

Indoor Skydive Australia Group Limited ACN 154 103 607

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MOU FOR CHINA OPPORTUNITIES

Indoor Skydive Australia Group Limited (ASX:IDZ or ISA Group) announces that it has entered into a binding Memorandum Of Understanding (**MOU**) with Avest Capital Company Limited for the development, construction and operation of indoor skydiving facilities across China including Hong Kong. Each project will operate under ISA Group's AirRider brand under a separate licence and management services agreement.

The purpose of the MOU is to create a binding relationship between the parties to enable further due diligence to be conducted and to establish the commercial framework for the development and operation of indoor skydiving facilities in China including Hong Kong. The MOU creates an exclusive relationship between the parties for 3 years to consider potential projects in the region.

Subject to the successful completion of due diligence, ISA Group and Avest will incorporate a joint venture company to identify and assess potential sites for indoor skydiving facilities. ISA Group's level of investment in the joint venture company will be determined following completion of the due diligence and may be up to 35%. The joint venture company will then invest into individual indoor skydiving facilities it establishes across the region.

Each indoor skydiving facility will be tailored to the specific location using the most appropriate vertical wind tunnel equipment available for site. ISA Group will have an option to top up its investment in each project to a total maximum investment of 49% of each Project. Any additional investment needed for a project will be provided by Avest or third parties with the unanimous consent of Avest and ISA Group.

ISA Group will also provide management services to each indoor skydiving facility under a separate agreement and be entitled to a management fee. The management agreement will include a licence to use the AirRider brand, methodologies and systems to deliver a safe, high quality, customer focused experience.

"We are pleased to be partnering with Avest to explore opportunities in China and Hong Kong. Entering into this MOU will enable us to take our due diligence to the next level and determine if China is an appropriate market for ISA Group" Wayne Jones, ISA Group CEO said.

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

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

Indoor Skydive Australia Group Limited was established in 2011 as the parent company to build and operate 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. 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.indoorskydive.com.au

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