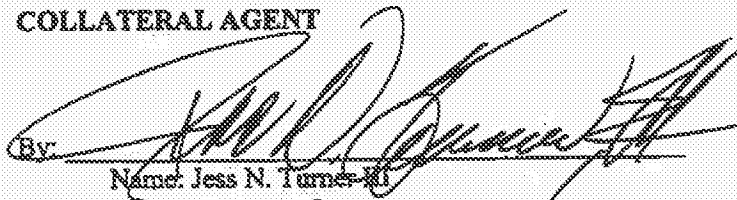
IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

LOCATION BASED TECHNOLOGIES, INC.

By:   
Name: David Morse  
Title: CEO

Dated: July 17, 2017

COLLATERAL AGENT

By:   
Name: Jess N. Turner III  
Title: Attorney at Law

Dated: July 17, 2017

EXHIBIT A  
SUPER SECURED LENDERS

Lender	Original Principal Amount
Gregg Haugen	\$1,375,904.00
Jeff Leu	\$110,000.00
Chuck Smith	\$20,000.00
David Meyers	\$90,000.00
Cody Evans	\$50,000.00
Rolf Haugen	\$50,000.00
Scott Monico	\$25,000.00
Larry Monico	\$25,000.00
Richard Chenitz	\$25,000.00
	<u>\$1,770,904.00</u>

EXHIBIT A  
SECURED LENDERS

Lender	Original Principal Amount
Gregg Haugen	\$3,326,500.00
David Meyers	\$600,000.00
Bridge Loans, LLS	\$1,000,000.00
Jeff Leu	\$225,000.00
Chuck Smith	\$100,000.00
Cody Evans	\$100,000.00
Rolf Haugen	\$50,000.00
Adam Marcotte	\$76,452.00
ECPC Capital II, LLC	\$450,000.00
Atlantic Capital Holdings, LLC	\$500,000.00
	<u>\$6,427,952.00</u>

SCHEDULE A

1. All patents of the Company, including but not limited to the following:

US Patent No. 8,654,974  
US Patent No. 8,542,113  
US Patent No. 8,531,289  
US Patent No. 8,497,774  
US Patent No. 8,421,619  
US Patent No. 8,421,618  
US Patent No. 8,244,468  
US Patent No. 8,224,355  
US Patent No. 8,102,256  
US Patent No. 8,098,132  
US Patent No. 8,081,072  
US Patent No. 7,728,724  
US Patent No. 7,598,855  
US Patent No. 7,333,796  
US Patent No. 7,218,242  
US Patent No. 7,005,963  
US Patent No. 6,879,244  
USSN 11/933,024  
USSN 14/285,070  
USSN 14/485,990  
AU: 2007/2775478 B2  
CN: 101517432 B  
JP: 5186692 B2  
KR: 10-1384221

2. All other assets of the Company.

SCHEDULE B

Legal Names and Organizational Identification Numbers

Location Based Technologies, Inc.  
EIN: 20-4854758

Jurisdictions

Nevada

## SECURED CONVERTIBLE RENEWAL PROMISSORY NOTE

\$8,198,856 Plus Accrued Interest

Tarrant County, Texas  
July 17, 2017

FOR VALUE RECEIVED, the undersigned, Location Based Technologies, Inc., a Nevada corporation (referred to herein as the "Borrower" or "Company"), hereby unconditionally promises to pay to the order of the Lenders set forth on Exhibit A attached hereto and made a part hereof for all purposes, and their endorsees, successors and assigns (the "Holders" or "Lenders"), in lawful money of the United States, at the addresses set forth on said Exhibit A for each Lender or such other address as the Lenders may from time to time designate, the principal sum of up to \$8,198,856.00 plus accrued interest on each of the original notes collectively renewed hereby in accordance therewith (the "Renewal Note").

1. Terms of Repayment and Conversion.

a. As consideration for the execution and delivery of this Renewal Note, the Holder has previously disbursed to the Borrower the sum of \$8,198,856.00 plus accrued interest on each of the original notes renewed hereby in accordance therewith; the amount actually received by the Borrower plus the amount owed in accrued interest on the notes described on Exhibit A shall be the principal amount. All amounts outstanding under this Renewal Note shall mature and become due and payable on July 17, 2019 (the "Maturity Date"), subject to any prior payment required by this Renewal Note. During the term of this Renewal Note and after it receives the initial \$6,000,000 payment from RSIP Licensing, LLC, the Company agrees to use 75% of all net proceeds received pursuant to its Patent Monetization License Agreement with RSIP Licensing, LLC to reduce the interest and principal due on said note. Net proceeds payable to the Company under said Patent Monetization Agreement shall be all funds received under such agreement less funds paid to Michael O'Shea under his agreement with the Company. At the Maturity Date, or during the Term, the Lenders shall have the right, but not the obligation, to convert their prorata share of this Renewal Note into shares of the Company's common stock at a price of \$0.05 per share (the "Conversion Price").

b. The Holders may from time to time effect conversions of all or a portion of the outstanding principal amount and accrued interest of this Renewal Note by delivering written notice to the Company specifying therein the principal amount of this Renewal Note to be converted. Such conversions shall be effected within thirty (30) days of receipt by the Company of the notice of exercise conversion. The number of shares issuable upon a conversion hereunder shall be equal to the quotient obtained by dividing (x) the outstanding principal amount of this Renewal Note to be converted plus any accrued but unpaid interest thereon, by the Conversion Price. The Conversion Price shall be appropriately and equitably adjusted following any stock splits, stock dividends, spin-offs, distributions and similar events. The shares issued upon conversion shall be duly and validly issued, fully paid and non-assessable and, following the applicable Rule 144 holding period and compliance by the Holders with any reasonable requirements of the Company's transfer agent to eliminate restrictions on transfer under the Securities Act of 1933, as amended, freely tradable. The Holders shall receive the stock certificate(s) within five (5) business days following the date of conversion.

2. Interest Rate. This Renewal Note shall accrue interest on the principal from the date of this Renewal Note at a rate of Twelve Percent (12%) per annum (the "Interest Rate"). All payments and conversions hereunder are to be applied first to the payment or satisfaction of principal, and the remaining balance to the payment or satisfaction of accrued interest. In the event of default, interest shall stop accruing when Lenders take possession of the Collateral.

3. Events of Default. If any of the events of default specified in this Section shall occur, Holders may, so long as such condition continues, declare the entire principal and unpaid accrued interest hereon



immediately due and payable, by notice in writing to the Company, and any other obligations of the Borrower to the Lenders, shall become due immediately, without demand or notice:

a. Default in the payment of the principal or unpaid accrued interest of this Renewal Note when due and payable;

b. Failure to issue shares of common stock of the Company within 30 days after the Company's receipt of a valid notice of conversion; or

c. The Company shall: (1) make a general assignment for the benefit of its creditors; (2) apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, liquidator or similar official for itself or any of its assets and properties; (3) commence a voluntary case for relief as a debtor under the United States Bankruptcy Code; (4) file with or otherwise submit to any governmental authority any petition, answer or other document seeking: (A) reorganization, (B) an arrangement with creditors or (C) to take advantage of any other present or future applicable law respecting bankruptcy, reorganization, insolvency, readjustment of debts, relief of debtors, dissolution or liquidation; (5) file or otherwise submit any answer or other document admitting or failing to contest the material allegations of a petition or other document filed or otherwise submitted against it in any proceeding under any such applicable law, or (6) be adjudicated a bankrupt or insolvent by a court of competent jurisdiction;

d. Any case, proceeding or other action shall be commenced against the Company for the purpose of effecting, or an order, judgment or decree shall be entered by any court of competent jurisdiction approving (in whole or in part) anything specified in Section 3.(c) hereof, or any receiver, trustee, assignee, custodian, sequestrator, liquidator or other official shall be appointed with respect to the Company, or shall be appointed to take or shall otherwise acquire possession or control of all or a substantial part of the assets and properties of the Company, and any of the foregoing shall continue unstayed and in effect for any period of sixty (60) days.

e. In the event of default by the Company, Lenders acknowledge that they shall not repossess or foreclose and take possession of the Collateral under the Security Agreement of even date herewith and described below so long as the Patent Monetization Agreement dated March 7, 2017, is in effect and Location Based Technologies, Inc. has paid Lenders \$2,000,000 cash and is paying Lenders its portion of the revenues derived therefrom as set forth above, but shall instead be entitled to receive all funds payable to the Company under said agreement until such time as the Renewal Note and all accrued interest have been paid to Lenders.

4. Successors and Assigns: Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. Nothing in this Renewal Note, express or implied, is intended to confer upon any party, other than the parties hereto and their successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Renewal Note, except as expressly provided herein. The Company may not assign this Renewal Note or any of the rights or obligations referenced herein without the prior written consent of Holders.

5. Governing Law. This agreement is entered into in Tarrant County, Texas, and shall be construed in accordance with and governed by the laws of the State of Texas applicable to contracts made and to be performed in Texas. Further, the parties agree that venue shall rest solely and exclusively in Tarrant County, Texas, and any challenge or objection thereto is hereby waived.

6. Security Interest. This Renewal Note is secured by a security interest granted to the Lenders pursuant to a Security Agreement dated July 17, 2017, as delivered by Borrower to Lenders. The Borrower acknowledges and agrees that should a proceeding under any bankruptcy or insolvency law be commenced

by or against the Borrower, or if any of the Collateral (as defined in the Security Agreement) should become the subject of any bankruptcy or insolvency proceeding, then the Lenders should be entitled to, among other relief to which the Lenders may be entitled hereunder or under any of the other documents executed in connection herewith or and any other agreement to which the Borrower and Lenders are parties (collectively, "Loan Documents") and/or applicable law, an order from the court granting immediate relief from the automatic stay pursuant to 11 U.S.C. Section 362 to permit the Lenders to exercise all of its rights and remedies pursuant to the Loan Documents and/or applicable law. Immediately, upon satisfaction of this Renewal Note (either by repayment or conversion), the security interest granted to the Lenders pursuant to the Security Agreement shall be released unconditionally, fully and completely; provided, however, such Security Agreement shall be subordinate and subject to the rights conferred to RSIP Licensing, LLC in the Patent Monetization License Agreement March 7, 2017.

7. Payment Priority Among Lenders. Lenders hereby agree between each other and Borrower acknowledges that all payments made hereunder shall first be made to the Super Secured Lenders up to the amount of the original principal on the notes identified on Exhibit A, and then the interest on such notes of the Super Secured Lenders, as well as all principal and interest due on the original notes of the Secured Lenders shall be grouped together and paid ratably and proportionately to the Super Secured Lenders and Secured Lenders based on the amount of principal and interest on each note, divided by the total of the remaining principal and interest payable on all of the remaining unpaid notes. Any loans made by Lenders after February 1, 2017, shall be repaid out of \$4,000,000.00 of the \$6,000,000.00 to be received by Location Based Technologies, Inc. under the Patent Monetization Agreement dated March 7, 2017, with the remaining \$2,000,000.00 to be paid to Super Secured Lenders and Secured Lenders as stated above.

8. Notices. For the purpose of this Renewal Note, notices and all other communications provided for in this Renewal Note shall be in writing and shall be deemed to have been duly given as of the date if delivered in person or by telecopy, on the next business day, if sent by a nationally recognized overnight courier service, and on the second business day if mailed by registered mail, return receipt requested, postage prepaid, and if addressed to the Company then at its principal place of business, or if addressed to the Holders, then the last known address on file with the Company.

If to the Company:      Location Based Technologies, Inc.  
                                 1 Jenner, Ste 100  
                                 Irvine, CA 92618  
                                 Facsimile Number: (714) 200-0287  
                                 E-mail: [dave@pocketfinder.com](mailto:dave@pocketfinder.com)

If to Lenders:            c/o P. O. Box 930  
                                 Graham, TX 76450  
                                 Attn: Alfred G. Allen, III  
                                 Facsimile Number: (940) 549-5691  
                                 E-Mail: [aga@turnerandallen.com](mailto:aga@turnerandallen.com)

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties.

9. Heading: References. The headings have been inserted for convenience only and are not to be considered when construing the provisions of this Renewal Note.

10. Representations and Warranties. Each Party has the requisite corporate, partnership, limited liability company or other power and authority to enter into this Renewal Note and otherwise to carry out its obligations hereunder.

11. Counterparts. This Agreement may be executed in counterparts by the Company and the Lenders, all of which taken together shall be deemed one original, binding on both parties, notwithstanding that all parties are not signatories to the original or the same counterpart.

12. Entire Agreement. This Renewal Note and the Loan Documents constitute the entire understanding between the parties hereto in respect of the terms of this Renewal Note by the Holders and by the Company, superseding all negotiations, prior discussions, prior written, implied and oral agreements, preliminary agreements and understandings with the Company or any of its officers, employees or agents.

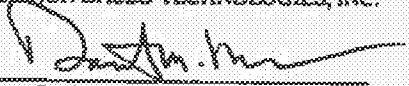
13. Effective Date. This Renewal Note and the Loan Document shall be effective as of April 30, 2017.

*{Signature Page to Follow}*

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By:   
David M. Morse  
CEO

Date: July 17, 2017

Lenders:

\_\_\_\_\_  
Gregg Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu

Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith

Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers

Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans

Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz

Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monaco

Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monaco

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

**Borrower:**

**LOCATION BASED TECHNOLOGIES, INC.**

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

**Lenders:**

\_\_\_\_\_  
Gregg Haugen

Date: 7/17/17

\_\_\_\_\_  
Jeff Leu

Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith

Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers

Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans

Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz

Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monaco

Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monaco

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

Lenders:

\_\_\_\_\_  
Gregg Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu

Date: 7/17/17

\_\_\_\_\_  
Chuck Smith

Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers

Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans

Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz

Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monico

Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monico

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this Preliminary Answer Sheet as of the date first set forth above.

Witness:

LOCATION BASED TECHNOLOGIES, INC.

By:

David H. Morse  
(TS)

Date:

Location:

Gregg Hays

Date:

David H. Morse  
David H. Morse

Date:

Date: 7-19-17

David Meyer

Date:

Gregg Hays

Date:

Gregg Hays

Date:

Richard Chandra

Date:

Gregg Hays

Date:

Gregg Hays

Date:

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

Lenders:

\_\_\_\_\_  
Gregg Haugen Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith Date: \_\_\_\_\_

\_\_\_\_\_  
*David Meyers*  
David Meyers Date: 7-17-17

\_\_\_\_\_  
Cody Evans Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monaco Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monaco Date: \_\_\_\_\_



IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_


Lenders:

\_\_\_\_\_  
Gregg Haugen Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers Date: \_\_\_\_\_

  
\_\_\_\_\_  
Cody Evans Date: 07/14/17

\_\_\_\_\_  
Rolf Haugen Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monico Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monico Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

Lenders:

\_\_\_\_\_  
Gregg Haugen Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans Date: \_\_\_\_\_

  
\_\_\_\_\_  
Rolf Haugen Date: 7/17/2017

\_\_\_\_\_  
Richard Chenitz Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monaco Date: \_\_\_\_\_

\_\_\_\_\_  
Larry Monaco Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

Lenders:

\_\_\_\_\_  
Gregg Haugen Date: \_\_\_\_\_

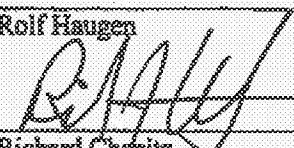
\_\_\_\_\_  
Jeff Leu Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen Date: \_\_\_\_\_

  
\_\_\_\_\_  
Richard Chenitz Date: 7/17/17

\_\_\_\_\_  
Grant Morrison Date: \_\_\_\_\_

IN WITNESS WHEREOF, the Borrower has executed this Promissory Renewal Note as of the date first set forth above.

Borrower:

LOCATION BASED TECHNOLOGIES, INC.

By: \_\_\_\_\_  
David M. Morse  
CEO

Date: \_\_\_\_\_

Lenders:

\_\_\_\_\_  
Gregg Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Jeff Leu

Date: \_\_\_\_\_

\_\_\_\_\_  
Chuck Smith

Date: \_\_\_\_\_

\_\_\_\_\_  
David Meyers

Date: \_\_\_\_\_

\_\_\_\_\_  
Cody Evans

Date: \_\_\_\_\_

\_\_\_\_\_  
Rolf Haugen

Date: \_\_\_\_\_

\_\_\_\_\_  
Richard Chenitz

Date: \_\_\_\_\_

\_\_\_\_\_  
Scott Monico

Date: 7/17/17

\_\_\_\_\_  
Larry Monico

Date: 7/17/17

BY \_\_\_\_\_  
ATTORNEY IN FACT

BRIDGE LOANS, LLC

By: [Signature]  
Name: Alfred G. Allen, III  
Title: Manager

7-17-17

[Signature] Date: 07/17/17  
Adam Marcotte

ECPC CAPITAL II, LLC

By: [Signature]  
Name: Alfred G. Allen, III  
Title: Manager

Date: 7/17/17

ATLANTIC CAPITAL HOLDINGS, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

BRIDGE LOANS, LLC

By: \_\_\_\_\_  
Name: Alfred G. Allen, III  
Title: Manager

Adam Marcotte

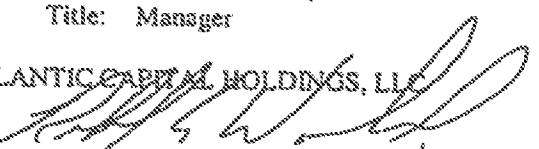
Date: \_\_\_\_\_

ECPC CAPITAL II, LLC

By: \_\_\_\_\_  
Name: Alfred G. Allen, III  
Title: Manager

Date: \_\_\_\_\_

ATLANTIC CAPITAL HOLDINGS, LLC

By:   
Name: RICHARD E. WOOLWINE  
Title: MANAGER

Date: 7/17/17

## SCHEDULE D

### Names, Mergers and Acquisitions

We were incorporated under the laws of the State of Nevada in April 2006 as Springbank Resources, Inc. ("SRI"). SRI was formed to engage in the exploration and development of oil and gas, and by 2007 had disposed of all of its assets and satisfied its liabilities. In October 2007, SRI acquired all of the outstanding stock of Location Based Technologies, Corp. ("Old LBT"), following which SRI merged Old LBT into itself and, in the process, SRI's name was changed to Location Based Technologies, Inc. Old LBT was incorporated in September 2005 by David Morse, Joseph Scalisi and Desiree Mejia, who became our officers and directors, in order to develop the PocketFinder personal locators.

ANNEX A  
to  
SECURITY  
AGREEMENT

THE COLLATERAL AGENT

1. **Appointment.** The Secured Parties (all capitalized terms used herein and not otherwise defined shall have the respective meanings provided in the Security Agreement to which this Annex A is attached (the "Agreement"), by their acceptance of the benefits of the Agreement, hereby designate Jess N. Turner III ("Collateral Agent") as the Collateral Agent to act as specified herein and in the Agreement. Each Secured Party shall be deemed irrevocably to authorize the Collateral Agent to take such action on its behalf under the provisions of the Agreement and any other Transaction Document (as such term is defined in the Notes) and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Collateral Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Collateral Agent may perform any of its duties hereunder by or through its agents or employees.

2. **Nature of Duties.** The Collateral Agent shall have no duties or responsibilities, except those expressly set forth in the Agreement. Neither the Collateral Agent nor any of its partners, members, shareholders, officers, directors, employees or agents shall be liable for any action taken or omitted by it as such under the Agreement or hereunder or in connection herewith or therewith, be responsible for the consequence of any oversight or error of judgment or answerable for any loss, unless caused solely by its or their gross negligence or willful misconduct as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction. The duties of the Collateral Agent shall be mechanical and administrative in nature; the Collateral Agent shall not have by reason of the Agreement or any other Transaction Document a fiduciary relationship in respect of the Company or any Secured Party; and nothing in the Agreement or any other Transaction Document, expressed or implied, is intended to or shall be so construed as to impose upon the Collateral Agent any obligations in respect of the Agreement or any other Transaction Document except as expressly set forth herein and therein.

3. **Lack of Reliance on the Collateral Agent.** Independently and without reliance upon the Collateral Agent, each Secured Party, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of the Company and its subsidiaries in connection with such Secured Party's investment in the Company, the creation and continuance of the Obligations, the transactions contemplated by the Transaction Documents, and the taking or not taking of any action in connection therewith, and (ii) its own appraisal of the creditworthiness of the Company and its subsidiaries, and of the value of the Collateral from time to time, and the Collateral Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Secured Party with any credit, market or other information with respect thereto, whether coming into its possession before any Obligations are incurred or at any time or times thereafter. The Collateral Agent shall not be responsible to the Company or any Secured Party for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith, or for the execution, effectiveness, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of the Agreement or any other Transaction Document, or for the financial condition of the Company or the value of any of the Collateral, or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of the Agreement or any other Transaction Document, or the financial condition of the Company, or the value of any of the Collateral, or the existence or possible existence of any default or Event of Default under the Agreement, the Notes or any of the other Transaction Documents.



4. **Certain Rights of the Collateral Agent.** The Collateral Agent shall have the right to take any action with respect to the Collateral, on behalf of all of the Secured Parties. To the extent practical, the Collateral Agent shall request instructions from the Secured Parties with respect to any material act or action (including failure to act) in connection with the Agreement or any other Transaction Document, and shall be entitled to act or refrain from acting in accordance with the instructions of Secured Parties holding a majority in principal amount of Notes (based on then-outstanding principal amounts of Notes at the time of any such determination); if such instructions are not provided despite the Collateral Agent's request therefor, the Collateral Agent shall be entitled to refrain from such act or taking such action, and if such action is taken, shall be entitled to appropriate indemnification from the Secured Parties in respect of actions to be taken by the Collateral Agent; and the Collateral Agent shall not incur liability to any person or entity by reason of so refraining. Without limiting the foregoing, (a) no Secured Party shall have any right of action whatsoever against the Collateral Agent as a result of the Collateral Agent acting or refraining from acting hereunder in accordance with the terms of the Agreement or any other Transaction Document, and the Company shall have no right to question or challenge the authority of, or the instructions given to, the Collateral Agent pursuant to the foregoing and (b) the Collateral Agent shall not be required to take any action which the Collateral Agent believes (i) could reasonably be expected to expose it to personal liability or (ii) is contrary to this Agreement, the Transaction Documents or applicable law.

5. **Reliance.** The Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, statement, certificate, telex, teletype or telecopier message, cablegram, radiogram, order or other document or telephone message signed, sent or made by the proper person or entity, and, with respect to all legal matters pertaining to the Agreement and the other Transaction Documents and its duties thereunder, upon advice of counsel selected by it and upon all other matters pertaining to this Agreement and the other Transaction Documents and its duties thereunder, upon advice of other experts selected by it. Anything to the contrary notwithstanding, the Collateral Agent shall have no obligation whatsoever to any Secured Party to assure that the Collateral exists or is owned by the Company or is cared for, protected or insured or that the liens granted pursuant to the Agreement have been properly or sufficiently or lawfully created, perfected, or enforced or are entitled to any particular priority.

6. **Indemnification.** To the extent that the Collateral Agent is not reimbursed and indemnified by the Company, the Secured Parties will jointly and severally reimburse and indemnify the Collateral Agent, in proportion to their initially purchased respective principal amounts of Notes, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Collateral Agent in performing its duties hereunder or under the Agreement or any other Transaction Document, or in any way relating to or arising out of the Agreement or any other Transaction Document except for those determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction to have resulted solely from the Collateral Agent's own gross negligence or willful misconduct. Prior to taking any action hereunder as Collateral Agent, the Collateral Agent may require each Secured Party to deposit with it sufficient sums as it determines in good faith is necessary to protect the Collateral Agent for costs and expenses associated with taking such action.

7. **Resignation by the Collateral Agent.**

(a) The Collateral Agent may resign from the performance of all its functions and duties under the Agreement and the other Transaction Documents at any time by giving 5 days' prior written notice (as provided in the Agreement) to the Company and the Secured Parties. Such resignation shall take effect upon the appointment of a successor Collateral Agent pursuant to clauses (b) and (c) below.

(b) Upon any such notice of resignation, the Secured Parties, acting by a Majority in Interest, shall appoint a successor Collateral Agent hereunder.

(c) If a successor Collateral Agent shall not have been so appointed within said 5-day period, the Collateral Agent shall then appoint a successor Collateral Agent who shall serve as Collateral Agent until such time, if any, as the Secured Parties appoint a successor Collateral Agent as provided above. If a successor Collateral Agent has not been appointed within such 5-day period, the Collateral Agent may petition any court of competent jurisdiction or may interplead the Company and the Secured Parties in a proceeding for the appointment of a successor

8. Rights with respect to Collateral. Each Secured Party agrees with all other Secured Parties and the Collateral Agent (i) that it shall not, and shall not attempt to, exercise any rights with respect to its security interest in the Collateral, whether pursuant to any other agreement or otherwise (other than pursuant to this Agreement), or take or institute any action against the Collateral Agent or any of the other Secured Parties in respect of the Collateral or its rights hereunder (other than any such action arising from the breach of this Agreement) and (ii) that such Secured Party has no other rights with respect to the Collateral other than as set forth in this Agreement and the other Transaction Documents. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, such successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Collateral Agent and the retiring Collateral Agent shall be discharged from its duties and obligations under the Agreement. After any retiring Collateral Agent's resignation or removal hereunder as Collateral Agent, the provisions of the Agreement including this Annex B shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Collateral Agent.

