



ABN 73 122 948 805

ISLAND SKY AGM – MAY 31 2013 – CHAIRMAN’S ADDRESS

Ladies and Gentleman,

Welcome to the 6th Annual General Meeting of Island Sky Australia Ltd.

Following the sale of a 75% interest in its air to water machine subsidiary Island Sky Corporation (**ISC**) in October 2012, (after shareholder approval was given at the general meeting held on 31 July 2012), ISK has pursued a number of additional business opportunities and is currently in active negotiations/discussions with several parties. ISK maintains its 25% interest in ISC and the CEO of that entity (Mr Richard Groden) remains on the ISK Board

The current negotiations/discussions with third parties concerning the possible acquisition of additional business opportunities (and the undertaking of due diligence enquiries in connection with those opportunities), are not sufficiently advanced to make any announcement to the market. As soon as we have finalized a new direction we will be advising the market and will need to call a future shareholders meeting for approval. Whatever decisions are ultimately made regarding additional business opportunities, it is envisaged that ISK's 25% interest in the air to water machine business will be retained. During this transitional stage the Company has minimal expenses and enjoys the ongoing financial support of its directors and key shareholders

Finally, I would like to thank our shareholders for their continued support during the 2012 calendar year.

David J. Lindh OAM

Chairman

31 May 2013

Registered Office

Level 3, 100 Pirie Street, Adelaide SA 5000

www.islandsky.com

t +61 8 8232 2550 f +61 8 8232 2540