



ABN 73 122 948 805

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Island Sky Australia Limited (Company) will be held at Level 10, 25 Grenfell Street, Adelaide SA 5000 on Friday 31st May 2013 at 11.00 am Adelaide time.

The Explanatory Notes that accompany and form part of this Notice of Annual General Meeting describe in more detail the matters to be considered.

ORDINARY BUSINESS

A. Financial Statements and Reports

To receive and consider the Financial Statements and Directors' and Auditor's Report for the consolidated entity for the year ended 31 December 2012.

The Annual Financial Report has not been sent to members unless a member has specifically requested a hard copy. The Annual Financial Report is available on:

<http://www.islandsky.com/investor-relations> and click on Company Announcements

B. To consider, and if thought fit, to pass, with or without modification, the following resolutions each as an Ordinary Resolution:

1. Ordinary Resolution 1: Remuneration Report

"That the Remuneration Report required under Section 300A of the Corporations Act 2001, as set out in the Annual Report of the Company for the year ended 31 December 2012, be adopted. The vote on this resolution does not bind the Directors of the Company."

2. Ordinary Resolution 2: Re-election of Mr Richard Groden as a director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Richard Groden, a Director who retires by rotation at the close of the Meeting in accordance with ASX Listing Rule 14.4, clause 59.1 of the Company's Constitution and being eligible, is re-elected as a director of the Company."

Resolution Person(s) excluded from voting

Resolution 1 Refer to the Voting Prohibition Statement in relation to Resolution 1 in the Explanatory Notes

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) It is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

INFORMATION FOR MEMBERS

1. A member entitled to attend and vote at this general meeting is entitled to appoint not more than two proxies to attend and vote at this general meeting on their behalf.
2. A proxy need not be a member, but should be a natural person over the age of 18 years.
3. If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes. However, neither may vote on a show of hands.
4. Any shareholder that is a body corporate may appoint an individual as its representative as provided by the Corporations Act 2001.
5. To be effective, proxy forms (duly completed) must be received by the company at Computershare Investor Services Pty Ltd, by mail at GPO Box 242, Melbourne, Victoria 3001 or be delivered in person at Level 5, 115 Grenfell Street, Adelaide SA 5000, no later than 48 hours before the time in Adelaide, of the commencement of the meeting.
6. Proxy forms (duly completed) may be sent by facsimile to (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555 and must be received no later than 48 hours before the time, in Adelaide, of the commencement of the meeting.
7. Custodian Voting – For intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.
8. If you require an additional proxy form, the Company will supply it on request.

9. For the purposes of the meeting, shares in the Company will be taken to be held by the persons who are registered holders at 7pm on Wednesday 29th May 2013. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.
10. The Company's Constitution provides that three shareholders present in person, by proxy, attorney or representative shall be quorum of a general meeting of the Company.
11. Attorneys are requested to bring a copy of the power of attorney pursuant to which they are appointed.
12. A proxy form is attached to this Notice of General Meeting.
13. New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:
 - if proxy holders vote, they must vote all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chairperson, who must vote the proxies as directed.

Further details on these changes are set out in paragraphs 14 and 15 below.

14. Proxy vote if appointment specifies way to vote
Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:
 - the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (that is, as directed);
 - if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
 - if the proxy is the Chairperson of the Annual General Meeting at which the resolution is voted on – the proxy must vote on a poll, and must

vote that way (that is, as directed); and

- if the proxy is not the Chairperson – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (that is, as directed).

15. Transfer of non-Chairperson proxy to Chairperson in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at an Annual General Meeting of the Company's Shareholders;
- the appointed proxy is not the Chairperson of the Annual General Meeting;
- at the Annual General Meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the Annual General Meeting;
 - the proxy does not vote on the resolution,

the Chairperson of the Annual General Meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the Annual General Meeting.

By Order of the Board
Island Sky Australia Limited



Rajita Alwis
Company Secretary
Dated: 26th April 2013



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EXPLANATORY NOTES

Shareholder Questions

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions or make comments on the management of the Company.

To assist the Board of Directors and the auditor of the Company in responding to any questions you may have, please submit any questions you have entitled 'Questions from shareholders' to the address below to be received no later than **5.00 pm CST on 29th May 2013**.

In person or by mail: Registered Office – Level 3, 100 Pirie Street,
Adelaide SA 5000

By facsimile: +61 8 8232 8811

As required by section 250PA of the Corporations Act 2001, the Company will make available prior to the commencement of the Annual General Meeting, a list of questions setting out the questions received and directed to the auditor, that the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 31 December 2012.

The Chairman of the meeting will allow reasonable opportunity for the auditor to respond to the questions set out on this list.

Annual Report

The Annual Financial Report together with the Director's Report and the Auditor's Report will be laid before the meeting in accordance with section 317 of the *Corporations Act 2001*. Members will be given the opportunity to ask questions or make comments about the management of the Company and may also ask questions of the Auditor's representative relevant to the conduct of the audit and the preparation and content of the Auditor's report.

The Annual Financial Report has not been sent to members unless the member has specifically requested a printed copy.

The Annual Financial Report is available on:

<http://www.islandsky.com/investor-relations> and click on Company Announcements

EXPLANATORY NOTES (CONT)

Ordinary Resolution 1 – Remuneration Report

Consistent with section 250R of the *Corporations Act 2001*, the Company submits to shareholders for consideration and adoption by the way of non-binding resolution its Remuneration Report for the year ended 31 December 2011. At the meeting, shareholders will have reasonable opportunity to discuss the report.

The Remuneration Report is included as a distinct section of the Financial Statements which deals with the remuneration of the Directors and Executives and can be located in the Directors Report of the Company's Annual Financial Report.

The Remuneration Report includes:

- An explanation of the Board's policies in relation to the nature and level of remuneration of the non-executive and executive directors; and
- Details of the total remuneration (as well as categorised break down of its components) of each Director of the Company.

Although the vote on this resolution is advisory only, and does not bind the Directors or the Company, the discussion on this resolution and the outcome of the vote will be taken into consideration by the Directors when considering the remuneration arrangements of the Company.

Shareholders will be given reasonable opportunity at the Meeting to discuss the Remuneration Report.

Two Strike Rule

Although the Corporations Act provides that the vote on this resolution is advisory only and does not bind the Directors of the Company, recent changes to the Corporations Act which came into effect on 1 July 2011 provide that if a resolution to adopt the Remuneration Report receives a 'no' vote against adoption of 25% or more at two consecutive Annual General Meetings, a resolution must be put to shareholders at the second Annual General Meeting as to whether an extraordinary general meeting should be held within 90 days (called a **spill meeting**) to consider the election of the Directors.

If that resolution is passed, the Directors (other than the Managing Director) who were Directors when the 25% 'no' vote was passed at the Annual General Meeting will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.



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This 2013 Annual General Meeting is the third meeting at which the new laws apply. There was less than 25% no votes at the 2012 and 2011 Annual General Meeting, so a 25% no vote at this Annual General Meeting will not result in a spill meeting but could result in such a meeting if there is a 25% or more no vote at the 2014 Annual General Meeting.

Voting Prohibition Statement

The Company shall disregard any votes cast in respect of Resolution 1 by key management personnel or their closely related parties (or any person voting on their behalf). However the Company will not disregard a vote on Resolution 1 if:

- It is cast by a person as proxy for a member who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the Meeting as proxy for a member who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In accordance with the Corporations Act, the Chairman of the meeting is not permitted to vote undirected proxies in relation to Ordinary Resolution 1 – Remuneration Report unless the shareholder specifically authorises the Chairman to vote in accordance with the Chairperson's stated voting intentions. If a shareholder wishes to nominate the Chairman as their proxy for the purpose of Ordinary Resolution 1 – Remuneration Report, the shareholder must either:

- tick the 'for' or 'against' box, directing the Chairman how to vote; or
- tick the box for authorising the Chairman to vote in accordance with their stated voting intentions,

on the enclosed proxy form, in order for their proxy vote to be counted. Alternatively, shareholders can nominate as their proxy for the purpose of Ordinary Resolution 1 – Remuneration Report a proxy who is not a member of the Company's key management personnel. That person would be permitted to vote undirected proxies.

The Directors recommend that shareholders vote in favour of the non-binding ordinary resolution.

The Chairman intends to vote undirected proxies in favour of this resolution, provided that the shareholder has authorized the Chairman to vote in accordance with the Chairman's stated voting intentions – refer to the voting exclusion above.

Note: If a shareholder appoints the Chairman of the meeting as the shareholder's proxy and does not either specify how the Chairman is to vote on Ordinary Resolution 1 –



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Remuneration Report, or mark the relevant box on the proxy form, the Chairman will not vote, as proxy for that shareholder, on that resolution, and the shareholder's vote with regard to that resolution will not be counted. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairman of the meeting as your proxy.

Ordinary Resolution 2 – Re-election of Mr Richard Groden as a Director

Under the Company's Constitution, at the close of each Annual General Meeting, one-third of the Directors or, if their numbers is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire from office. ASX Listing Rule 14.4 requires that Director's must not hold office (without re-election) past the third annual general meeting following the appointment or 3 years, whichever is longer. Mr Groden was re-elected as a director Company's Board at its AGM held on 22 July 2011.

Richard J Groden – B.Arts (University of Florida) (Non-Executive Director)

Mr Groden is the former president and CEO of Groden-Stamp Construction Inc. a specialist construction company involved with historic renovations of hotels and office buildings. Mr Groden has served on the Miami Shores Code Enforcement Board and the Metro Dade County Historic Preservation Board, is a former President and Chairman for the Dade Heritage Trust, and a member of the National Trust for Historic Preservation. Mr Groden has been involved in the development of the Island Sky technology since 1998.

He is aged 59 years.

The Directors (other than Mr Groden who abstains from discussions because of his interest in the resolution) recommend that shareholders vote in favour of this resolution.

The Chairman intends to vote undirected proxies in favour of this resolution.

Island Sky Australia Limited

ACN 122 948 805

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 135 697
(outside Australia) +61 3 9415 4265

000001 000 ISK
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 11:00am (Adelaide time) Wednesday 29 May 2013

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Island Sky Australia Limited hereby appoint

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Island Sky Australia Limited to be held at Level 10, 25 Grenfell Street, Adelaide SA 5000 on Friday 31 May 2013 at 11:00am (Adelaide time) and at any adjournment or postponement of that Meeting.

Important for Item 1 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default.

By marking this box, you are expressly authorising the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on **Item 1** as set out in the Notice of Meeting. If you do not mark this box, and you have not otherwise directed your proxy how to vote on **Item 1**, the Chairman of the Meeting will not cast your votes on **Item 1** and your votes will not be counted in computing the required majority if a poll is called on these items.

If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

I/We expressly authorise the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on **Item 1** (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my/our proxy even though **Item 1** are connected directly or indirectly with the remuneration of a member of key management personnel (which includes the Chairman).

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Richard Groden as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

ISK

999999A

Computershare +