



12 OCTOBER 2015

SKYDIVE THE BEACH GROUP LIMITED (ACN 167 320 470)

ASX ANNOUNCEMENT

\$19.6m UNDERWRITTEN ACCELERATED NON-RENOUNCEABLE ENTITLEMENT ISSUE

Skydive the Beach Group Limited (**SKB** or "**the Company**") is pleased to announce a fully underwritten accelerated non-renounceable Entitlement issue ("**Entitlement Issue**") to raise \$19,581,980 before costs. Under the Entitlement Issue, shareholders will be entitled to acquire 2 new ordinary shares ("**New Shares**") for every 9 held at 7.00pm (Sydney time) on Thursday, 15 October 2015 at an issue price of \$0.30 per New Share.

Based on the Company's capital structure, the maximum number of securities that may be issued under the Entitlement Offer is approximately 65,273,267 New Shares.

The Entitlement Issue will comprise an institutional component, being the Institutional Offer, and a retail component being the Retail Entitlement Offer. The Institutional Offer will raise approximately \$18.4 million from institutional and sophisticated investors in the Company for the issue of 61.4 million New Shares. The Retail Entitlement Offer component of the Entitlement Issue will raise approximately \$1.2 million for the issue of 3.9 million New Shares to eligible shareholders.

The offer price of \$0.30 per share represents a 4.76% discount to the last traded price of \$0.315 on Friday, 9 October 2015 (being the last traded price before the announcement of the Entitlement Offer) and a discount of 3.93% to the theoretical ex-rights price (TERP) of \$0.312

The Entitlement Offer is fully underwritten by Veritas Securities Limited ACN 117 124 535

The funds raised from the Entitlement Issue will be used to acquire 100% of **Skydive Queenstown Limited** trading as Nzone, New Zealand's leading tandem skydiving company ("**Acquisition**"), details of which are set out in the ASX Release made today accompanying this one.

The funds raised will also cover the acquisition cost of 2 additional aircraft, to enhance operational capacity at two existing Australian drop zones, the costs of the Entitlement Issue and provide general working capital to the Company.

An offer document relating to the Entitlement Offer (**Retail Offer Booklet**) will be released to the ASX and is expected to be mailed to eligible retail shareholders on 19 October 2015, together with a personalised Entitlement and Acceptance Form.

Timetable

The current proposed timetable for the Entitlement Offer is set out below.

Event	Date
Institutional Offer & Bookbuild	Monday, 12 October 2015
Institutional Offer Results	Wednesday, 14 October 2015
Record Date (for eligibility for the Retail Entitlement Offer)	Thursday, 15 October 2015
Personalised Entitlement and Acceptance Form and Retail Offer Booklet despatched to Eligible Retail Shareholders	Monday, 19 October 2015

Institutional Offer settlement date	Monday, 19 October 2015
Retail Entitlement Offer opens	Monday, 19 October 2015
Quotation of New Shares issued under the Institutional Offer	Tuesday, 20 October 2015
Retail Entitlement Offer closes	Wednesday, 28 October 2015
Announce Results & Shortfall (if any)	Monday, 2 November 2015
Placement of Shortfall (if any)	Wednesday, 4 November 2015
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 4 November 2015
Quotation of New Shares issued under the Retail Entitlement Offer	Thursday, 5 November 2015
Despatch of holdings statements	Thursday, 5 November 2015

The dates and times in the timetable above are indicative only and subject to change. All times and dates refer to Sydney time (AEDT). SKB, in conjunction with the underwriter reserves the right to amend any or all of these dates and times without notice subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, SKB reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension to the Closing Date will have a consequential effect on the issue date of New Shares.

Further details of the Entitlement Issue are included in separate ASX Announcements today relating to an Investor Presentation and an Appendix 3B; and further information will be provided to eligible retail shareholders in the Retail Offer Booklet to be released on 19 October 2015.

CONTACT

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ABOUT SKYDIVE THE BEACH GROUP (ASX:SKB)

Skydive the Beach is an Australian based company operating skydiving experiences to the public since its establishment in 1999 by founder and CEO Anthony Boucaut. The company operates 16 drop zones across 4 states and has grown to become the largest tandem skydive operation the Southern Hemisphere, forecasting over 112,000 skydives in FY2016. The company offers a complete range of skydiving services to the public, agents and media including tandem skydiving, night skydiving, and helicopter jumps as well as courses and skills development courses. The company utilise more than 300 staff and contractors and owns a fleet of 21 aircraft throughout Australia. Since inception, the company has experienced considerable growth with an average CAGR of tandems of 35% and delivering \$26.3m revenues and \$6.0m EBITDA in FY2015.



For further information

www.skydive.com.au