



ASX/MEDIA RELEASE

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General Manager
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ISLAND SKY ANNOUNCES NEW AGREEMENT FOR 20 AFRICAN COUNTRIES

Island Sky Australia Limited (ASX: ISK) announced today that it had signed a new \$USD 18 million agreement which will see its unique “air to water” making machines distributed to 20 countries across Africa.

ISK’s Chief Executive Officer, Richard Groden, said that under the three year agreement, the distributor, African Sky H2O (**ASH**) will purchase Skywater®14 products from ISK and will have the non-exclusive right to distribute them across South Africa, Namibia, Mozambique, Botswana, Zimbabwe, Zambia, Malawi, Mauritius, Madagascar, Tanzania, Kenya, Democratic Republic of Congo, Uganda, Rwanda, Ethiopia, Cote D’Ivoire, Liberia, Sierra Leone, Ghana and Nigeria.

ASH is a recently formed sales and marketing organization based in Roodepoort, South Africa, created for the purpose of selling Island Sky’s air to water machines through the region.

Under the agreement, ASH is obliged to purchase a minimum quantity of units from ISK, equating to USD \$18 million in sales for Island Sky over a three year period. ASH may be vested with a right of exclusivity for many of the territories listed above after the first year of the agreement if it meets specified minimum sales targets.

“We are very pleased to welcome African Sky H2O as a distributor for Island Sky’s Skywater®14 water-making machines, their business model seems very sustainable” Mr Groden said.

About Island Sky

ISK’s unique patented “air to water” making machines draw water vapor from the air and convert it to drinkable water.

The Skywater 14, for home and office use, can, under optimal conditions, be expected to produce up to 50 litres of water per day at low energy costs.

The larger Skywater 300 is capable of producing up to 1100 litres of water per day.

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