

Indoor Skydive Australia Group Limited
ACN 154 103 607

ASX/Media Release
Sydney, Australia – 31 July 2014

Appendix 4C Cash Report – 30 June 2014

Indoor Skydive Australia Group Limited (ASX: IDZ) has today released its Appendix 4C Quarterly Cash Report for the period ended 30 June 2014.

Year to date receipts from customers at item 1.1 in the attached Appendix 4C Report includes cash sales received in advance, and revenue of \$1.2 million. This figure does not include pre sales from vouchers sold through our third party online promoter.

Since the reporting date, \$1.5 million has been drawn down under the convertible note facility of which \$1.3 million was paid to SkyVenture International for Gold Coast tunnel components (see ASX announcement on 28 July 2014). This brings the total amount drawn down under the convertible note facility to \$3 million as of the date of this announcement.

The Appendix 4C Quarterly Cash Report follows.

ENDS

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 a number of indoor skydiving facilities across our region in the next 3-5 years. 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.indoorskydiveaustralia.com.au

Telephone: +61 2 9325 5900 fax +61 2 9325 5950

Wayne Jones, CEO, +61 2 9325 5900 or wayne@indoorskydiveaustralia.com.au

Fiona Yiend, Company Secretary, +61 2 9325 5900 or fiona@indoorskydiveaustralia.com.au

Appendix 4C

Quarterly Report for entities admitted on the basis of commitments

Name of entity

Indoor Skydive Australia Group Limited

ABN

39 154 103 607

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (12 mths) \$A'000 |
|--|----------------------------|-----------------------------------|
| 1.1 Receipts from customers | 1,583 | 2,277 |
| 1.2 Payments for suppliers | | |
| (a) staff costs | (583) | (1,283) |
| (b) advertising and marketing | (70) | (213) |
| (c) research and development | | |
| (d) leased assets | | |
| (e) other working capital | (519) | (1,235) |
| 1.3 Dividends received | | |
| 1.4 Interest received | 7 | 106 |
| 1.5 Interest paid | (29) | (183) |
| 1.6 Income taxes refund | | |
| 1.7 Other | (29) | (51) |
| Net operating cash flows | 360 | (582) |

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

| - | | Current quarter \$A'000 | Year to date (12 mths) \$A'000 |
|------|--|----------------------------|-----------------------------------|
| 1.8 | Net operating cash flows (carried forward) | 360 | (582) |
| 1.9 | Cash flows related to investing activities Payment for acquisition of: (a) businesses (item 5) (b) equity investments/other financial assets (c) intellectual property (d) physical non-current assets (e) other non-current assets | (1,787) | (97) (10,840) |
| 1.10 | Proceeds from disposal of: (a) businesses (item 5) (b) equity investments/other financial assets (c) intellectual property (d) physical non-current assets (e) other non-current assets | | |
| 1.11 | Loans to other entities | | |
| 1.12 | Prepayments of tunnel equipment | | (807) |
| 1.13 | Purchase of USD currency | | (817) |
| | Net investing cash flows | (1,787) | (12,561) |
| 1.14 | Total operating and investing cash flows | (1,427) | (13,143) |
| | Cash flows related to financing activities | | |
| 1.15 | Proceeds from issues of shares, options, etc. | | 10,416 |
| 1.16 | Proceeds from repayment of loans | | |
| 1.17 | Proceeds from borrowings (C/Note) | 1,500 | 1,500 |
| 1.18 | Repayment of borrowings (C/Note) | | (2,000) |
| 1.19 | Rights disposed | | |
| 1.20 | Other share issue costs | | (578) |
| | Net financing cash flows | 1,500 | 9,338 |
| | Net increase (decrease) in cash held | 73 | (3,805) |
| 1.21 | Cash at beginning of quarter/year to date | 1,345 | 5,223 |
| 1.22 | Exchange rate adjustments to item 1.20 | | |
| 1.23 | Cash at end of quarter | 1,418 | 1,418 |

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 136 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11 | - |

1.26 Explanation necessary for an understanding of the transactions

Directors' fees and salaries (\$116,000) are included in 1.24.

Payments to a related party occurred in respect of the Convertible note (\$29,000), which are included under item 1.5.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities, but did not involve cash flows

n/a

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

n/a

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | 5,911 | 1,500 |
| 3.2 Credit standby arrangements | - | - |

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank | 250 | 141 |
| 4.2 Deposits at call | 300 | 294 |
| 4.3 Bank overdraft | - | - |
| 4.4 Other (USD account) | 868 | 910 |
| Total: cash at end of quarter (item 1.23) | 1,418 | 1,345 |

Acquisitions and disposals of business entities

| | Acquisitions (Item 1.9(a)) | Disposals (Item 1.10(a)) |
|---|-------------------------------|-----------------------------|
| 5.1 Name of entity | | |
| 5.2 Place of incorporation or registration | | |
| 5.3 Consideration for acquisition or disposal | | |
| 5.4 Total net assets | | |
| 5.5 Nature of business | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~⁺ (delete one) give a true and fair view of the matters disclosed.



Sign here:

(~~Director~~/Company secretary)

Date: 31 July 2014

Print name: Fiona Yiend

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.