



30 OCTOBER 2015

SKYDIVE THE BEACH GROUP LIMITED (ACN 167 320 470)

(ASX:SKB)

ASX ANNOUNCEMENT

SKYDIVE THE BEACH COMPLETES FIRST INTERNATIONAL ACQUISITION

Skydive the Beach Group Limited (**SKB or "the Company"**) confirms completion of the acquisition today of Skydive Queenstown Group, trading as NZone Skydive and Skydive Paradise.

This is the Company's first international business acquisition.

Skydive Queenstown Group's operations extend SKB's geographic footprint to the popular international travel destination of Queenstown New Zealand. Skydive Queenstown Group conducted more than 23,000 tandem skydives in FY15.

The consideration for the acquisition was NZ\$17 million. Approximately NZ\$1 million is held in escrow (after known completion adjustments) and will be payable over 12 months.

The Company is delighted that the Williams family, one of the two Skydive Queenstown Group founders, will acquire SKB shares in lieu of NZ\$500,000 cash consideration.

Chairman of SKB, Mr Bill Beerworth, said this acquisition is an important step in SKB's strategic expansion and a significant milestone in its penetration of the international adventure tourism and leisure market.

Skydive Queenstown Group will make a partial year contribution to SKB in FY16, resulting in forecast FY16 130,381 combined group tandem skydives, revenue of \$54.9 million, and EBITDA of \$13.5 million.

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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 in the Southern Hemisphere, forecasting over 130,000 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 has more than 370 staff and contractors and owns a fleet of 26 aircraft throughout Australia and New Zealand. Since inception, the company has experienced considerable growth with an average 30% CAGR in the number of tandem jumps per annum.

For further information www.skydive.com.au