

Indoor Skydive Australia Group Limited

ACN 154 103 607

ASX/Media Release

Sydney, Australia – 4 December 2014

iFLY ADELAIDE

Indoor Skydive Australia Group Limited (ASX:IDZ) (ISA Group) today announced that it has signed an agreement securing Adelaide, South Australia as the location for its fourth indoor skydiving facility.

ISA Group has entered into an agreement with Commercial & General Funds Management Pty Ltd (**Commercial & General**). Commercial & General, as the developer of the Kings Point Shopping and Entertainment Complex, is providing for the development and construction of an indoor skydiving facility at the Complex. Under the terms of the agreement Commercial & General will fund construction of the base building and indoor skydiving facility within the Complex. ISA Group will be responsible for finalising the design and for the ongoing operations of the facility under a lease agreement.

The developer funded model has been adopted to provide the best overall return to ISA Group's shareholders based on a number of criteria including risk profiles and utilisation of capital. Specifically under this model ISA Group foresees minimal requirement to expend shareholder capital to bring this facility into operation. Commercial & General for their part will be entitled to returns linked to the facility's turn over.

The agreement is conditional on: Commercial & General's receipt of financing; necessary planning approvals for the Complex; and ISA Group's approval of the location of the indoor skydiving facility within the final design of the Complex.

The Kings Point Shopping and Entertainment Complex has an initial budget of \$180 million and will be located 15 kms from the Adelaide CBD. The Complex will be a new generation shopping, leisure and lifestyle destination, featuring around 64,000 sq.m of retail floor space combined with more than 20,000 sq.m of world class entertainment. iFLY Adelaide will headline leisure providers including cinemas, waterslides, aqua playground, indoor surfing, bowling, and more.

The location will be well connected to Adelaide's public transport system and exposed to a high volume of vehicle traffic. The strong military presence in South Australia and the wider community's passion for sporting events make Adelaide a natural fit for an indoor skydiving facility.

ISA Group anticipates that the facility will comprise a 12ft single return vertical wind tunnel with related merchandise and services. Under the current proposed timelines construction will commence in late 2015 with completion expected in November 2016.

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“iFLY Adelaide provides the perfect opportunity for ISA Group to partner with a developer to incorporate indoor skydiving facilities into a broader entertainment complex. This developer funded model demonstrates the flexible way we can approach an opportunity whilst minimising group risk” said Wayne Jones, ISA Group Chief Executive Officer.

Further information on ISA Group is available at www.indoorskydiveaustralia.com.au.

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

Indoor Skydive Australia Group Limited is a visionary leisure company established in 2011 to build and operate a portfolio of world class indoor skydiving facilities across our region. These facilities, allowing human flight within a safe environment, are currently used by tourists, skydiving enthusiasts and military throughout the world. Our business plan is based on proven technology, flexible operating hours and low overheads. 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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