

Indoor Skydive Australia Group Limited

ACN 154 103 607

ASX/Media Release

Sydney, Australia – 20 July 2016

OPERATIONS AND CONSTRUCTION UPDATE

Indoor Skydive Australia Group Limited (ASX:IDZ) (ISA Group) provides the following update on completion of school holidays in Queensland and New South Wales.

Operations Update

The June/July school holidays saw an increase in performance across iFLY Downunder (Penrith) and iFLY Gold Coast facilities. Based on current data for the month of July, ISA Group expects revenue at iFLY Downunder to exceed last year's corresponding period.

The trend of high utilisation established at iFLY Downunder during school holidays has continued. iFLY Gold Coast continues to improve with a higher utilisation rate than the April School holidays.

As part of the partnership entered into with the Australian Parachute Federation (**APF**) in 2013, the APF recently held its annual conference at the Gold Coast in conjunction with iFLY Gold Coast. ISA Group worked collaboratively with the APF to formally recognise the use of training in our facilities as part of the qualifications for traditional skydiving (Accelerated Free Fall Course). As a result, several skydiving operators have incorporated indoor skydiving into their programs at both Sydney and the Gold Coast with Perth expected to follow suit.

iFLY Downunder

iFLY Downunder's commitment to groups and corporate customers has started to see an increase in these bookings. Particularly pleasing has been the addition of vacation care bookings from the likes of the YMCA during the June/July school holidays. Interest in and utilisation of our education packages has also continued to increase.

iFLY Downunder will also host the second Australian Indoor Skydiving Championships in August this year. Last year's Championships resulted in 47 teams (totaling 107 competitors) who competed over a 3 day period. Early interest from our professional market including kids and enthusiasts indicates another strong turnout.

iFLY Gold Coast

The utilisation of iFLY Gold Coast increased during the school holiday period as expected. During this period the average utilisation was 56.5% with a peak of 72.9%.

The recent focus on driving brand recognition and awareness of the facility, completing final works at the facility and positioning the facility as a top tourist attraction has seen iFLY Gold Coast listed as one of the top 10 tourist attractions on the Gold Coast.

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This has been supported by a tactical offering through Groupon and Adrenalin.com.au for iFLY Gold Coast which was designed to increase awareness of the facility and create a pipeline of future revenue through voucher sales. We are confident that this combined with our recent media campaign into the wider South East Queensland market will drive sales and revenue in coming months.

iFLY Gold Coast is now well positioned for the peak activity period of September to January and to develop indoor skydiving within the sporting community ahead of the 2018 Commonwealth Games.

Perth Construction update

The construction of iFLY Perth remains on track. Key milestones include; completion of bulk earthworks, plenum walls complete including the commencement of ground services and plenum slab. The casting bed is set up in preparation for tilt up panel pours and the structural steel fabrication has commenced. Shipping of the technical equipment from SkyVenture is now complete. The last of the 12 containers arrived in Fremantle early this week.

The next steps include the completion of the steel fabrication and tilt up panel production and subsequent erection with the SkyVenture assembly team due to arrive by the end of this month.

Preparations have commenced to identify instructors and Senior Managers for the iFLY Perth facility. iFLY Perth is expected to be operational late this year, in time for the holiday season.

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 the ASX on 18 January 2013 under the code IDZ.

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

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