

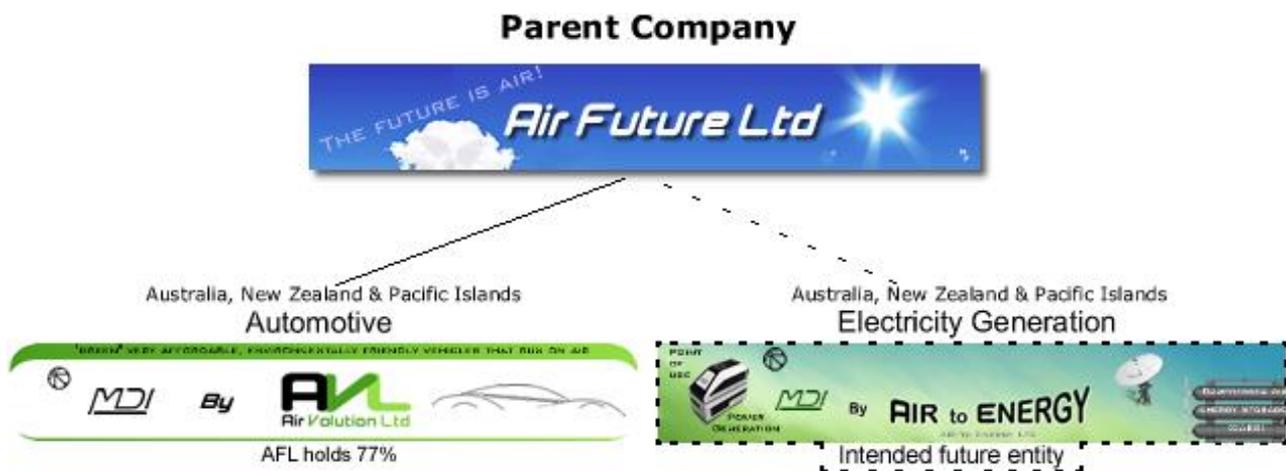


18th July 2016.

Our VISION for the future begins to take shape....

Air Future Ltd (AFL) is a New Zealand public company focussed on introducing to Australia, New Zealand and the Pacific Islands new transport and electricity generation alternatives through the highly efficient, versatile and environmentally friendly air powered engines, developed in France by Motor Development International (MDI).

Through its subsidiaries, which will raise their own capital, Air Future will direct its principal focus to being the sole provider for all the MDI transport and energy products within our licence area thereby contributing to a cleaner and more environmentally friendly world.



Commercialisation

Through its subsidiaries Air Future will be a showcase for MDI's capability enjoying a unique relationship with MDI having established our rights to the MDI technology in 1999.

Air Future Ltd is commercialising the MDI **transport** and **energy** activities through two separate entities – **Air Volution** (AVL) for transport and **Air to Energy** (AtoE) for electricity generation. Each company will have its own board of directors and shareholders. Initially Air Future Ltd is the majority shareholder within each of these subsidiaries.

This provides Air Future the benefits of the considerable transport and energy market expansion opportunities without the direct exposure of financial and operational demands.

Notwithstanding these objectives Air Volution does require modest funding to move to its next stage.

Elon Musk (CEO of Tesla Motors) –
 “We need to accelerate the advent of sustainable energy.”

Motor Development International (MDI sa)

Motor Development International SA (MDI) is a Luxembourg incorporated company. MDI's technical development offices are headquartered in Carros, France. MDI designs and develops specialised engines that operate utilising compressed air marketed under the title "The Air Car". MDI was initially incorporated in 1991 and currently has approximately 470 shareholders.

Global Distribution Model

The core product is a highly efficient and lightweight engine that runs on compressed air. The engine has multiple applications in the transport and energy sectors. The MDI air engine can replace internal combustion engines.

The engine is also reversible and recompresses air into built-in carbon fibre storage tanks. The lightweight engine offers a pathway towards freedom from fossil fuel reliance.

MDI's philosophy is for small, profitable manufacturing factories that generate local employment. The intent is for the vehicles to be manufactured locally, in small non-threatening environments.

[From MDI.lu website](#)

"It is with great sadness that we announce the death of Mr Guy NÈGRE, which occurred today, Friday, June 24, 2016.

We will continue to work with our teams in the vision of the founder of our company."

We extend our sympathy to the family & company at this sad time.

The Team at Air Future




Guy NÈGRE
1941 -2016

For the past 18 months we have been working with Cyril Nègre (Guy's son) and his team and are sad that Guy did not live to see the results of all his work.

MDI

| | | |
|--|--|---|
| <p>Scalable compressed air energy storage is poised to revolutionise clean energy grids plus slash costs for homes, buildings, vehicles, and industry in general.</p> | | |
| <p>The world leader in this field is undisputedly MDI, with whom, as our technology partner, we will shortly commence commercialising & manufacturing locally in Australasia, with options to also export. MDI have products right across all these fields</p> | <p>There is such an intense industry need for affordable energy storage and transport, both for centralised renewable energy generation as well as for distributed energy users, that profitability has a huge tailwind. It's a revolution to clean energy and transport for the masses.</p> | <p>We very strongly believe that people will look back to 2016, acknowledging the Australian Government and global targets for 2020, and conclude that this was a perfect time to invest into and commercialise the MDI technology.</p> |
| <p>And incidentally they would be in good company. Companies like Tata Corporation in India, the global giant Veolia, KLM Airlines, and one of the world largest oil companies, are all working with MDI technology. And we see the giants like India and China alongside ourselves the minnow Australasia, as leading the commercial thrust for MDI. MDI has granted AVL & AtoE local exclusivity rights.</p> | | |

Air Future under a licence right and equity holdings in its subsidiaries is progressing to commercialise the MDI activities.

The subsidiary to commercialise the energy/electricity activities has yet to be formed however in this Newsletter both Air Volution Ltd and the yet to be formed Air to Energy are together referred to as subsidiaries.



AIR VOLUTION LTD (Australian Company)

ABN 96 119 964 000.

Air Volution Ltd (AVL) is an Australian public company. It was established on 31 May 2006. It has approximately 240 shareholders.

Air Volution Ltd owns the manufacturing and marketing rights within Australia, New Zealand and most of the Pacific Islands for the MDI urban and commercial vehicle range.

Air Volution has a very exciting future. During 2015 considerable work was undertaken preparing financial projections, an Offer Document for Australian sophisticated investors and qualifying investors under the Australian 20/12 rule and business development activities.

WHAT IT IS:

AVL has also been provided special rights including local exclusivity and export options.

AVL's business is to commercialise the substantial opportunity within a market of more than 30M people.

Currently Air Future Ltd is AVL's majority shareholder, holding 77% of AVL. If any benefits arise from AVL these benefits will follow through to Air Future.

AVL's immediate focus is to progress to the next stage which includes raising capital to establish a factory to manufacture the initial MDI vehicles. The implementation of AVL's business plan is conditional upon it raising that capital.

Business Development

During 2015 AVL welcomed two new highly qualified and experienced personnel (John Mennega and Paul Gurr) to take the subsidiary companies forward.

John and Paul add a new dimension to AVL. They are enabling Air Volution to present a very credible and professional core team to Australian sophisticated investors and within introductions and discussions with potential strategic partners and government funding bodies in Australia.

Investor Presentations

As part of AVL's Australian capital raising activities Air Volution recently presented at the Sydney Capital Expo and Small Cap Showcase in Sydney on 6th May 2016 organised by the Wholesale Investor Network (WIN). John Mennega's presentation and the AVL team were well received and the AVL stand attracted a steady interest during the day.

Shareholders are encouraged to listen to an interview with John Mennega (CEO) at <http://www.air-volution.com.au>

Shareholders are able to view and log in to the company on the **Wholesale Investor** website which is free to join. <http://www.wholesaleinvestor.com.au>

Air Volution also has a presence on **Australian Investment Network** (AIN) website which is also free to join. AIN is part of a global network of Angel investors.

(<http://www.australianinvestmentnetwork.com.au>.)

AVL's supporting documentation includes a company Executive Summary, Offer Document and MDI technical brochures and publicity material.

The MDI technical brochures and publicity material are available through the Air Future Ltd and AVL websites and the MDI website.

The AVL Offer Document very comprehensively details the activities and intention of Air Volution and the "Offer" which is for an initial capital raising of AU\$600,000 being 12M shares at an offer price of AU\$0.05 per ordinary share.

Principal activities being undertaken under the "Use of Proceeds" section as outlined in the Offer Document are as follows:

- Business development – operation planning for technology transfer, factory premises, plant and equipment, staffing, sales and marketing.
- Legal fees, grant applications, tax planning, audit compliance.
- AirPod delivery, showcasing, securing pre-orders.
- Working capital.
- Cost of raising funds.

A great attraction and advantage for Air Volution is that capital investment can be modularly matched to sales and hence profit/cash flow. The company projections demonstrate strong positive cash flows and quite early on. With the ability to address increasing demand through building additional factories we see considerable growth ahead.

Shareholders interested in learning more about AVL's capital raising activities or wanting to receive further information about AVL's activities including the Executive Summary or Offer Document are welcome to [contact us](#). See contact details at end of newsletter.

(This is not an offer of shares in Air Volution Ltd. If any person wishes to apply for shares in AVL they should contact Air Volution Limited to see whether they meet the prerequisites to invest. <http://www.air-volution.com.au> email – info@air-volution.com.au)



Russell Fitts, Paul Gurr, Mick Kain & John Mennega

First of the range to be made:

| AirPod | AirOne | AirCity & Coupe |
|--|--|--|
|    |    |    |



AIR to ENERGY

(Yet to be formed company to hold the rights to the MDI electricity generator manufacturing plants)

Storage of energy for both utilities and homes and industries is the great strength of the MDI technology.

The development of the MDI electricity generation applications are taking place alongside the vehicle advancements. The current MDI engine sizes are 7 kW and 60 kW and both engines being applicable to vehicles and electricity generators.

MDI is commercialising the electricity applications through specialised licence agreements.

Air Future Ltd owns the manufacturing and marketing rights within Australia, New Zealand and most of the Pacific Islands for the MDI electricity generators range.

Commercialisation of the MDI energy (electricity) applications is intended to take place through a further **yet to be formed** Australian subsidiary 'Air to Energy'. Subject to Air Future shareholder approval it is intended that 'Air to Energy' will hold the exclusive rights to the MDI electricity generation applications for Australia, New Zealand and the Pacific. This is a significant opportunity.

WHAT IT IS:

John Mennega (AVL's CEO) in our well received recent presentation to investors in Sydney said:

“Renewable energy has the hallmarks of a revolution that will rival the industrial revolution, and may very well be the next industrial revolution. Its global impact could exceed all other revolutions. Cheap and abundant energy!”

With the energy transition beyond fossil fuels accelerating and the global move towards off grid energy and decentralised energy, the MDI technology can be playing a significant role in the next generation of energy (electricity) providers.

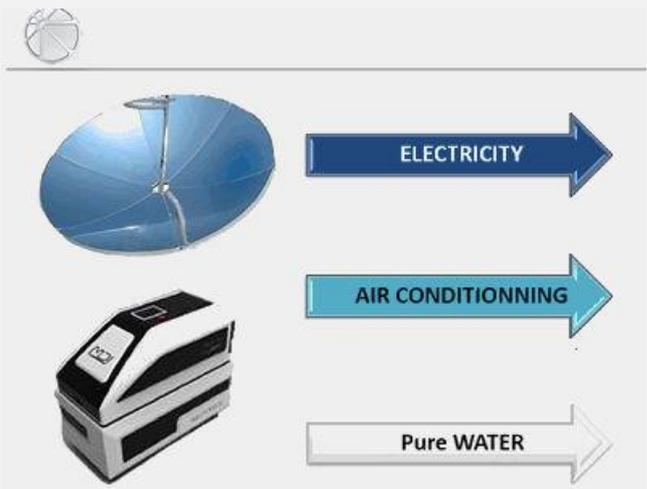
Business Development

Work to achieve new energy related business relationships; the preparation of the initial company business plans including an Information Memorandum is progressing in parallel with the development of the Air Volution business. Until Air to Energy can be financially resourced this essential preparation has to be undertaken by Air Future Ltd.

We anticipate sizeable opportunities for the MDI electricity generators and energy storage systems. We plan to begin market development activity to raise interest and support to initiate the GenSet manufacturing plant.

A web site for Air to Energy is being developed and will be hosted at:

<http://www.airtoenergy.com.au>



The Generators



The MDI “AirPower” electricity generators are designed to provide clean electricity generation and energy storage for consumers, communities and commercial installations. As for the vehicles the generators can be run as a ‘back up’ on air alone or for longer term including permanent off grid electricity on bio fuels leading to solar based electricity production – all at an intended very affordable price.

The MDI AirPower range is being designed to include emergency generators, renewable energy generators through to solar generators i.e. the ability for homes and communities to be able to be grid independent and provide their own electricity through a mix of solar and bio fuels or solar

alone.

<http://www.mdi.lu/#!produits/e6q7o>

FUTURE CAPITAL RAISING

AIR FUTURE LTD

Shareholders will appreciate both the significant undertaking by Air Future Ltd and the corresponding opportunity.

The task at hand now requires additional support to create a smooth progression to our next stage of commercialisation.

It is essential that Air Future is funded adequately to maintain its integrity and develop the activities in both Air Volution and Air to Energy. The majority of funding over recent years has been through director support providing essential funding to Air Future Ltd and also Air Future Ltd providing management services to Air Volution. The funding overall has been modest and survival has been achieved by the very limited demands placed on the company by its own personnel. It is certainly insufficient to undertake the more demanding activities required as we enter these new market development endeavours.

Air Future now has a significant amount of work in front of it as it supports the activities of both Air Volution Ltd and Air to Energy, maintains its important relationship with MDI as well as attending to its own essential company maintenance obligations.

Further, the anticipated important announcements from MDI over the next six months will have a considerable bearing in the way Air Future, Air volution and Air to Energy can present themselves.

Having the ability to delay its own larger capital raising activities by a few months to align with the anticipated MDI announcements will mean that Air Future can negotiate better positions for itself and reduce the share dilution that will ultimately take place in the transport and energy companies.

Air Future is currently undergoing negotiations to secure essential executive personnel. The ability of the Company to demonstrate funding support during these negotiations will benefit Air Future.

Air Future requires investment and is preparing appropriate documentation.

Shareholder and Investment Information: We would like to keep shareholders fully informed about Air Future's and its subsidiaries, activities and where possible provide opportunities for investment to those investors deemed 'eligible'.

The Financial Markets Conduct Act 2013 has gone a long way to simplify the process for companies raising smaller amounts of capital – the Act does enable qualifying shareholders to invest providing that they and the company meets certain conditions. There are strict limitations as to whom a company may provide offer information when it becomes available.

If you're interested in supporting us or would like more information, please [contact us](#):

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Email info@airfuture.co.nz

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Phone +64 21 310 409
Email info@airfuture.co.nz

(No indication of interest will involve an obligation or a commitment to acquire the financial products.)



AIR FUTURE LTD – RECENT PROGRESS

Rebranding

As a progressive development to align with our focus on commercialising the MDI technology within Australia, New Zealand and the Pacific Islands, IndraNet Technologies Ltd changed its name to **Air Future Ltd** on 17th December 2015.

Websites

Our websites have been redeveloped in line with our name change and our focus on environmental sustainability. We urge shareholders to browse the websites and in the words of a recent enthusiastic viewer who contacted us recently “appreciate the breadth of the MDI technology and the vision and opportunity of Air Future.”

www.airfuture.co.nz

www.air-volution.com.au

www.airtoenergy.com.au (under construction)

Subsidiaries

Over the past two years the Company has simplified its operational structure.

The company’s MDI commercialisation activities will, in the main, be carried out within the two entities Air Volution (transport) and Air to Energy (electricity generation).

Except where required for historical inter-company management we have de-registered (Australia) or allowed to be struck off (New Zealand) a number of our non-active subsidiaries.

On 30th October 2015 IT Mainland Ltd approved the sale of their assets to Air Future Ltd. IT Mainland shareholders were issued Air Future shares on a one for one basis and IT Mainland Ltd has now been removed from the Companies Office Register.

People – New Air Volution Additions

John Mennega, Chief Executive Officer (CEO): We are very pleased to welcome Mr John Mennega. John has a long association with Air Future being a former Air Volution Director between 2006 and 2011 and part of the earlier MDI presentations in Australia with Guy Nègre. John’s is a director and CEO of Air Volution. John is also working with us to build the Air to Energy business. John has considerable skills within the investment banking industry and financial modelling experience and an electrical engineering background.



Paul Gurr, Chief Operating Officer (COO): We also welcome Paul Gurr. Paul is COO of Air Volution. Paul has an MBA and a degree in Mechanical Engineering (Hons). His skills extend to project and production management, costing, product development, process optimisation 3D CAD, engineering management, training and people leadership. Paul has worked with some of the top energy companies his most recent being AGL.

Paul brings to AVL the factory management and technology transfer skills required for the transfer of the MDI technology operational process from France to the Australasian factories.

Paul will also be providing his skills to the Air to Energy factory commercialisation – most of which are common to the transport side of the business.

Activities

In addition to the capital raising activities with Air Volution we are currently preparing an Investment Memorandum for Air Future.

Shareholders interested in learning more about our capital raising activities or wanting to receive such information please [contact us](#).

Annual General Meeting

As yet no formal date has been fixed for the Air Future Ltd AGM but it is likely to be held in September in Christchurch.

Statement in regard to the Financial Markets Conduct Act 2013.

In relation to the above and any ensuing Public Disclosure Document Air Future Ltd states that:

- a) no money is currently being sought; and
- b) the financial products cannot currently be applied for or acquired under the offer or intended offer; and
- c) if the offer is made, the offer will be made in accordance with the Act; and
- d) if the offeror wishes, that specifies that the offeror is seeking preliminary indications of interest and, in that case, also specifies—
 - (i) how indications of interest may be made; and
 - (ii) that no indication of interest will involve an obligation or a commitment to acquire the financial products.



AIR FUTURE LTD SUMMARY

Air Future Ltd

The MDI energy and transport technologies will be influential in meeting the challenges of a now environmentally focused world and are in an area that is very favourable for investors.

Air Future holds a unique space with its ability to participate in the exciting fields of sustainable transport, energy and energy storage.

For Air Future capital raising is very important and it is essential that Air Future maintains sufficient, yet modest, working finance for its own maintenance and also for the corporate development of the transport and energy subsidiaries.

*The primary purpose of **Air Future Ltd** is to introduce the MDI technology and products to Australia, New Zealand and the Pacific and through its subsidiaries, develop the required business relationships and manufacturing and sales capability for the MDI products.*

With the MDI technology proven by its large partners Tata Motors of India and Veolia of France, Air Future offers its shareholders exposure to a business focussed on environment, energy and transport. This is the area well known for personalities such as Elon Musk of Tesla and Warren Buffett. Also the R100 companies, the world's most influential companies, are committing to 100% renewable energy including BMW, Coca-Cola, Google, Tetra Pak, Tata Motors etc. This whole environmental movement is the new area of investment where Air Future Ltd and its subsidiaries are very well placed.

If you're interested in supporting us or would like more information, please [contact us](#):

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