

Indoor Skydive Australia Group Limited (ASX:IDZ) (ISA Group)

ACN 154 103 607

ASX/Media Release

Sydney, Australia – 18 March 2021

Debt Restructure

Indoor Skydive Australia Group Limited (ASX:IDZ) (ISA Group) has entered into agreements with its existing lenders Westpac Banking Corporation (WBC) and Birkdale Holdings and incoming lender Causeway Financial to facilitate a debt restructure (**Restructure**). The Restructure marks the final phase of the “repair” stage in the company’s strategic plan.

Completion of the Restructure will result in a \$7.7m increase in net tangible assets (**NTA**) of ISA Group. Key terms of the Restructure include:

1. Deed of Settlement and Release entered into with Westpac Banking Corporation dated 17 March 2021, under which WBC has agreed to payment of \$2.6m in full and final settlement of amounts owing under its existing financing facilities (constituting a write-off of \$5.6m). The existing bank guarantees of \$603k will remain with ISA Group providing a term deposit of \$603k as security. Transactional banking will remain with WBC.
2. A new \$4m 3 year senior secured financing facility with Causeway Financial (with interest only payments for first 6 months) to finance repayment of the WBC financing facilities, finance the term deposit and provide \$1m additional working capital.
3. An agreement with Birkdale Holdings (as disclosed in the IPO prospectus dated 15 July 2019) to convert \$1.2m of its debt facility into ISA Group shares at \$0.01 per Share (subject to shareholder approval). The remaining balance of the debt facility, totalling \$2.27m (including capitalised outstanding interest of \$467k) has been rolled into a new 5.5 year subordinated loan agreement, interest only for 2 years, with interest capitalising.

ISA Group has also agreed creditor write downs of \$942k including legal services associated with the arbitration conducted in 2018, and outstanding director fees.

“This positive result in negotiations and repairing the balance sheet marks the end of over 2 years of commitment and hard work on behalf of all ISA Group employees, officers and the board of directors” said CEO, Wayne Jones. “The result has positioned ISA Group on a stable footing to now focus on growth opportunities including the continuation of the rollout of Virtual Reality facilities, and the development of its immersive training and simulation business.”

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. A visionary adventure leisure company bringing specialised experiential, training and simulation solutions across the region, targeting a wide market that includes families, tourists, thrill seekers and military. IDZ has two Australian Indoor Skydiving Facilities; iFLY Downunder (Penrith NSW) and iFLY Gold Coast. The company also owns and operates a Virtual Reality business under the consumer brand Freak Entertainment. 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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