

Indoor Skydive Australia Group Limited

ACN 154 103 607

ASX/Media Release

Sydney, Australia – 20 December 2013

Exclusive Joint Territory Agreement Signed

Indoor Skydive Australia Group Limited (ASX:IDZ) (ISA Group) today announced the signing of the Exclusive Joint Territory Agreement (**Agreement**) with iFly Australia Pty Ltd (**iFLY**) as contemplated in the Heads of Agreement (**HOA**) signed on 27 September 2013.

“This Agreement further strengthens the strong ties between ISA Group and iFly” said Wayne Jones, ISA Group CEO. “iFly and its related companies are the leading manufacturers of VWT technology and ISA Group will be leveraging their specialist expertise and experience during our rapid growth stage.”

iFly Australia Pty Ltd is the Australian subsidiary of the SkyVenture group of companies, the world’s leading supplier and operator of Vertical Wind Tunnel (VWT) equipment.

Under the Agreement, ISA Group has appointed iFly as its exclusive supplier of VWT technology and iFly has agreed not to provide VWT technology to any third party for use in Australia or New Zealand.

The Agreement contains a program for at least 4 tunnels in addition to the current Penrith project which is approaching completion. The new ISA Group tunnels are to be delivered under an aggressive timetable providing the next stage of ISA Group’s growth strategy.

As announced on 27 September 2013, the Agreement also gives each party the right to invest up to \$1 million in any VWT Project initiated by the other party in Australia or New Zealand and additional investment is also contemplated as well as an option and pricing mechanism to protect the shareholder interests of both parties.

The Agreement will become binding in January 2014 following the issue of 2,500,000 ordinary ISA Group shares to iFly in accordance with the HOA, and ISA Group paying an initial deposit and executing purchase and licence agreements for 4 additional wind tunnels.

ENDS

About iFly Australia Pty Ltd (ACN: 162 524 870)

iFly Australia Pty Ltd is the Australian subsidiary of SkyVenture LLC. SkyVenture is the world’s leading manufacturer of vertical wind tunnel technology which provides a simulated skydiving experience. SkyVenture has built 28 tunnels over 9 countries. In 2003, SkyVenture established the International Bodyflight Association which is recognised as the international organisation that trains and accredits vertical wind tunnel instructors to the highest safety standards.

About Indoor Skydive Australia Group Limited (ACN: 154 103 607)

Indoor Skydive Australia Group Limited was established in 2011 as the parent company to facilitate a number of indoor skydiving facilities to cross our region over the next 3-5 years. These facilities, allowing human flight within a safe environment, are currently used by tourists, skydiving enthusiasts and military throughout the world. Flexible operating hours, low overheads and proven technology are just a few of the highlights that support the company's business model. The Company listed on ASX on 18 January 2013 under the code IDZ.

For further information visit: www.indoorskydiveaustralia.com.au

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