

Dear shareholder,

This is a Special Newsletter to update shareholders on our current public working capital Crowdfunding. This precedes our next stage of Cornerstone funding for factories. Both are part of the ongoing business plan. In addition we attach a Flier (including pictures) updating 2018 and the planned 2019, and we refer shareholders to our updated website at www.airfuture.co,nz and our new Facebook page under Air Future Limited https://www.facebook.com/AirFutureNZ/

The special nature of this newsletter is to introduce to shareholders our current establishment of a public "Air Community" - a concept already well established by MDI who have over 40,000 public expressions of interest; and growing. Shareholders can voluntarily join the "Air Community" (with a number of planned future benefits) by opening and registering on the AFL website home page. Of course the existing communication to shareholders via Newsletters and the AGM is standard, but the public is not privy to those communications. It is therefore our intention to create a broader communication to the public via the "Air Community", and we are hoping many shareholders will benefit from registering and receiving those broader communications. We are not able to join you automatically, so it needs to be initiated by each shareholder to join.

JOIN OUR CROWD

The public "Air Community" for Air Future is an exciting development for us, and stems from the fact that for the first time in a while we now feel ready that the next stage for funding involves the public. It is intended that the factory funding be done through AFL subsidiaries so that it doesn't dilute existing shareholders, plus enables risk protection factory by factory. The working capital is in part a catch up of the 2016 investment invitation (where from shareholders we raised \$290,000 of the \$1M target), plus this two year later working capital is needed to progress the 2019 goals. Note this current capital raising is intended at an increased share price over 2016 reflecting the positive developments across Air Future, MDI, and the industry.

Whilst never without hurdles, it would appear that the developments by MDI, the industry, and ourselves AFL, are now in the strongest position ever. There have been many delays, and it is obviously our wish to make it all worthwhile for investors backing the MDI technology and AFL's commercialisation of it. In the <u>Flier</u> are some of the highlights from the prior working capital raising and the desires for 2019, with some further comments below. - Read our Flier



Activities from 2016 and planning for 2019

Air Future and MDI's more recent achievements are included in the Flier and in the new Information Memorandum being finalised for the public Crowdfunding. AFL's three main dependencies are funding, products, and markets. Whilst the 2016 working capital raising achieved 30% of the target, it enabled many activities to lay the groundwork to progress the goals for 2019. Our overriding dependencies are on MDI product and their factory readiness; firstly to enable pilots

and demonstrations to support our factory funding, and secondly for us to work with MDI to develop our markets. We feel these areas are now much more progressed in 2018 to facilitate our goals for 2019. We also acknowledge that there were delays in product readiness in 2016, but that enabled much marketing and technical progress to be made locally as well as globally and with MDI. MDI developments relate to the transport AirPod 2.0 and in the planned future of the AirOne/AirCity, plus the energy storage AirWall, as well as MDI factory progress. The AirWall is of great interest for us in our Australasian region.



Summary.

We hope you join and support us in the new public Air Community project, and the intended communications and benefits that we look to provide to the broader public group. Of course we stress again the continued communication to shareholders. Simply put though, the public forum creates a broader opportunity for communication and engagement, over and above the more limited and formal shareholder communication. Including the blog and social media opportunities.

If you wish to participate please register on www.airfuture.co.nz homepage.

JOIN OUR CROWD

Also: If you know someone who may be interested please pass this on. Read our Flier

For assistance or questions, please in the first instance address those to:

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And you should feel free to contact the CEO anytime via email, or if the discussion is more complex via mobile via the website details.

John Mennega, CEO Air Future Limited

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