

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

BLUE SKY MEDIA CORPORATION

(Exact name of registrant as specified in its charter)

WYOMING

(State or other jurisdiction of incorporation or organization)

7812

(Primary Standard Industrial Classification Code)

**233 S. Sharon Amity Rd.
Suite 201**

Charlotte, NC 28211

Phone: (800) 292-8991

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Corporate Creations Network Inc.

5830 E 2nd St

Casper, WY 82609

Telephone: (307) 224-4984

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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**Approximate date of commencement of proposed sale to public:
From time to time after the effective date of this registration statement.**

If any securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities To Be Registered | Amount to be Registered | Proposed Maximum Offering Price Per Share | Proposed Maximum Aggregate Offering Price | Amount of Registration Fee |
|---|-------------------------------|--|---|----------------------------------|
| Common stock, par value \$.001 per share | 2,129,579 shares(1) | \$ 2.05(2) | \$ 4,365,637 | \$ 439.62 |

(1) The common shares being registered are common shares for resale by Selling Stockholders who may acquire such shares upon the conversion of convertible promissory notes.

(2) The closing price of the common shares on October 27, 2015.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and the selling stockholders are not soliciting offers to buy these securities in any state where such offers are not permitted.

Subject to completion,
November __, 2015

PROSPECTUS
2,129,579 Shares
BLUE SKY MEDIA CORPORATION
Common Stock

We are registering the resale of 2,129,579 shares of common stock of Blue Sky Media Corporation, a Wyoming corporation (“Blue Sky Media” or the “Company”), by Selling Stockholders who may acquire such shares upon the conversion of convertible promissory notes. The selling stockholders will receive all of the proceeds from the sale of the shares. We will pay all expenses incident to the registration of the shares under the Securities Act of 1933, as amended.

At the present time our common stock is listed on the OTCQB under the symbol BKYM. The Selling Stockholders will sell the shares at prevailing market prices or at privately negotiated prices.

Investing in our common stock involves risks, which are described in the “Risk Factors” section beginning on page 3 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is November __, 2015.

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You should rely only on the information contained in this prospectus. We have not authorized any person to provide you with any information or represent anything not contained in this prospectus, and, if given or made, any such other information or representation should not be relied upon as having been authorized by us. The selling stockholders are not offering to sell, or seeking offers to buy, our common stock in any jurisdiction where the offer or sale is not permitted. You should not assume that the information provided in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical information, this prospectus contains forward-looking statements. The words “forecast”, “eliminate”, “project”, “intend”, “expect”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors, including those discussed in “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the following:

- Our ability to achieve our business of producing and selling products;
- Our ability to penetrate the law enforcement and fire protection industries;
- Our ability to produce commercial grade photo and video products;
- Our ability to attract, retain and motivate qualified employees and management.
- The impact of federal, state or local government regulations;
- Competition in the law enforcement and fire protection industries;
- Availability and cost of additional capital;
- Litigation in connection with our business;
- Our ability to protect our trademarks, patents and other proprietary rights;
- Other risks described from time to time in our periodic reports filed with the Securities and Exchange Commission

This list of factors that may affect future performance and the accuracy of forward-looking statements are illustrative but not exhaustive. Accordingly, all forward-looking statements should be evaluated with an understanding of their inherent uncertainty.

Except as required by law, we assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus. It is not complete and does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully, especially the risks of investing in our common stock discussed under "Risk Factors" and our consolidated financial statements and accompanying notes. Any references to "Blue Sky Media", "we", "us" or "our" refer to Blue Sky Media Corporation, a Wyoming corporation.

Our Business

We are developers, financiers, producers and distributors of motion pictures and related entertainment products. We also generate revenue from commercial video work and are in process of developing an APP. We have been, initially, capitalized through the acquisition of Assets from our founding shareholder, outside producers, cash flows from the distribution of our film product, commercial video work, the proceeds from a Private Placement offering, and the proceeds from recently placed convertible promissory notes.

On October 2, 2015, we acquired Klear Kapture, Inc., a Delaware corporation as a wholly owned subsidiary. This new subsidiary provides consumers with an alternative way to capture, manage, share, broadcast and enjoy situational life experiences. It does this by enabling people to capture photos or videos either with a single or multiple perspectives of an event during compelling, life moments. It sells to consumers and to specific industries such as law enforcement and fire protection professionals.

Our plans are to develop the business of our new subsidiary and to continue to market our film rights.

Our Offices

Blue Sky Media Corporation is a Wyoming corporation organized on March 20, 2013. Our principal executive offices are located at 1233 S. Sharon Amity Rd., Suite 201, Charlotte, NC 28211. Our telephone number is (800) 292-8991.

Our Website

Our Internet address is www.klearkapture.com. Information contained on our website is not part of this prospectus.

The Offering

Shares of common stock offered by us: None.

Shares of common stock that may be sold by the selling stockholders: 2,129,579.

At the present time our common stock is listed on the OTCQB under the symbol BKYM. The Selling Shareholders will sell the shares at prevailing market prices or at privately negotiated prices.

Use of proceeds:

We will not receive any proceeds from the resale of the shares offered hereby, all of which proceeds will be paid to the selling stockholders.

Risk factors:

The purchase of our common stock involves a high degree of risk. You should carefully review and consider “Risk Factors” beginning on page 3.

We will pay all expenses incident to the registration of the shares under the Securities Act.

Summary Financial Information

The tables and information below are derived from Blue Sky Media’s audited financial statements for the years ended June 30, 2015, and June 30, 2014.

Balance Sheet Summary

| | June 30, 2015 | June 30, 2014 |
|---------------------------------|----------------------|----------------------|
| | (Audited) | (Audited) |
| Cash | \$ 13,574 | \$ 54,151 |
| Accounts receivable | - | 7,500 |
| Film assets net of amortization | 25,536 | 27,360 |
| Total assets | 42,423 | 91,887 |
| Total liabilities | - | 8,500 |
| Total stockholders’ equity | 42,423 | 83,386 |

Statement of Operations Summary

| | Year Ended | Year Ended |
|-------------------------------------|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| | (Audited) | (Audited) |
| Revenues | \$ 81,550 | \$ 98,757 |
| Gross profit | 63,550 | 91,917 |
| General and administrative expenses | 104,519 | 149,148 |
| Net income/(loss) | (40,964) | (57,031) |

RISK FACTORS

This offering involves a high degree of risk. You should carefully consider the risks and uncertainties described below in addition to the other information contained in this prospectus before deciding whether to invest in shares of our common stock. If any of the following risks actually occur, our business, financial condition or operating results could be harmed. In that case, the trading price of our common stock could decline and you may lose part or all of your investment. In the opinion of management, the risks discussed below represent the material risks known to the company. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also impair our business operations and adversely affect the market price of our common stock.

The success of the Company is dependent upon the services of key personnel.

The current business prospects of the Company are dependent upon the business and technological acumen and services of Mr. Robert F. Gruder. In the event the Company should lose the services of Mr. Gruder for any reason, it is doubtful the Company could be successful in commercializing its current business plan.

Our intellectual property may be compromised.

Part of the value of the Company going forward is vested in the intellectual property that the Company has the rights to at the present time. It is possible that in the future, claimants to the property rights may come forward that the Company is not aware of at the present time. It is also possible that the Company may not be successful in protecting its property rights. In either event, it is possible that the Company could lose the value of its intellectual property and if so the business prospects of the Company may suffer.

The fact that we have generated operating losses in the past raises doubt about our ability to continue as a going concern.

The Company has a history of generating operating losses. We have in the past covered any shortfall in operating capital from sales of equity and debt securities, but there can be no assurance that we will continue to be able to do so. The unpredictable economy in the United States and the volatile public equity markets may make it more difficult for us to raise capital as and when we need it, and it is difficult for us to assess the impact this might have on our operations or liquidity. If we cannot raise the funds that we require to continue our business operations, there is a substantial risk that our business will fail.

Our common shares are penny stock. Trading of our common shares may be restricted by the SEC's penny stock regulations and the FINRA's sales practice requirements, which may limit a shareholder's ability to buy and sell our common shares.

Our common shares are deemed to be penny stock. The Securities and Exchange Commission has adopted Rule 15c-9 which generally defines "penny stock" to be any equity security that has a market price (as defined) less than \$5.00 per share subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the common shares that are subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in, and limit the marketability of, our common shares.

In addition to the “penny stock” rules promulgated by the Securities and Exchange Commission, the Financial Industry Regulatory Authority has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer’s financial status, tax status, investment objectives and other information. Under interpretations of these rules, the Financial Industry Regulatory Authority believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. The Financial Industry Regulatory Authority requirements make it more difficult for broker-dealers to recommend that their customers buy our common shares, which may limit your ability to buy and sell our shares.

Clearing Brokers may Decline to Deposit the Shares in the Subscriber’s Account.

Clearing brokers may decline to deposit into Subscriber’s account a stock certificate for a security that (1) is a penny stock or (2) has stale or incomplete filings with the U.S. Securities and Exchange Commission (SEC). In addition to these conditions and limitations, the clearing broker may subject The Company’s securities to additional review before accepting such securities for deposit. This review process may (1) take up to two weeks or longer, and (2) may include research into the Company or Subscriber. The characteristics that may trigger additional review include (1) low price of the security or securities under review; (2) large number of shares being deposited with clearing broker into Subscriber’s account; (3) the securities in question are non-exchange traded; (4) the stock certificates are recently issued; (5) recent merger activity of the underlying company; and/or (6) change of name of the underlying company issuing these stock certificates. Finally, all of the aforementioned conditions, limitations, and characteristics triggering review may apply to Subscriber’s Deposit/Withdrawal At Custodian (DWAC) requests, Automated Customer Account Transfer Account Service (ACATS) requests, and Depository Trust Company (DTC) receipts for deposit requests.

We may be unable to attract and retain qualified, experienced, highly skilled personnel, which could adversely affect the implementation of our business plan.

Our success depends to a significant degree upon our ability to attract, retain and motivate skilled and qualified personnel. As we become a more mature company in the future, we may find recruiting and retention efforts more challenging. If we do not succeed in attracting, hiring and integrating excellent personnel, or retaining and motivating existing personnel, we may be unable to grow effectively. The loss of any key employee, including members of our senior management team, and our inability to attract highly skilled personnel with sufficient experience in our industries could harm our business.

Our common stock is quoted on the OTCQB which may have an unfavorable impact on our stock price and liquidity.

Our common stock is quoted on the OTCQB, which is a significantly more limited trading market than the New York Stock Exchange or The NASDAQ Stock Market. The quotation of the Company’s shares on the OTCQB may result in a less liquid market available for existing and potential stockholders to trade shares of our common stock, could depress the trading price of our common stock and could have a long-term adverse impact on our ability to raise capital in the future.

There is limited liquidity on the OTCQB which may result in stock price volatility and inaccurate quote information.

When fewer shares of a security are being traded on the OTCQB, volatility of prices may increase and price movement may outpace the ability to deliver accurate quote information. Due to lower trading volumes in shares of our common stock, there may be a lower likelihood of one's orders for shares of our common stock being executed, and current prices may differ significantly from the price one was quoted at the time of one's order entry.

Our common stock is thinly traded, so you may be unable to sell at or near asking prices or at all if you need to sell your shares to raise money or otherwise desire to liquidate your shares.

Currently, the Company's common stock is quoted in the OTCQB and future trading volume may be limited by the fact that many major institutional investment funds, including mutual funds, as well as individual investors follow a policy of not investing in OTCQB stocks and certain major brokerage firms restrict their brokers from recommending OTCQB stocks because they are considered speculative, volatile and thinly traded. The OTCQB market is an inter-dealer market much less regulated than the major exchanges and our common stock is subject to abuses, volatility and shorting. Thus, there is currently no broadly followed and established trading market for the Company's common stock. An established trading market may never develop or be maintained. Active trading markets generally result in lower price volatility and more efficient execution of buy and sell orders. Absence of an active trading market reduces the liquidity of the shares traded there.

Our common stock is subject to price volatility unrelated to our operations.

The market price of our common stock could fluctuate substantially due to a variety of factors, including market perception of our ability to achieve our planned growth, quarterly operating results of other companies in the same industry, trading volume in our common stock, changes in general conditions in the economy and the financial markets or other developments affecting the Company's competitors or the Company itself. In addition, the OTCQB is subject to extreme price and volume fluctuations in general. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to their operating performance and could have the same effect on our common stock.

If third party manufacturers do not perform in a commercially reasonable manner, we may not be successful.

The Company relies entirely on third parties to manufacture its products for its Klear Kapture subsidiary. The Company does not have long-term supply contracts with these third party manufacturers and instead works on an order-by-order basis. By not having these long-term supply contracts, the Company runs the risk that its current suppliers will opt to discontinue their relationship with the Company thereby interrupting the flow of Klear Kapture products and significantly limiting the Company's ability to operate its business.

Law enforcement and fire departments are government agencies which are subject to budgetary constraints, which may inhibit sales.

Government agencies are generally subject to budgets which limit the amount of money that they can spend on equipment procurement. It may be that although a government agency is interested in acquiring our Klear Kapture products, it will be unable to purchase our products because of budgetary constraints. Further, the lead time for an agency acquiring new equipment and receiving approval to acquire it may delay sales to such agencies. Any such delay will have an adverse effect upon our revenues.

USE OF PROCEEDS

Shares totaling 2,129,579 offered by this prospectus are being offered solely for the account of the selling stockholders. We will not receive any proceeds from the sale of the shares by the selling stockholders.

MARKET FOR OUR COMMON STOCK AND RELATED STOCKHOLDER MATTERS

Our common stock is quoted on the OTCQB under the symbol “BKYM”. However, because of lack of trading volume in our stock, no historical data is meaningful and none is available. Yahoo Finance does state that our stock closed at \$2.05 on October 27, 2015, on no trading volume.

Dividends and Dividend Policy

We have never declared or paid cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance the expansion of our business and for general corporate purposes. We cannot assure you that we will pay dividends in the future. Our future dividend policy is within the discretion of our Board of Directors and will depend upon various factors, including our results of operations, financial condition, capital requirements and investment opportunities.

Equity Compensation Plan Information

The Company has no equity compensation plans.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our plan of operation, financial condition and results of operations should be read in conjunction with the Company’s financial statements, and notes thereto, included elsewhere herein. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors including, but not limited to, those discussed in this prospectus.

General

We were incorporated in Wyoming on March 20, 2013 and we have elected June 30 as our fiscal year end.

We are developers, financiers, producers and distributors of motion pictures and related entertainment products. We also generate revenue from commercial video work and are in process of developing an APP. We have been, initially, capitalized through the acquisition of Assets from our founding shareholder, outside producers, cash flows from the distribution of our film product, commercial video work and the proceeds from a Private Placement offering.

On October 2, 2015, we acquired Klear Kapture, Inc., a Delaware corporation as a wholly owned subsidiary. This new subsidiary provides consumers with an alternative way to capture, manage, share, broadcast and enjoy situational life experiences. It does this by enabling people to capture photos or videos either with a single or multiple perspectives of an event during compelling, life moments. It sells to consumers and to specific industries such as law enforcement and fire professionals.

Our plans are to develop the business of our new subsidiary and to continue to market the film rights we own through the companies we have engaged for marketing. We don’t anticipate any further costs in regards to marketing the film rights.

We have paid \$71,500 towards the development of the APP per a contract whereby there are no time frames for completion nor are there any penalties for non-performance; as with many software development projects it is difficult to project an absolute completion date. 450,000 shares of stock were issued at \$.10 per share for the transaction and the balance of \$26,500 was paid in cash. (See: Description of Business- App Research and Development, p. 19 for further details)

Significant Accounting Policies and Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations discusses the Company's the United States of America. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management bases its estimates and judgments on historical experiences and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires us to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Results of Operations

For the year ended June 30, 2015 and the year ended June 30, 2014, respectively, we had gross profits of \$63,550 and \$91,917, derived from commercial video work and the sale of one of our films, and total Operating Expenses of \$104,519 and \$149,148.

Net income for the year ended June 30, 2015 and the year ended June 30, 2014, respectively, was \$(40,969) and \$(57,231).

It is the intention of the Company to continue to develop and distribute its entertainment assets and to engage commercial video work as well as to develop its APP, however, there is no assurance the Company will continue to generate Net Income over the long term. At June 30, 2015, since our year end June 30, 2014, we have completed several commercial videos and continued developing our APP. We have several commercial video projects we are currently working on. We typically bill on a flat rate basis after estimating time and resources needed for shooting.

Liquidity and Capital Resources

As of the year ending June 30, 2015 the Company had cash on hand of \$13,574, total current assets of \$13,574, total assets of \$42,423, total current liabilities of \$0 and Total Stockholder's Equity of \$42,423.

At the period ending June 30, 2014 the Company had cash on hand of \$54,151, total current assets of \$61,651, total assets of \$91,887, current liabilities of \$8,500 and Total Stockholder's Equity of \$83,386.

The Company's cash was generated from revenue from commercial video work, the sale of the rights to one of its pre-production films, proceeds from a Private Placement of its shares, and proceeds from the issuance of convertible promissory notes. The Company believes it has sufficient cash resources available to fund its primary operation for the next twelve (12) months. The Company has no, current, off balance sheet arrangements and does not anticipate entering into any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition. The Company has no agreements in place with its shareholders, officer and director or with any third parties to fund operations beyond the end of the Company's 2015 fiscal year. The Company has not negotiated nor has available to it any other third party sources of liquidity.

Off Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

BUSINESS

Company Background

Our company was incorporated in the State of Wyoming on March 20, 2013, under the name Blue Sky Media Corporation, to establish a marketing, distribution and production company operating in the independent motion picture field as well as a commercial video and APP development Company.

On October 2, 2015, we acquired Klear Kapture, Inc., a Delaware corporation, as a wholly owned subsidiary of the company. Klear Kapture provides consumers with an alternative way to capture, manage, share, broadcast and enjoy situational life experiences. Klear Kapture does this by enabling people to capture photos or videos either with single or multiple perspectives of an event during compelling, life moments. Klear Kapture sells to consumers and to specific industries such as law enforcement and fire professionals. Hereinafter, the business operations of our original company are referred to as the business operations of Blue Sky Media and the business operations of our new wholly owned subsidiary are referred to as the business operations of Klear Kapture.

Our common stock is quoted for trading on the OTCQB under the symbol BKYM.

Our principal executive offices are located at 233 S. Sharon Amity Rd., Suite 201, Charlotte, NC 28211. Our telephone number is (800) 292-8991.

Business Operations of Blue Sky Media

Overview

As stated, our objective is to establish the Company as a marketing, distribution and production company operating in the independent motion picture field as well as a commercial video and APP development Company. The Company intends to use the following approaches as its business model.

- Acquisition of film rights(films that are in pre-production stage)
- Production of Film
- Marketing and Distribution of its own films as well as other films.
- Development and Distribution of Film APP
- Commercial Film and Video

Acquisition of Film rights

Blue Sky Media has acquired the rights to five films all of which are in the initial stages of pre-production. There are no royalties or other rights attached to the sale of the films. The rights to one of the acquired films was sold in June of 2014.

Pre-production in this instance identifying the films as having had treatments and/or trailers completed. Treatments are widely used within the motion picture industry as selling documents to outline story and character aspects of a planned screenplay. Treatments are typically used to sell a concept without a completed screenplay. And a trailer is a preview of a film, typically a combination of scenes or one scene of a film to give the viewer a better idea of what a film will portray when completed.

Films acquired:

- “Badlands”, (a Horror genre)
- “Life of a third World Surfer”, (Documentary)
- “The Trestles” (Documentary)
- “Two Sevens Clash”, (the film rights were sold)
- “Beirut-Beirut” (Drama story)

The Company intends to either fund the completion of the production of some of the films as well as post production and distribution depending on the Company’s future ability to raise capital for such a venture or seek joint venture partners to fund the completion of the production of some of the films as well as post production and distribution or sell the rights to the films as it did in the case of “Two Sevens Clash”.

The Company is also in the initial stages of research for a documentary film on Wolves. However it is not known at this time whether in fact it will be able to raise sufficient capital for the necessary resources to complete the film and even if it has the resources how long the film would take to complete.

The Company is actively looking at additional potential film acquisitions in various stage of pre-production or completion.

Marketing of Existing Film Rights

We anticipate engaging independent companies to aid in the marketing of our existing film rights. We currently have a non-exclusive verbal agreement with Celebrity Scene to assist in marketing our existing films as well as to aid in seeking additional financing towards the production of some of our film rights. Per our verbal agreement we have agreed to pay commissions of 15% for the sale of any of the film rights we own.

Although we have sold the rights to one of our films “Two Sevens Clash”, there is no certainty that we will be able to sell the remaining film rights.

Production

Production of any of the films acquired would take considerable resources and expertise, neither of which the company has at this time nor are there any plans in place to raise additional capital or engage necessary expertise at this time. Production would entail the company raising sufficient capital, hiring the required experts in their fields, and the administrative capacity to manage such endeavors. It is more likely that the company will sell the rights to the films as it did with the rights to “Two Sevens Clash”. Even if the company should produce and complete any of the acquired films there is no assurance that the film would be profitable.

Commercial Video

The Company has done video work for various companies and people for trade shows, corporate videos, and private functions and will continue to do so in the future. Commercials have made up the bulk of the company’s revenues to date. We have relied on the help of outside consultants for most of our commercial work.

Marketing Commercial Video

The majority of revenue to date has come from our commercial video work. Our plan is to continue to market our video services. Our future plans are to hire a full time employee for marketing of our commercial services. We project costs of approximately \$4,000 a month and a percentage of each contract to procure an individual for marketing. We would require additional funding in order to hire this person.

APP Research and Development

The company is currently in the research and development phase for an APP that would be specific for film. We have engaged and paid MMT, Inc. to aid us in the completion of the APP. To date we have paid MMT, Inc. \$71,500 (\$26,500 and 450,000 shares of common stock at \$.10 per share) towards the completion of the APP. The Company further intends to develop and distribute additional APPs in the future, however at this time we are not sure which APPs will be developed or when. The development of APPs takes resources outside of the Company's expertise which requires capital for development and once completed for marketing.

Competition

There is significant competition in the world wide motion picture industry. It is an industry that generates many billions of dollars in annual revenues from many exploitation and media sources such as theaters, home entertainment (DVD), television and now, ever increasing, online and digital channels inclusive of streaming on mobile devices.

It takes substantial sums of capital to compete in the entertainment business. Costs to produce and market general market, theatrical motion pictures is prohibitive to all but the most deep pocketed entities and individuals and there is no certain or consistent basis to, accurately, forecast success. All investments in the motion picture industry, even for the most sophisticated investors, are extremely risky and for every independent success story there are a thousand disappointments.

Although the Company does not intend to directly compete against the major film companies, and it will not attempt to finance any projects beyond the limited scope of its business plans and on emerging distribution opportunities, it still will have formidable competition from a wide range of smaller, independent financing, production and distribution entities, more established and, in most instances, better capitalized than the Company, which are attempting to produce and market motion picture product.

There currently exists hundreds of legitimate, viable independent movie companies, around the world, that will have the resources to compete with our Company for product, distribution capacity, financing and market share. The Company believes in its strategies and business concepts, however, there is competition for all audiences and the attention of all media consumers and there is no certainty that the Company will be able to compete, successfully, in this environment.

Regulation

Our businesses are regulated by governmental authorities in the jurisdictions in which we operate. Regulation relates to, among other things, management, licensing, foreign investment, use of confidential customer information and content. Our failure to comply with all applicable laws and regulations could result in, among other things, regulatory actions or legal proceedings against us, the imposition of fines, penalties or judgments against us or significant limitations on our activities. In addition, the regulatory environment in which we operate is subject to change. New or revised requirements imposed by governmental authorities could have adverse effects on us, including increased costs of compliance. Changes in the regulation of our operations or changes in interpretations of existing regulations by courts or regulators or our inability to comply with current or future regulations could adversely affect us by reducing our revenues, increasing our operating expenses and exposing us to significant liabilities.

Intellectual Property & Proprietary Rights

We regard substantial elements of our businesses and website as proprietary and we shall attempt to protect them by relying on copyright, trademark, service mark and trade secret laws, restrictions on disclosure and transferring title and other methods. To date we have no copyrights or trademarks that have been applied for.

Business Operations of Klear Kapture

Klear Kapture provides consumers with an alternative way to capture, manage, share, broadcast and enjoy situational life experiences. We do this by enabling people to capture photos or videos either with a single or multiple perspectives of an event during compelling, life moments. Klear Kapture sells to consumers and to specific industries such as law enforcement and fire professionals. We provide a quick access to store videos and photos on the cloud and to broadcast them live. To date, Klear Kapture is primarily a new venture and has generated substantially all of its revenue from the sale of cameras and accessories (capture devices) and we believe that the growing adoption of our capture devices and the engaging content they enable, position Klear Kapture to become a significant content provider.

Klear Kapture was established to provide the law enforcement community with body cameras. Based on feedback from the law enforcement community, we realized that some features they would like to see in police cameras could extend to the consumer market. As Klear Capture studied these features, we realized that individuals would also like to have a video/photo device that could capture an event at different views or perspective at the same time. We also learned that consumers do not like to download videos, video segments, or photos to their PC to then have to move those media to the cloud or streaming service. Klear Kapture solves that issue by using a person's cell phone as part of the camera itself. This means the camera and phone are connect by wifi and the camera streams to the phone which stores the video or directly sends it to the cloud for streaming. We believe that our products are not just for action events but for everyday life, special occasions, or for professional use.

Klear Kapture's business focus

Our core business is to allow individuals to capture and use content. We develop hardware and software solutions to provide individuals a rugged video device which allows consumers to record and take pictures in situations where mobile devices would be prone to breakage. The device can then help users with managing, sharing and enjoying engaging content.

Capture

Our capture devices create excellent quality videos and pictures at affordable prices. We design our products to be small and very easy to use. However, our primary focus is to create a durable design that can be used in many rigorous situations. All of our devices have can be controlled by a remoted control app on a mobile phone using the IOS or Android operating system with the Klear Camera App.

Stream

All of our devices allow users to seamlessly store video to the cloud and/or broadcast events live by streaming. We seek to eliminate the pain of transferring footage from their cameras to a PC/phone and then to an app. Our App allows full camera control from a mobile device, the Klear Kapture App enables a customer to allow its friends or business associates to watch their event live but remotely while they are doing it.

Share

By making the capture seamless, management and editing of photos and videos will be much easier. Cloud based storage will provide a simple way to keep memories without using local storage on your phone. Our App also allows videos to be sent directly to leading social networks and content platforms, including Facebook, Instagram, Pinterest, Twitter, Vimeo and YouTube.

The Klear Kapture opportunity

We believe the following create an attractive market opportunity for Klear Kapture:

Consumers want an easy way to self-capture, broadcast and share engaging content. Before Klear Kapture, if people wanted footage of themselves engaged in activities, they needed to purchase an action camera, take the footage, hook the camera to their PC or have their phone download to a PC, and then send it to the cloud for storage. We entered the action camera space to provide an easy way for consumers to use cameras in real life events. Furthermore, the camera operator needed to be skilled in order to obtain compelling content. Content created can not only be in the action arena but also in important life events that others could not attend. Life events like weddings, concerts, and graduations can now be easily broadcast. Our cameras can also capture the same event at more than one perspective. Using the body camera and the remote camera, a user can now experience a self-made video but from two different views or perspectives. The remote camera will wirelessly or via USB tether send video to the body camera or the mobile device. Our software will allow the user to view both videos of the same event on their screen.

Our products' high-performance features, ease of use and versatility, made available at affordable price points, provide a premium-quality self-capture solution that appeals to both consumers and professionals.

We also have a professional division for our capture solutions, namely law enforcement and fire. We must provide comprehensive backend software solutions to catalogue and workflow the content. Professional software is sold on an annual license fee basis.

Consumers continue to replace traditional cameras with mobile devices. The rapid adoption of smartphones and tablets with photo and video capabilities has changed the camera landscape and we believe that the emergence of photo and video enabled mobile devices is creating further opportunities for Klear Kapture. As mobile devices continue to displace traditional cameras and camcorders, we believe consumers will seek capture devices that offer differentiated capabilities like Klear Kapture products. Moreover, we believe mobile devices complement our products. With the Klear Kapture App, mobile devices can be used to remotely control our cameras, thereby optimizing customers' ability to self-capture content where they would not want to use their mobile phone.

Our strategy

We intend to expand our existing capture business and broaden our portfolio with content management, editing and sharing solutions to provide increased value to our customers, introduce new revenue streams and further differentiate us from competitors. Key components of our strategy include continuing to introduce innovative capture devices to consumers and industry segments. We have several innovative ideas to continue to improve existing products. We see capture devices as an integration between mobile devices with strong interfaces with the cloud. We believe that live broadcasting will continue to be a focus of our capture devices and will continue to focus our research and development of capture devices to the live broadcast market. We also see continuing needs for specialized cameras and software for professional industries such as law enforcement and fire. Law enforcement capture devices require comprehensive backend software which must continually be upgraded and enhanced.

Expand into new vertical markets

We see opportunities to enter into new markets. Consumers desire to have their cameras waterproof, shock resistant, and easy to use. We plan to continue focusing on making rugged devices that can appeal to new vertical markets such as military, security, and hunting. We believe that large untapped markets exist for these verticals which will allow the Company to also develop comprehensive back end software solutions.

Grow internationally

We believe that international markets represent a significant growth opportunity for us. We plan to capitalize on the strength of our technology to increase our presence worldwide through additional retailers and strategic distribution partnerships.

Expand in-store brand and sales footprint

We plan to invest heavily to produce Klear Kapture-branded, video-enabled point of purchase merchandising displays that we make available to retail outlets through which our products are sold. These displays will showcase Klear Kapture created content and create a message to distinguish our cameras and accessories.

Products

Cameras

Our core products are the Klear Kapture body camera and Klear Kapture remote camera. Our cameras have the ability to set recording function such as regular record, looping, looping plus record, burst mode or time lapse mode. Our cameras also allow users to set the quality of the video. All of our cameras have built in Wi-Fi providing connectivity with a smartphone or tablet to enable remote control and content viewing and sharing functionality. The cameras are waterproof. The body camera also has an available dive case for waterproofing at deeper atmospheres. The body camera has available 32GB or 64GB memory and the remote camera utilizes the body camera's or the users mobile memory. We believe our most competitive differentiators are the ability to capture more than one perspective of the same event and/or broadcast that event live. We also sell accessories, both bundled and separately, that enhance the functionality and versatility of our cameras and enable our customers.

Accessories

Our accessories include an auxiliary battery pack, head mounts, body mounts, car mounts, selfie-sticks, and tripod mounts.

Software

Our goal is to engage in developing and providing software tools that help our customers have an easy user experience.

Klear Kapture App

The Klear Kapture App allows users to control their Klear Kapture cameras remotely using a smartphone or tablet. Features include full control of all camera settings, content preview and playback directly from the camera on a smartphone or tablet, access to their cloud locker, and the ability to stream live content.

Klear Kapture professional suite

Klear Kapture has built detailed software that allows law enforcement and fire professionals to manage their content. The software allows for an audit trail of the contents, sending the content to other professionals, storing the content, and segmenting and tagging content all in a secure local or cloud environment.

Seasonality

Our sales are subject to seasonal fluctuation. Historically, we have experienced the highest levels of revenue in the fourth quarter of the year, coinciding with the holiday shopping season in the United States and Europe. Sales of consumer products are also heavily influenced by the timing of the release of new products. We have historically introduced our newest generation of product offerings just prior to the holiday shopping season. However, neither historical seasonal patterns nor historical patterns of product introductions should be considered reliable indicators of our future pattern of product introductions, future revenue or financial performance.

Manufacturing, logistics and fulfillment

While our products are designed in the United States, we currently outsource our manufacturing to contract manufacturers located in Jinan and Shenzhen, China. We believe that using outsourced manufacturing enables greater scale and flexibility than establishing our own manufacturing facilities. We periodically evaluate the need and advisability of adding manufacturers to support our operations. We utilize a third-party fulfillment center.

Sales channels and customers

We plan to sell our products through retailers directly and through distributors. We are focused on building close relationships with retailers and distributors, educating our partners' sales forces about our products, working with them to merchandise our products in a compelling manner in-store, as well as providing consumers with informative and convenient ecommerce experiences at retail partner websites.

Direct sales

We plan to sell directly to large and small retailers in the United States, directly to law enforcement agencies, and directly to consumers around the world through our retail and ecommerce channels.

- Independent specialty retailers. We plan to use a network of location-based independent manufacturer representatives to sell our products to independent specialty retailers focused on action sports markets. Our representatives will provide highly personalized service to these retailers, including assisting with product mix planning, channel marketing, in-store merchandising, taking orders, and providing clinics to educate retail sales personnel about Klear Kapture products. We also have an internal, regionally focused sales team that provides a secondary level of service to both the manufacturer representatives and the independent specialty retailers.
- Big box retailers. We plan to sell to large retailers with a national presence, including Amazon.com, Inc., Best Buy, Target Corporation and Wal-Mart, Inc. We hope our internal sales teams and our consulting relationships will allow entry into these stores.
- Mid-market retailers. We plan to sell to retailers with a large regional or national presence, often focused on specific verticals such as consumer electronics, sporting goods, military, hunting and fishing and motor sports, which we refer to as our "mid-market" channel.
- Ecommerce channel. We sell our full line of products directly to consumers around the world through our online store at klearkapture.com. We plan to drive consumers to our website through online and offline advertising, as well as marketing promotions carried out at tradeshow and sponsored events.

Distributors

We plan to sell to distributors who will resell our products to retailers in international markets and to certain specific verticals in the United States. We plan to have dedicated sales personnel focused on providing a high level of service to these distributors, including assisting with product mix planning, channel marketing and in-store merchandising, development of marketing materials, order assistance and educating the distributors' sales personnel about Klear Kapture products.

In-store merchandising

We are developing in-store merchandising strategy focuses on our point of purchase displays that will continuously show Klear Kapture content on a large video monitor and present our capture devices and accessories in an attractive manner.

MANAGEMENT

Executive Officers and Directors

The names of our executive officers and directors and their ages as of October 27, 2015, and the positions currently held are as follows:

| Name | Age | Position |
|------------------|------------|-----------------------------|
| Robert F. Gruder | 56 | CEO, President and Director |
| Wayne Thomas | 63 | CFO and Secretary |

Robert F. Gruder

Robert F. Gruder founded Klear Kapture in 2014 where he was responsible for designing, developing, and bringing new products to market, including the filing of patent applications for Klear Kapture's camera technologies. Previous to founding Klear Kapture, Mr. Gruder served as Chief Executive Officer of Karbon Arms from 2010 to 2013, a provider of 'less lethal' electronic immobilization weapons to the law enforcement community. Prior, Mr. Gruder founded and served as Chief Executive Officer of Stinger Systems, Inc. from 2004 to 2010. Stinger Systems was a public company that provided less-lethal products to law enforcement, security and military markets. Prior to Stinger Systems, Mr. Gruder was Chief Executive Officer of Alydaar Software and Information Architects. Both software companies providing enterprise software solutions.

Wayne Thomas

Wayne Thomas has over 30 years of experience building, growing and improving companies from small start-ups to multi-billion dollar technology corporations. For more than 20 years, he served in numerous executive capacities with emphasis in the CFO and COO roles to include ten years leading public companies.

- Founded Thomas Intl Group, LLC.
- "C" executive level services to SMEs, growth strategies, turnarounds
- VP – Bz Dev of Breakthrough Management, LLC.
- Researched, analyzed emerging tech or invention Co's
- Vetting management, evaluating product performance, financial models
- Two 5-year CFO Tours for Manufacturing PubCo, & Information Architects
- Led ISO cert, new product dev, PubCo reporting, uplisting from Pink to NASDAQ listing
- 15 years Electronic Data Systems (EDS), \$B Data Processing (Ross Perot)

- Built team of transaction analysts, financially engineered over \$1 billion contract sales
- Strategic Division Controller, Transportation Div
- Negotiated Continental Airlines data center contract worth \$2+ billion
- Designed, implemented financial systems transition - \$750M sales to \$17B+ in GM data processing
- B.S. in Business - U. of Penn; licensed Certified Public Accountant

During the past five years no officer or director was:

- 1) the subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- 2) convicted in a criminal proceeding or is subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- 3) subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
- 4) found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law.

Director Independence

We do not have any independent directors serving on our Board of Directors. The definition the Company uses to determine whether a director is independent is NASDAQ Rule 4200(a)(15). See Exhibit 99 hereto.

EXECUTIVE COMPENSATION

The following summary compensation table reflects all compensation awarded to, earned by, or paid to our Chief Executive Officer for all services rendered to us during each of the years ended June 30, 2015, 2014 and 2013.

Summary Compensation Table

| <u>Name and Position</u> | <u>Year</u> | <u>Salary(\$)</u> | <u>Stock Awards</u> | <u>Total(\$)</u> |
|---------------------------|-------------|-------------------|---------------------|------------------|
| Hannah Grabowski, CEO (1) | 2014 | 0 | 0 | 0 |
| | 2013 | 0 | 6,500,000 | \$6,500 |
| Wayne Berian, CEO (2) | 2015 | 0 | 0 | 0 |
| | 2014 | 0 | 3,000,000 | \$3,000 |

- (1) Hannah Grabowski resigned her position as CEO on April 1, 2014.
- (2) Wayne Berian became our CEO on April 1, 2014, and resigned on October 2, 2015.

Employment Agreements

The Company does not have an employment agreement with its CEO nor any other employee. Robert F. Gruder was appointed CEO on October 2, 2015, but has yet to make compensation arrangements with the Company.

Directors' Compensation

Directors are not currently compensated, although each is entitled to be reimbursed for reasonable and necessary expenses incurred on our behalf. All directors hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified. There are no agreements with respect to the election of directors. Officers are appointed by the Board of Directors and each executive officer serves at the discretion of the Board of Directors. Our board of directors does not have an audit or any other committee.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The following table presents information known to us, as of October 20, 2015, relating to the beneficial ownership of common stock by:

- each person who is known by us to be the beneficial holder of more than 5% of our outstanding common stock;
- each of our named executive officers and directors; and
- our directors and executive officers as a group.

We believe that all persons named in the table have sole voting and investment power with respect to all shares beneficially owned by them, except as noted.

Percentage ownership in the following table is based on 4,558,420 shares of common stock outstanding as of October 20, 2015. A person is deemed to be the beneficial owner of securities that can be acquired by that person within 60 days from the date of this Annual Report upon the exercise of options, warrants or convertible securities. Each beneficial owner's percentage ownership is determined by dividing the number of shares beneficially owned by that person by the base number of outstanding shares, increased to reflect the shares underlying options, warrants or other convertible securities included in that person's holdings, but not those underlying shares held by any other person.

| <u>Beneficial Owners(1)</u> | <u>Amount and Nature of Beneficial Ownership</u> | <u>Percentage</u> |
|---|--|-------------------|
| Robert F. Gruder | 2,754,233 Direct | 60.4% |
| Longside Ventures LLC | 520,941 Direct(2) | 10.3% (3) |
| Taconic Group LLC | 520,941 Direct(2) | 10.3% (3) |
| Summit Trading Ltd. | 520,941 Direct(2) | 10.3% (3) |
| Bezalel Partners LLC | 532,303 Direct(2) | 10.5% (3) |
| Hector Medina (4) | 301,000 Direct | 6.6% |
| MMT, Inc. (5) | 450,000 Direct | 9.9% |
| Wayne Thomas | 0 | 0% |
| All directors and executive officers as a group (2 persons) | 2,754,233 Direct | 60.4% |

(1) Unless indicated otherwise, the address of each person and entity listed is c/o Klear Kapture, Inc., 233 S. Sharon Amity Rd., Suite 201, Charlotte, NC 28211.

(2) The referenced shares are issuable upon the conversion of a convertible promissory note.

(3) The percentage was calculated by taking the number of shares into which the applicable convertible promissory note is convertible and adding it to 4,558,420 which is the current number of issued and outstanding common shares of the Company (the "Diluted Sum"). The number of shares into which the applicable convertible promissory note is convertible was then divided by the Diluted Sum.

(4) Owner's address is 1206 Stagecoach Trail Loop, Chula Vista, CA 91915.

(5) Owner's address is 11068 Harrowfield Rd., Charlotte, NC 28226.

SELLING STOCKHOLDERS

This prospectus relates to our registering the sale of 2,129,579 shares of common stock of the Company by selling stockholders who may acquire such shares upon the conversion of convertible promissory notes. There can be no assurance that the selling stockholders will sell any or all of their common stock offered by this prospectus. We do not know if, when, or in what amounts, the selling stockholders may offer the common stock for sale.

Selling Stockholders

The following table sets forth:

- the names of the selling stockholders;
- the number of shares of common stock into which the selling stockholder's convertible promissory note is convertible;
- the number of shares of common stock being registered with respect to each selling stockholder;
- the number of shares of common stock that is potentially owned by each of the selling stockholders after the offering assuming all of the shares are sold; and
- the person with voting or investment control if the stockholder is not a natural person.

As of October 20, 2015, there were 4,558,420 shares of common stock outstanding. To the extent that any successor(s) to the named selling stockholder(s) wish to sell under this prospectus, we will file a prospectus supplement identifying such successors as selling stockholders.

| Selling Stockholder (1) | Shares into Which Stockholder's Note is Convertible | Shares Being Registered (1) | Shares Potentially Owned After the Offering | Person with Voting or Investment Control |
|--------------------------------|--|--|--|---|
| Longside Ventures LLC | 520,941 | 520,941 | 0 | Ben Kaplan |
| Taconic Group LLC | 520,941 | 520,941 | 0 | Robert Grinberg |
| Summit Trading Ltd. | 520,941 | 520,941 | 0 | Daryl Orege |
| Bezalel Partners LLC | 532,303 | 532,303 | 0 | David Stefansky |

(1) None of the Selling Stockholders are broker dealers nor are any Selling Stockholders affiliated with any broker dealer.

PLAN OF DISTRIBUTION

We are registering the shares of common stock issuable pursuant to the terms of the convertible notes to permit the resale of these shares of common stock by the holders of the convertible notes from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling shareholders of the shares of common stock. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

The selling shareholders may sell all or a portion of the shares of common stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of common stock are sold through underwriters or broker-dealers, the selling shareholders will be responsible for underwriting discounts or commissions or agent's commissions. The shares of common stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions,

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- sales pursuant to Rule 144;
- broker-dealers may agree with the selling shareholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

If the selling shareholders effect such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling shareholders or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of common stock or otherwise, the selling shareholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. The selling shareholders may also sell shares of common stock short and deliver shares of common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling shareholders may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares.

The selling shareholders may pledge or grant a security interest in some or all of the convertible notes, warrants or shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933, as amended, amending, if necessary, the list of selling shareholders to include the pledgee, transferee or other successors in interest as selling shareholders under this prospectus. The selling shareholders also may transfer and donate the shares of common stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling shareholders and any broker-dealer participating in the distribution of the shares of common stock may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of common stock is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of shares of common stock being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling shareholders and any discounts, commissions or concessions allowed or reallocated or paid to broker-dealers.

Under the securities laws of some states, the shares of common stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of common stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any selling shareholder will sell any or all of the shares of common stock registered pursuant to the registration statement, of which this prospectus forms a part.

The selling shareholders and any other person participating in such distribution will be subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of common stock by the selling shareholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the shares of common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of common stock.

We will pay all expenses of the registration of the shares of common stock pursuant to the registration rights agreement including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or “blue sky” laws; provided, however, that a selling shareholder will pay all underwriting discounts and selling commissions, if any. We will indemnify the selling shareholders against liabilities, including some liabilities under the Securities Act, in accordance with the registration rights agreements, or the selling shareholders will be entitled to contribution. We may be indemnified by the selling shareholders against civil liabilities, including liabilities under the Securities Act, that may arise from any written information furnished to us by the selling shareholder specifically for use in this prospectus, in accordance with the related registration rights agreement, or we may be entitled to contribution.

Once sold under the registration statement, of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock consists of 75,000,000 shares of common stock, \$0.001 par value. As of October 27, 2015, 4,558,420 shares of common stock were issued and outstanding. The outstanding shares of common stock have been duly authorized and are fully paid and non-assessable.

Common Stock

The holders of common stock are entitled to one vote per share on all matters to be voted on by stockholders and are entitled to receive such dividends, if any, as may be declared from time to time by our board of directors from funds legally available therefore, subject to the dividend preferences of the preferred stock, if any. Upon our liquidation or dissolution, the holders of common stock are entitled to share ratably in all assets available for distribution after payment of liabilities and liquidation preferences of the preferred stock, if any. Holders of common stock have no preemptive rights, no cumulative voting rights and no rights to convert their common stock into any other securities. Any action taken by holders of common stock must be taken at an annual or special meeting or by written consent of the holders of over 50% of our capital stock entitled to vote on such action.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Gary R. Henrie, Attorney at Law, American Fork, Utah. These legal matters include that shares of common stock to be sold by the selling shareholders will be validly issued, fully paid and non-assessable. Mr. Henrie's address is 486 W. 1360 N., American Fork, Utah 84003.

DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, the registrant has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

EXPERTS

The audited financial statements as of June 30, 2015 and June 30, 2014 included in this prospectus have been audited by Gillespie & Associates, PLLC, independent registered public accounting firm, as stated in their report appearing elsewhere herein, and are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-1 under the Securities Act with the Securities and Exchange Commission with respect to the shares of our common stock offered by this prospectus. This prospectus was filed as a part of that registration statement but does not contain all of the information contained in the registration statement and exhibits. Reference is thus made to the omitted information. Statements made in this prospectus are summaries of the material terms of contracts, agreements and documents and are not necessarily complete; however, all information we considered material has been disclosed. Reference is made to each exhibit for a more complete description of the matters involved and these statements are qualified in their entirety by the reference. You may inspect the registration statement, exhibits and schedules filed with the Securities and Exchange Commission at the Securities and Exchange Commission's principle office in Washington, D.C. Copies of all or any part of the registration statement may be obtained from the Public Reference Section of the Securities and Exchange Commission, 100 F. Street, N.E., Washington, D.C. 20549. The Securities and Exchange Commission also maintains a web site (<http://www.sec.gov>) that contains this filed registration statement, reports, proxy statements and information regarding us that we have filed electronically with the Commission. For more information pertaining to our company and the common stock offered in this prospectus, reference is made to the registration statement.

We also file with the Securities and Exchange Commission annual and quarterly periodic reports on forms 10-K and 10-Q respectively and current reports on form 8-K as needed. We are not required to deliver annual reports to our shareholders and at this time we do not intend to do so. We encourage our shareholders, however, to access and review all materials that we will file with the Securities and Exchange Commission at <http://www.sec.gov>. Our SEC file number is 333-198828.

FINANCIAL STATEMENTS
BLUE SKY MEDIA CORPORATION
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GILLESPIE & ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
10544 ALTON AVE NE
SEATTLE, WA 98125
206.353.5736

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Blue Sky Media Corporation

We have audited the accompanying balance sheets of Blue Sky Media Corporation as of June 30, 2015 and 2014 (restated) and the related statements of operations, stockholders' deficit and cash flows for the periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, subject to the following paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Blue Sky Media Corporation as of June 30, 2015 and 2014 (restated) and the results of its operations and cash flows for the periods then ended in conformity with generally accepted accounting principles in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note #2 to the financial statements, although the company has generated revenues, the company is dependent upon obtaining additional capital resources and has yet to establish an on-going revenue source which raises substantial doubt about its ability to continue as a going concern. Management's plan in regard to these matters is also described in Note #2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ GILLESPIE & ASSOCIATES, PLLC

Seattle, Washington
August 14, 2015

BLUE SKY MEDIA CORPORATION
BALANCE SHEETS
June 30, 2015 and June 30, 2014

| | <i>June 30, 2015</i> | <i>June 30, 2014</i> |
|---|----------------------|-------------------------------|
| | <i>Audited</i> | <i>Audited - Restated</i> |
| Assets | | |
| Current assets | | |
| Cash | \$ 13,574 | \$ 54,151 |
| Accounts receivable | - | 7,500 |
| Total Current Assets | 13,574 | 61,651 |
| Fixed Assets | | |
| Furniture and Equipment net of depreciation | 789 | 988 |
| Total Fixed Assets | 789 | 988 |
| Other Assets | | |
| Film Assets net of amortization | 25,536 | 27,360 |
| Film Equipment net of depreciation | 2,523 | 1,889 |
| Total Other Assets | 28,059 | 29,248 |
| Total Assets | \$ 42,423 | \$ 91,887 |
| Liabilities And Stockholders' Equity (Deficit) | | |
| Current Liabilities | | |
| Accounts payable | \$ - | \$ 8,500 |
| Total Current Liabilities | - | 8,500 |
| Total Liabilities | - | 8,500 |
| Stockholders' Equity (Deficit) | | |
| Common stock \$0.001 par value 75,000,000 shares authorized 10,851,500 shares issued and outstanding at June 30, 2015 and June 30, 2014, respectively | 10,851 | 10,851 |
| Additional paid-in capital | 136,048 | 136,048 |
| Accumulated Deficit | (104,477) | (63,513) |
| Total Stockholders' Equity (Deficit) | 42,423 | 83,386 |
| Total Liabilities and Stockholders' Equity (Deficit) | \$ 42,423 | \$ 91,887 |

See accompanying notes to financial statements.

BLUE SKY MEDIA CORPORATION
Statements of Operations
June 30, 2015 and June 30, 2014

| | <u>June 30, 2015</u> | <u>June 30, 2014</u> |
|---|----------------------|-------------------------------|
| | <i>Audited</i> | <i>(Audited Restated)</i> |
| Sales | \$ 81,550 | \$ 98,757 |
| Total Revenue | 81,550 | 98,757 |
| Cost of Goods Sold | 18,000 | 6,840 |
| Gross profit | 63,550 | 91,917 |
| Operating Expenses | | |
| Depreciation and amortization | 2,302 | |
| Salaries | | 30,300 |
| Equipment/Filming | 32 | 835 |
| Fees | 200 | 1,086 |
| Consulting Fees | 22,000 | 12,700 |
| Professional Fees | 44,193 | - |
| Marketing Expense | 2,730 | 24,058 |
| Website | | 5,950 |
| APP Development | 18,000 | 53,500 |
| Travel | 2,258 | 14,774 |
| Office expenses | 12,804 | 5,944 |
| Total Expenses | <u>(104,519)</u> | <u>(149,148)</u> |
| Net Operating Income/Loss | (40,969) | (57,231) |
| Other Income/Expense | <u>5</u> | <u>200</u> |
| Net Income/Loss | <u>\$ (40,964)</u> | <u>\$ (57,031)</u> |
| Basic and Diluted Loss Per Common Share | <u>\$ (.00)</u> | <u>\$ (.00)</u> |
| Weighted Average Shares Outstanding | 10,851,500 | 7,697,785 |

See accompanying notes to financial statements.

BLUE SKY MEDIA CORPORATION
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
June 30, 2015

| | Common Stock Number of Shares | Amount | Additional Paid in Capital | Accumulated Deficit | Total |
|---|--|-----------|----------------------------------|------------------------|-----------|
| Stock Issued for Services, related party | 6,500,000 | 6,500 | | | 6,500 |
| Stock Issued for Cash | 250,000 | 250 | | | 250 |
| May 10, 2013 Acquisition of Films | 342,000 | 342 | 33,858 | | 34,200 |
| Net loss for the Year ended June 30, 2013 | | | | \$ (6,482) | (6,482) |
| Balance, June 30, 2013 | 7,092,000 | \$ 7,092 | \$ 33,858 | \$ (6,482) | 34,468 |
| Stock Issued for APP to MMT, Inc. | 450,000 | 450 | 44,550 | | 45,000 |
| Stock Issued for Cash Investment | 94,500 | 95 | 9,355 | | 9,450 |
| Stock Issued for services, related party | 3,000,000 | 3,000 | 27,000 | | 30,000 |
| Stock issued for marketing services | 215,000 | 215 | 21,285 | | 21,500 |
| Net loss for the period ended June 30, 2014 | | | | (57,031) | (57,031) |
| Balance, June 30, 2014 | 10,851,500 | \$ 10,851 | \$ 136,048 | \$ (63,513) | \$ 83,387 |
| Net loss for the period ended June 30, 2015 | | | | (40,964) | (40,964) |
| Balance, June 30, 2015 | 10,851,500 | 10,851 | 136,048 | (104,477) | 42,423 |

See accompanying notes to financial statements.

BLUE SKY MEDIA CORPORATION
Statements of Cash Flows
June 30, 2015 and June 30, 2014

| | <u>June 30, 2015</u> | <u>June 30, 2014</u> |
|--|----------------------|----------------------------|
| | <i>(Audited)</i> | <i>(Audited- Restated)</i> |
| Cash Flows from Operating Activities | | |
| Net Income/loss | \$ (40,964) | \$ (57,031) |
| Adjustments to Reconcile Net Loss To Net Cash Provided By (Used In) Operating Activities: | | |
| Stock Issued for Services | | 96,500 |
| Accounts receivable | 7,500 | (7,500) |
| Accounts payable | (8,500) | 8,500 |
| Depreciation of Furniture and Equipment | 198 | |
| Amortization of Film Assets | 1,824 | |
| Depreciation of Film Equipment | (635) | |
| Net Cash Provided by Operating Activities | <u>(40,577)</u> | <u>40,469</u> |
| Cash Flows From Investing Activities | - | - |
| Furniture and Equipment | | (988) |
| Film Assets | | 6,840 |
| Film Equipment | | (1,888) |
| Net Cash Provided by Investing Activities | <u>-</u> | <u>3,964</u> |
| Cash Flows from Financing Activities | | |
| Net Cash Provided by Financing Activities | - | - |
| Paid in Capital | | 9,450 |
| Net Cash Provided by Financing Activities | <u>-</u> | <u>9,450</u> |
| Increase in Cash | (40,577) | 53,883 |
| Cash at Beginning of Period | <u>54,151</u> | <u>268</u> |
| Cash at End of Period | <u>\$ 13,574</u> | <u>\$ 54,151</u> |
| Cash paid for Interest | <u>\$ -</u> | <u>\$ -</u> |
| Cash paid for income taxes | <u>\$ -</u> | <u>\$ -</u> |

Non Cash Investing and Financing Activities:

2014-Payment for Development of APP by the issuance of 450,000 shares of common stock.

See accompanying notes to financial statements.

BLUE SKY MEDIA CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015 (Audited) and June 30, 2014 (Audited-Restated)

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

BUSINESS AND BASIS OF PRESENTATION

Blue Sky Media Corporation. (“BSM”) was incorporated under the laws of the State of Wyoming on March 20, 2013.

BSM was formed as a Media Company engaging in commercial film production, film acquisition, film distribution and APP development. Within those frameworks the Company also acquires film treatments, scripts and film trailers for resale and/or production.

BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, and pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) and reflect all adjustments, consisting of normal recurring adjustments, which management believes are necessary to fairly present the financial position, results of operations and cash flows of the Company as of June 30, 2015 and June 30, 2014.

ESTIMATES

The preparation of the financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

The Company maintains a cash balance in a non-interest-bearing account that currently does not exceed federally insured limits. For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. There were no cash equivalents as of June 30, 2015 and June 30, 2014.

PROPERTY AND EQUIPMENT

The Company values its investment in property and equipment at cost less accumulated depreciation. Depreciation is computed primarily by the straight line method over the estimated useful lives of the assets ranging from three to five years. As of June 30, 2015 the Company had a depreciation and amortization expense of \$2,302 and at June 30, 2014 the company had no depreciation expense.

INVENTORY

Inventory is recorded at lower of cost or market; cost is computed on a first-in first-out basis.

ACCOUNTS RECEIVABLE

Trade receivables are carried at original invoice amount. We recognize revenue from sales or services rendered when the following four criteria are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the selling price is fixed or determinable, and collectability is reasonably assured. Receivables past due for more than 120 days are considered delinquent. Management determines uncollectible accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions and by using historical experience applied to an aging of accounts. Recoveries of trade receivables previously written off are recorded when received.

FAIR VALUE OF FINANCIAL INSTRUMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

We have adopted Accounting Standards Codification regarding Disclosure About Derivative Financial Instruments and Fair Value of Financial Instruments. The carrying amounts of cash, accounts payable, accrued expenses, and other current liabilities approximate fair value because of the short maturity of these items. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment, and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates. We do not hold or issue financial instruments for trading purposes, nor do we utilize derivative instruments in the management of foreign exchange, commodity price or interest rate market risks.

FEDERAL INCOME TAXES

Deferred income taxes are reported for timing differences between items of income or expense reported in the financial statements and those reported for income tax purposes in accordance with Accounting Standards Codification regarding Accounting for Income Taxes, which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and for tax loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred taxes are provided for the estimated future tax effects attributable to temporary differences and carryforwards when realization is more likely than not.

NET INCOME PER SHARE OF COMMON STOCK

We have adopted Accounting Standards Codification regarding Earnings per Share, which requires presentation of basic and diluted EPS on the face of the income statement for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. In the accompanying financial statements, basic earnings per share of common stock is computed by dividing net income by the weighted average number of shares of common stock outstanding during the period. We do not have a complex capital structure requiring the computation of diluted earnings per share.

INTERNAL WEBSITE DEVELOPMENT COSTS

Under ASC350-50, Website Development Costs, costs and expenses incurred during the planning and operating stages of the Company's website are expensed as incurred. Under ASC 350-50, costs incurred in the website application and infrastructure development stages are capitalized by the Company and amortized to expense over the website's estimated useful life or period of benefit.

IMPAIRMENT OF LONG-LIVED ASSETS

The Company evaluates the recoverability of long-lived assets and the related estimated remaining lives at each balance sheet date. The Company records an impairment or change in useful life whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or the useful life has changed.

STOCK BASED COMPENSATION

The Company recognizes stock-based compensation in accordance with ASC Topic 718 "Stock Compensation", which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to an Employee Stock Purchase Plan based on the estimated fair values. For non-employee stock-based compensation, we have adopted ASC Topic 505 "Equity-Based Payments to Non-Employees", which requires stock-based compensation related to non-employees to be accounted for based on the fair value of the related stock or options or the fair value of the services on the grant date, whichever is more readily determinable in accordance with ASC Topic 718.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

As of June 30, 2015 and June 30, 2014, the Company does not expect any of the recently issued accounting pronouncements to have a material impact on its financial condition or results of operations.

Note 2 - Uncertainty, going concern:

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs to allow it to continue as a going concern. As of June 30, 2015 the Company had an accumulated deficit of (\$104,477). As of June 30, 2014 the Company had an accumulated deficit of (\$63,513). The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. The Company is contemplating conducting an offering of its debt or equity securities to obtain additional operating capital. The Company is dependent upon its ability, and will continue to attempt, to secure equity and/or debt financing. There are no assurances that the Company will be successful and without sufficient financing it would be unlikely for the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

Note 3 - Restatement:

The financial statements have been revised to correct an error in accounting for the following line items. In accordance with applicable Generally Accepted Accounting Principles (GAAP), the Company calculated and recognized adjustments accordingly.

| | Restated 6/30/2014 | Original 6/30/2014 |
|-----------------------------|--------------------|--------------------|
| Film Assets | 27,360 | 34,200 |
| Cost of Goods Sold | 6,840 | 21,500 |
| Salaries | 30,300 | 3,300 |
| App Development | 53,500 | 8,500 |
| Marketing Services | 21,500 | - |
| Total Expenses | 149,148 | 55,648 |
| Net Loss | (57,031) | 21,809 |
| From Statement of Cash Flow | | |
| Stock issued for services | 96,500 | - |
| Additional Paid in Capital | 136,048 | 109,049 |
| Accumulated Deficit | (63,513) | 15,327 |

Note 4 - Assets

The Company has acquired the rights to five films all of which are in the initial stages of pre-production, from Ocean Pure Media Corporation for \$34,200. 300,000 shares valued at \$.10 per share were issued to Hector Medina and 42,000 shares valued at \$.10 per share were issued to 42 shareholders of Ocean Pure Media Corporation. The acquisition was done on a flat rate basis; meaning that there was no consideration of value placed on each individual film.

We plan to either market the rights to each individual film or possibly produce films contingent on the proper financing (as noted in the section Description of Business).

We have sold the rights to one film, "Two Sevens Clash" for \$26,000.00

Films acquired:

- "Badlands", (a Horror genre)
- "Life of a third World Surfer", (Documentary)
- "The Trestles" (Documentary)
- "Two Sevens Clash", (the film rights were sold)
- "Beirut-Beirut" (Drama story)

Note 5 - Related Party Transactions

The Company incurred expenses of \$36,800 for salaries to its officers. Restricted shares in the amount of 9,500,000 shares were issued in lieu of cash as follows:

2013 -6,500,000 shares were issued to Hannah Grabowski at a par value of \$.001 per share.

2014 -3,000,000 shares were issued to Wayne Berian at a value of \$.10 per share.

Note 6 - Common Stock

In 2013 the Company authorized the issuance of 6,500,000 founder shares at par value. In addition 250,000 shares were acquired for \$250.00 by Hannah Grabowski in 2013. In 2014 the Company issued 3,000,000 shares at \$.10 per share to the Company's newly appointed President, Wayne Berian.

On May 10, 2013 the Company issued 342,000 shares to Ocean Pure Media Corporation, which were issued to the shareholders of Ocean Pure Media Corporation per a contract whereby the Company acquired the rights to certain film media.

On May 12, 2014 the company authorized the issuance of 450,000 shares to MMT, Inc. at a value of \$.10 per share for the development of a film APP. (For Transaction Details See: (Description of Business-APP Research and Development, p. 19)

At the year end June 30, 2014 the Company had issued 94,500 shares to investors via a Private Offering of the company's shares at \$.10 per share.

In June of 2014 the Company issued 215,000 shares at a value of \$.10 per share for marketing services.

Note 7 - Income Taxes

We account for income taxes in accordance with FASB ASC 740, Income Taxes which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statement or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

Note 8 - Subsequent Events

Management has reviewed events between July 1, 2013 to the date that the financials were issued, August 14, 2015, and there were no significant events identified for disclosure. In addition a review was performed by our auditor prior to the filing date and no additional items were noted.

Until _____, all dealers that effect transactions in these securities whether or not participating in this offering may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the expenses expected to be incurred in connection with the issuance and distribution of common stock registered hereby, all of which expenses, except for the Securities and Exchange Commission registration fee, are estimated.

| | |
|---|------------------|
| Securities and Exchange Commission registration fee | \$ 440 |
| Miscellaneous expenses | 500 |
| Legal | 20,000 |
| Accounting fees and expenses | 5,000 |
| Total | <u>\$ 25,940</u> |

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

During the three years preceding the filing of this registration statement, Registrant has not sold securities without registration under the Securities Act of 1933, except as described below.

In 2013 the Company authorized the issuance of 6,500,000 founder shares at par value. In addition 250,000 shares were acquired for \$250.00 by Hannah Grabowski in 2013. In 2014 the Company issued 3,000,000 shares at \$.10 per share to the Company's newly appointed President, Wayne Berian.

On May 10, 2013 the Company issued 342,000 shares to Ocean Pure Media Corporation, which were issued to the shareholders of Ocean Pure Media Corporation per a contract whereby the Company acquired the rights to certain film media.

On May 12, 2014 the company authorized the issuance of 450,000 shares to MMT, Inc. at a value of \$.10 per share for the development of a film APP. (For Transaction Details See: (Description of Business-APP Research and Development, p. 19)

At the year end June 30, 2014 the Company had issued 94,500 shares to investors via a Private Offering of the company's shares at \$.10 per share.

In June of 2014 the Company issued 215,000 shares at a value of \$.10 per share for marketing services.

On October 2, 2015, the Company issued a total of 3,457,920 common shares to a total of 14 persons and/or entities in exchange for 100% of the issued and outstanding stock of Klear Kapture, Inc., a Delaware corporation.

The issuances of the securities described in this Item 15 were exempt from the registration requirements of Section 5 of the Securities Act of 1933 pursuant to Section 4(2) of the same Act since the issuance of the shares did not involve any public offering.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

The following exhibits are filed with this registration statement:

| Exhibit No. | Description |
|--------------------|--|
| 3.1 | Articles of Incorporation (1) |
| 3.3 | Bylaws (2) |
| 4.1 | Specimen Common Stock Certificate of Registrant |
| 5.1 | Opinion of Gary R. Henrie, Attorney at Law regarding the legality of the common stock being registered (6) |
| 10.1 | Form of Convertible Promissory Note |
| 21.1 | List of Subsidiaries |
| 23.1 | Consent of Gillespie & Associates, PLLC, Certified Public Accountants |
| 23.2 | Consent of Gary R. Henrie (included in Exhibit 5.1) |
| 99.1 | NASDAQ Rule 4200(a)(15) regarding Director Independence |
| 101 | Interactive Data File (3) |

(1) Previously filed as an exhibit to Form S-1/A on November 14, 2014.

(2) Previously filed as an exhibit to Form S-1 on September 19, 2014.

(3) Previously filed as an exhibit to Form 10-K on August 28, 2015.

(b) Financial Statement Schedules

See the Index to Financial Statements included on page 33 for a list of the financial statements included in this prospectus.

ITEM 24. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our officers and directors are indemnified as provided by the Delaware Corporation Law and our bylaws. Under the Delaware Corporation Law, director immunity from liability to a company or its shareholders for monetary liabilities applies automatically unless it is specifically limited by a company's articles of incorporation that is not the case with our articles of incorporation. Excepted from that immunity are:

- (1) a willful failure to deal fairly with the company or its shareholders in connection with a matter in which the director has a material conflict of interest;
- (2) a violation of criminal law (unless the director had reasonable cause to believe that his or her conduct was lawful or no reasonable cause to believe that his or her conduct was unlawful);
- (3) a transaction from which the director derived an improper personal profit; and
- (4) willful misconduct.

Our bylaws provide that we will indemnify our directors and officers to the fullest extent not prohibited by Delaware law; provided, however, that we may modify the extent of such indemnification by individual contracts with our directors and officers; and, provided, further, that we shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless:

- (1) such indemnification is expressly required to be made by law;
- (2) the proceeding was authorized by our Board of Directors;
- (3) such indemnification is provided by us, in our sole discretion, pursuant to the powers vested us under Delaware law; or
- (4) such indemnification is required to be made pursuant to the bylaws.

Our bylaws provide that we will advance all expenses incurred to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was our director or officer, or is or was serving at our request as a director or executive officer of another company, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request. This advanced of expenses is to be made upon receipt of an undertaking by or on behalf of such person to repay said amounts should it be ultimately determined that the person was not entitled to be indemnified under our bylaws or otherwise.

Our bylaws also provide that no advance shall be made by us to any officer in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made: (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to the proceeding; or (b) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to our best interests.

ITEM 28. UNDERTAKINGS

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (a) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (b) To reflect in the prospectus any facts or events arising after the effective date of this registration statement, or most recent post-effective amendment, which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - (c) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in the registration statement.
2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
3. To remove from registration by means of a post-effective amendment any of the securities being registered hereby, which remain unsold at the termination of the offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to our directors, officers and controlling persons pursuant to the provisions above, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, and is, therefore, unenforceable.

In the event that a claim for indemnification against such liabilities, other than the payment by us of expenses incurred or paid by one of our directors, officers, or controlling persons in the successful defense of any action, suit or proceeding, is asserted by one of our directors, officers, or controlling persons in connection with the securities being registered, we will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification is against public policy as expressed in the Securities Act of 1933, and we will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Charlotte, State of North Carolina, on November 2, 2015.

BLUE SKY MEDIA CORPORATION

By: /s/ Robert F. Gruder

Robert F. Gruder
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

| <u>Signature</u> | <u>Title</u> | <u>Date</u> |
|---|--------------------------------------|-------------|
| <u>/s/ Robert F. Gruder</u> Robert F. Gruder | CEO and Sole Director | 11-02-2015 |
| <u>/s/ Wayne Thomas</u> Wayne Thomas | CFO and Principal Accounting Officer | 11-02-2015 |



CERTIFICATE NUMBER

PAR VALUE \$0.001
COMMON STOCK
CUSIP 999999Z29

THIS CERTIFIES THAT

Is The Owner Of * NINE MILLION *

FULLY PAID AND NON-ASSESSABLE SHARES OF THE COMMON STOCK PAR VALUE OF \$0.001 EACH OF
BLUE SKY MEDIA CORPORATION
TRANSFERABLE ON THE BOOKS OF THE CORPORATION IN PERSON OR BY DULY AUTHORIZED ATTORNEY UPON SURRENDER OF THIS CERTIFICATE
PROPERLY ENDORSED. THIS CERTIFICATE IS NOT VALID UNTIL COUNTERSIGNED BY THE TRANSFER AGENT AND REGISTERED BY THE REGISTRAR.
WITNESS THE FACSIMILE SEAL OF THE CORPORATION AND THE FACSIMILE SIGNATURES OF ITS DULY AUTHORIZED OFFICERS.

BLUE SKY MEDIA CORPORATION

INCORPORATED UNDER THE LAWS OF THE STATE OF WYOMING

* SPECIMEN *



SHARES

DATED: 01/01/2009

COUNTERSIGNED AND REGISTERED BY:
ISLAND STOCK TRANSFER
Transfer Agent

By

Authorized Signature

ROBERT GRUDER
Chief Executive Officer



1500 Roosevelt Boulevard, Suite 301, Clearwater FL 33760
727.289.0010

CERT.9999

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Gary R. Henrie
Attorney at Law
Licensed and the States of Utah and Nevada

486 W. 1360 N.
American Fork, UT 84003

Telephone: 801-310-1419
e-mail: grhlaw@hotmail.com

November 2, 2015

Blue Sky Media Corporation
233 S. Sharon Amity Rd., Suite 201
Charlotte, NC 28211

Re: Blue Sky Media Corporation, Registration Statement on Form S-1

Ladies and Gentlemen:

I have acted as securities counsel for Blue Sky Media Corporation, a Wyoming corporation (the "Company"), for the purpose of issuing this opinion letter in connection with the registration statement on Form S-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended. The Registration Statement relates to the offering of 2,129,579 shares of the Company's common stock by selling stockholders that underlie the conversion of convertible promissory notes.

In rendering the opinion set forth below, I have reviewed: (a) the Registration Statement; (b) the Company's Articles of Incorporation; (c) the Company's Bylaws; and (d) such statutes, records and other documents as I have deemed relevant. In my examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals, and conformity with the originals of all documents submitted to me as copies thereof and the truthfulness of statements set forth in such documents. In addition, I have made such other examinations of law and fact, as I have deemed relevant in order to form a basis for the opinions hereinafter expressed.

Based upon the foregoing, I am of the opinion that the 2,129,579 shares of common stock to be issued upon the conversion of convertible promissory notes and upon resolution by the board of directors directing the issuance thereof will be legally issued, fully paid and non-assessable. This opinion is based on Wyoming general corporate law, all applicable Wyoming statutory provisions and reported judicial decisions interpreting these laws.

Very truly yours,

/s/ Gary R. Henrie

Gary R. Henrie, Esq.

Gary R. Henrie
Attorney at Law
Licensed and the States of Utah and Nevada

486 W. 1360 N.
American Fork, UT 84003

Telephone: 801-310-1419
e-mail: grhlaw@hotmail.com

I hereby consent to the use of my opinion in the body of the Registration Statement and as an Exhibit to the Registration Statement and to all references to myself under the caption Legal Matters in the Registration Statement.

Very truly yours,

/s/ Gary R. Henrie

Gary R. Henrie, Esq.

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS NOTE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH MAY BE THE LEGAL COUNSEL OPINION (AS DEFINED IN THE PURCHASE AGREEMENT)), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144, RULE 144A OR REGULATION S UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Principal Amount: \$ _____

Issue Date: October __, 2015

SECURED CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, BLUE SKY MEDIA CORP., a Wyoming corporation (the "Company"), hereby promises to pay to the order of _____, or registered assigns (the "Holder") on October __, 2017 (the "Maturity Date") \$ _____ (the "Principal Amount"), and to pay interest on the outstanding Principal Amount at the rate of 3.85% per annum (the "Note"). Interest shall commence accruing on the date hereof (the "Issue Date"), computed on the basis of a 365-day year and the actual number of days elapsed, provided that any payment otherwise due on a Saturday, Sunday or legal Bank holiday may be paid on the following business day. Interest shall be payable in quarterly on January 1, April 1, July 1 and October 1, beginning on the first such date after the Issue Date and on each Conversion Date (with respect only to the Principal Amount being converted) (each such date, a "Interest Payment Date") (if any Interest Payment Date is not a Trading Day, the applicable payment shall be due on the next succeeding Trading Day) in cash, or at the Holder's option, such interest shall be accreted to, and increase, the outstanding Principal Amount. All payments due hereunder, shall be made in lawful money of the United States of America.

The following terms shall apply to this Note:

Section 1. Definitions. For the purposes hereof, the definitions set forth in Exhibit A shall have the meanings set forth in such exhibit.

Section 2. Interest; Collateral.

a) Interest Calculations. Interest shall cease to accrue with respect to any Principal Amount converted, provided that, the Company actually delivers the Conversion Shares within the time period required by Section 4(c)(i) herein. Except as otherwise provided herein, if at any time the Company pays interest partially in cash and partially through accretion to the Principal Amount, then such payment shall be distributed ratably among the Holders based upon the aggregate principal amount of the Company's convertible debt outstanding held by each Holder on such Interest Payment Date.

b) Late Fees. Any interest that are not paid within three Trading Days following a Interest Payment Date shall continue to accrue and shall entail a late fee, which must be paid in cash, at the rate of 18% per annum or the lesser rate permitted by applicable law which shall accrue daily from the Interest Payment Date through and including the date of actual payment in full.

c) Prepayment. At any time upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest. If the Company exercises its right to prepay any portion of the Note, the Company shall make payment to the Holder of an amount in cash equal to the sum of the then outstanding principal amount of this Note being prepaid and accrued interest thereon multiplied by 130%. The Holder may continue to convert the Note from the date notice of the prepayment is given until the date of the prepayment.

d) Other Securities. So long as any of the Notes shall remain outstanding, neither the Company nor any Subsidiary thereof shall redeem, purchase or otherwise acquire directly or indirectly any Junior Securities. So long as any of the Notes shall remain outstanding, neither the Company nor any Subsidiary thereof shall directly or indirectly pay or declare any dividend or make any distribution upon, nor shall any distribution be made in respect of, any Junior Securities as long as any interest due on the Notes remain unpaid, nor shall any monies be set aside for or applied to the purchase or redemption (through a sinking fund or otherwise) of any Junior Securities or shares pari passu with the Notes.

e) Secured Obligation. This Note is secured by a Security Agreement dated as of the date of this Note by and between the Borrower and the Holders.

Section 3. Liquidation. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary (a “Liquidation”), the Holders shall be entitled to receive out of the assets, whether capital or surplus, of the Company an amount equal to the Principal Amount, plus any accrued and unpaid interest thereon and any other fees or liquidated damages then due and owing thereon under this Note before any distribution or payment shall be made to the holders of any Junior Securities, and if the assets of the Company shall be insufficient to pay in full such amounts, then the entire assets to be distributed to the Holders shall be ratably distributed among the Holders in accordance with the respective amounts that would be payable on such Notes if all amounts payable thereon were paid in full. A Fundamental Transaction or Change of Control Transaction shall not be deemed a Liquidation. The Company shall mail written notice of any such Liquidation, not less than 45 days prior to the payment date stated therein, to each Holder.

Section 4. Conversion and Redemption.

a) Conversions at Option of Holder. The Holder shall have the right at any time and from time to time from and after the Issue Date at the option of the Holder thereof, to convert all or a part of the outstanding and unpaid principal amount of this Note, accrued and unpaid interest and such other amounts as may be due to the Holder under this Note (the “Indebtedness”) into that number of shares of Common Stock (subject to the limitations set forth in Section 4(d)) determined by dividing the amount to be converted by the Conversion Price (the “Conversion Shares”). Holders shall effect conversions by providing the Company with the form of conversion notice attached hereto as Annex A (a “Notice of Conversion”). Each Notice of Conversion shall specify the amount to be converted, the principal balance of the Note outstanding prior to the conversion, the amount of accrued interest and other amounts due under this Note, the number of shares of Common Stock owned subsequent to the conversion at issue and the date on which such conversion is to be effected, which date may not be prior to the date the applicable Holder delivers by facsimile such Notice of Conversion to the Company (such date, the “Conversion Date”). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion to the Company is deemed delivered hereunder. No ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required. To effect conversions hereunder, the Holder shall not be required to physically surrender this Note to the Company unless the entire principal amount of this Note, plus all accrued and unpaid interest thereon, has been so converted. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note (and accrued interest thereon, if applicable) in an amount equal to the applicable conversion. The Holder and the Company shall maintain records showing the principal amount(s) converted and the date of such conversion(s). The Company may deliver an objection to any Notice of Conversion within one (1) Business Day of delivery of such Notice of Conversion. In the event of any dispute or discrepancy, the records of the Holder shall be controlling and determinative in the absence of manifest error.

b) Conversion Price. The conversion price shall equal **\$0.29**, subject to adjustment herein (the “Conversion Price”). The Conversion Price will be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction that proportionately decreases or increases the Common Stock during such measuring period in addition to such other events as may be provided for herein. Nothing herein shall limit a Holder’s right to pursue actual damages or declare an Event of Default pursuant to Section 6 hereof and the Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

c) Mechanics of Conversion

i. Delivery of Conversion Shares Upon Conversion. Not later than three (3) Trading Days after each Conversion Date (the “Share Delivery Date”), the Company shall issue to the converting Holder (A) the number of Conversion Shares being acquired upon the conversion of the Indebtedness which, on or after the earlier of (i) six month anniversary of the Issue Date or (ii) the Effective Date, shall be free of restrictive legends and trading restrictions (other than those which may then be required by the Purchase Agreement), and (B) a bank check in the amount of accrued and unpaid interest, if such amount is paid in cash. If the Common Stock is listed or quoted for public trading, the Company may deliver the Conversion Shares required to be delivered by the Company under this Section 4 electronically through the Depository Trust Company or another established clearing corporation performing similar functions.

ii. Delivery of Certificate Upon Conversion. By the Share Delivery Date, the Company shall deliver, or cause to be delivered, to the Holder a certificate or certificates representing the Conversion Shares which, on or after the date on which such Conversion Shares are registered on a Registration Statement or eligible to be sold under Rule 144 without the need for current public information and the Company has received an opinion of counsel to such effect reasonably acceptable to the Company (the reasonable cost of which shall be borne by the Holder), shall be free of restrictive legends and trading restrictions (other than those which may then be required by the Purchase Agreement) representing the number of Conversion Shares being acquired upon the conversion of this Note. All certificate or certificates required to be delivered by the Company under this Section 4(c) shall be delivered electronically through the Depository Trust Company or another established clearing corporation performing similar functions. If the Conversion Date is prior to the date on which such Conversion Shares are registered on a Registration Statement or eligible to be sold under Rule 144 without the need for current public information, the Conversion Shares shall bear a restrictive legend in substantially the following form, as appropriate:

“NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES, UNLESS OTHERWISE PROHIBITED BY FEDERAL OR STATE SECURITIES LAWS.”

Notwithstanding the foregoing, commencing on such date that the Conversion Shares are eligible for sale under Rule 144 subject to current public information requirements, the Company shall obtain a legal opinion to allow for such sales under Rule 144 (the reasonable cost of which shall be borne by the Holder).

iii. Failure to Deliver Certificates. If, in the case of any Notice of Conversion, such certificate or certificates are not delivered to or as directed by the applicable Holder by the Share Delivery Date, the Holder shall be entitled to elect by written notice to the Company at any time on or before its receipt of such certificate or certificates, to rescind such Conversion, in which event the Company shall promptly return to the Holder any original Note delivered to the Company and the Holder shall promptly return to the Company the Common Stock certificates issued to such Holder pursuant to the rescinded Conversion Notice.

iv. Obligation Absolute; Partial Liquidated Damages. The Company's obligation to issue and deliver the Conversion Shares upon conversion of the Indebtedness in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by such Holder or any other person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to such Holder in connection with the issuance of such Conversion Shares; provided, however, that such delivery shall not operate as a waiver by the Company of any such action that the Company may have against such Holder. In the event a Holder shall elect to convert any or all of the Indebtedness, the Company may not refuse conversion based on any claim that such Holder or anyone associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining and/or enjoining conversion of all or part of the Note held by such Holder shall have been sought and obtained, and the Company posts a surety bond for the benefit of such Holder in the amount of 150% of the Indebtedness which is subject to the injunction, which bond shall remain in effect until the completion of arbitration/litigation of the underlying dispute and the proceeds of which shall be payable to such Holder to the extent it obtains judgment. In the absence of such injunction, the Company shall issue Conversion Shares and, if applicable, cash, upon a properly noticed conversion. If the Company fails to deliver to a Holder such Conversion Shares pursuant to Section 4(c)(i) on the second Trading Day after the Share Delivery Date applicable to such conversion, the Company shall pay to such Holder, in cash, as liquidated damages and not as a penalty, for each \$5,000 of Indebtedness being converted, \$50 per Trading Day (increasing to \$100 per Trading Day on the third Trading Day and increasing to \$200 per Trading Day on the sixth Trading Day after such damages begin to accrue) for each Trading Day after such second Trading Day after the Share Delivery Date until such Conversion Shares are delivered or Holder rescinds such conversion. Nothing herein shall limit a Holder's right to pursue actual damages or declare a Triggering Event pursuant to Section 10 hereof for the Company's failure to deliver Conversion Shares within the period specified herein and such Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. The exercise of any such rights shall not prohibit a Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

v. Compensation for Buy-In on Failure to Timely Deliver Conversion Shares Upon Conversion. In addition to any other rights available to the Holder, if the Company fails for any reason to deliver to a Holder the applicable Conversion Shares by the Share Delivery Date pursuant to Section 4(c)(i), and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which such Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "Buy-In"), then the Company shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount, if any, by which (x) such Holder's total purchase price (including any brokerage commissions) for the Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) reduce the Principal Amount equal to the amount submitted for conversion (in which case, such conversion shall be deemed rescinded). For example, if a Holder purchases shares of Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted conversion of the Note with respect to which the actual sale price of the Conversion Shares (including any brokerage commissions) giving rise to such purchase obligation was a total of \$10,000 under clause (A) of the immediately preceding sentence, the Company shall be required to pay such Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to such Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver the Conversion Shares upon conversion of the shares of Note as required pursuant to the terms hereof.

vi. Reservation of Shares Issuable Upon Conversion. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock a number of shares of Common Stock at least equal to 100% of the Conversion Shares for the sole purpose of issuance upon conversion of this Note and payment of interest on this Note, each as herein provided, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holder, not less than such aggregate number of shares of the Common Stock as shall (subject to the terms and conditions set forth in the Purchase Agreement) be issuable (taking into account the adjustments and restrictions of Section 5) upon the conversion of the then outstanding principal amount of this Note and payment of interest hereunder. The Company covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable.

vii. Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the conversion of the Note. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such conversion, the Company shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Conversion Price or round up to the next whole share.

viii. Transfer Taxes and Expenses. The issuance of Conversion Shares on conversion of this Note shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Conversion Shares, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such Conversion Shares upon conversion in a name other than that of the Holders of the Notes and the Company shall not be required to issue or deliver such Conversion Shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

d) Beneficial Ownership Limitation. After the date that the Company becomes a publicly reporting company with the Commission (through an initial public filing, reverse merger into a shell, or otherwise), the Company shall not effect any conversion of the Note, and a Holder shall not have the right to convert any portion of the Note, to the extent that, after giving effect to the conversion set forth on the applicable Notice of Conversion, such Holder (together with such Holder's Affiliates, and any Persons acting as a group together with such Holder or any of such Holder's Affiliates) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Affiliates shall include the number of shares of Common Stock issuable upon conversion of the Note with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (i) conversion of the remaining, unconverted Indebtedness held by the Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein (including, without limitation, the Note) beneficially owned by such Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this Section 4(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 4(d) applies, the determination of whether the Note is convertible (in relation to other securities owned by such Holder together with any Affiliates) and what amounts are convertible shall be in the sole discretion of such Holder, and the submission of a Notice of Conversion shall be deemed to be such Holder's determination of whether the Note may be converted (in relation to other securities owned by such Holder together with any Affiliates) and how much of the Note is convertible, in each case subject to the Beneficial Ownership Limitation. To ensure compliance with this restriction, each Holder will be deemed to represent to the Company each time it delivers a Notice of Conversion that such Notice of Conversion has not violated the restrictions set forth in this paragraph and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4(d), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (ii) a more recent public announcement by the Company or (iii) a more recent written notice by the Company or the Company's transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including the Note, by such Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of the Note held by the applicable Holder. A Holder, upon not less than 61 days' prior notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(d) applicable to its Note provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon conversion of this Note held by the Holder and the provisions of this Section 4(d) shall continue to apply. Any such increase or decrease will not be effective until the 61st day after such notice is delivered to the Company and shall only apply to such Holder and no other Holder. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(d) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of the Note.

e) Call for Conversion by the Company. Commencing at any time six (6) months after the Issue Date and subject to the limitations set forth in Section 4(d), if: (i) the Common Stock is listed on any of the following markets or exchanges: the NYSE MKT, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing) (a "Trading Market"); (ii) the average closing bid price of the Company's common stock as quoted on the OTC Markets (or such other Trading Market on which the Company's common stock is then listed or quoted for trading) for any 60 consecutive trading days exceeds one dollar (\$1.00); or (iii) the average daily trading volume of the Company's common stock exceeds an amount equal to 25% of the Conversion Shares issuable upon conversion of this Note (and each of the other Notes outstanding) for any 30 consecutive trading days (a "Trigger Period"), the Company shall have the right, upon 30 days' notice to the Holder (the "Call Notice"), to require that the Holder convert this Note into the Conversion Shares within thirty (30) days of the Call Notice (the "Forced Conversion Date"). The Company may not deliver a Call Notice, and any Call Notice delivered by the Company shall not be effective, unless all of the Equity Conditions have been met on each Trading Day through and including the later of the Forced Conversion Date and the Trading Day after the date that the Conversion Shares issuable pursuant to such conversion are actually delivered to the Holders pursuant to the Forced Conversion Notice. Any Call Notices shall be applied ratably to all of the Holders based on each Holder's initial purchases of Note hereunder, provided that any voluntary conversions by a Holder shall be applied against such Holder's pro rata allocation, thereby decreasing the aggregate amount forcibly converted hereunder if less than all the Notes are forcibly converted.

Section 5. Certain Adjustments.

a) Stock Dividends and Stock Splits. If the Company, at any time while this Note is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock or any other Common Stock Equivalents (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon conversion of, or payment of a dividend on, this Note), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues, in the event of a reclassification of shares of the Common Stock, any shares of capital stock of the Company, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Company) outstanding immediately before such event, and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to this Section 5(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Equity Sales. If, at any time while this Note is outstanding, the Company or any Subsidiary, as applicable sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any Common Stock or Common Stock Equivalents entitling any Person to acquire shares of Common Stock at an effective price per share that is lower than the then Conversion Price (such lower price, the “Base Conversion Price” and such issuances, collectively, a “Dilutive Issuance”) (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Conversion Price, such issuance shall be deemed to have occurred for less than the Conversion Price on such date of the Dilutive Issuance), then the Conversion Price shall be reduced to equal the Base Conversion Price. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. If the Company enters into a Variable Rate Transaction, despite the prohibition set forth Section 7(a), the Company shall be deemed to have issued Common Stock or Common Stock Equivalents at the lowest possible conversion price at which such securities may be converted or exercised. The Company shall notify the Holders in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 5(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice, the “Dilutive Issuance Notice”). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 5(b), upon the occurrence of any Dilutive Issuance, the Holders are entitled to receive a number of Conversion Shares based upon the Base Conversion Price on or after the date of such Dilutive Issuance, regardless of whether a Holder accurately refers to the Base Conversion Price in the Notice of Conversion.

c) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 5(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the “Purchase Rights”), then the Holder of will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of such Holder’s Note (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder’s right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d) Pro Rata Distributions. During such time as this Note is outstanding, if the Company declares or makes any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a “Distribution”), at any time after the issuance of this Note, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete Conversion of this Note (without regard to any limitations on Conversion hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder’s right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

e) Fundamental Transaction. If, at any time while this Note is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a “Fundamental Transaction”), then, upon any subsequent conversion of this Note, the Holder shall have the right to receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction (without regard to any limitation in Section 4(d) on the conversion of this Note), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the “Alternate Consideration”) receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Note is convertible immediately prior to such Fundamental Transaction (without regard to any limitation in Section 4(d) on the conversion of this Note). For purposes of any such conversion, the determination of the Conversion Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Conversion Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any conversion of this Note following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the “Successor Entity”) to assume in writing all of the obligations of the Company under this Note and the other Transaction Documents (as defined in the Purchase Agreement) in accordance with the provisions of this Section 5(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the holder of this Note, deliver to the Holder in exchange for this Note a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Note which is convertible for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon conversion of this Note (without regard to any limitations on the conversion of this Note) prior to such Fundamental Transaction, and with a conversion price which applies the conversion price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such conversion price being for the purpose of protecting the economic value of this Note immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Certificate of Designation and the other Transaction Documents referring to the “Company” shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Note and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein.

f) Calculations. All calculations under this Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 5, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Company) issued and outstanding.

g) Notice to the Holders.

i. Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 5, the Company shall promptly deliver to each Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Conversion by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Note, and shall cause to be delivered to each Holder at its last address as it shall appear upon the stock books of the Company, at least twenty (20) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K, provided that the requirement in this sentence shall only apply if any of the Company's securities are listed or quoted for public trading. Subject to the approval of the shareholders of the Company, which the undersigned agree to promptly carry out, the Holder shall remain entitled to convert the Conversion Amount of this Note (or any part hereof) during the 20-day period commencing on the date of such notice through the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 6. Automatic Conversion:

- f) Automatic Conversion. If this Note remains outstanding on or after the Maturity Date and all Equity Conditions have been met (other than the payment of the principal and interest due under the Notes) on each Trading Day through and including the later of the Maturity Date and the Trading Day after the date that the Conversion Shares issuable pursuant to such conversion are actually delivered to the Holder, then this Note shall be automatically be deemed to have converted into the Conversion Shares..
- g) Right of First Refusal in Future Offering. The Holder shall have the right to participate in future offerings of the Company as provided for in Section 4(c) of the Purchase Agreement.
- h) Registration Rights. The Holder shall have the registration rights granted pursuant to Section 4(d) of the Purchase Agreement.

Section 7. Negative Covenants. As long as any of the Notes are outstanding, unless the holders of at least 51% in the Principal Amount of the then outstanding Notes shall have otherwise given prior written consent, the Company shall not, and shall not permit any of the Subsidiaries to, directly or indirectly:

a) The Company shall be prohibited from effecting or entering into an agreement to effect any issuance by the Company or any of its Subsidiaries of Common Stock or Common Stock Equivalents (or a combination of units thereof) involving a Variable Rate Transaction. "Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive, additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon, and/or varies with, the trading prices of or quotations for the shares of Common Stock at any time after the initial issuance of such debt or equity securities or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock or (ii) enters into any agreement, including, but not limited to, an equity line of credit, whereby the Company may issue securities at a future determined price. Any Holder shall be entitled to obtain injunctive relief against the Company to preclude any such issuance, which remedy shall be in addition to any right to collect damages.

b) The Company shall be prohibited from offering or selling any Common Stock or Common Stock Equivalents in an offering where the net proceeds to the Company are less than \$10,000,000.

c) The Company shall be prohibited from entering into a Fundamental Transaction or, enter into, create, incur, assume, guarantee or suffer to exist any indebtedness for borrowed money of any kind, including but not limited to, a guarantee, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom;

d) other than Permitted Liens, enter into, create, incur, assume or suffer to exist any Liens of any kind, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom;

e) amend its charter documents, including, without limitation, its certificate of incorporation and bylaws, in any manner that materially and adversely affects any rights of the Holder;

f) repay, repurchase or offer to repay, repurchase or otherwise acquire shares of its Common Stock, Common Stock Equivalents or Junior Securities, other than as to the Conversion Shares as permitted or required under the Transaction Documents;

g) pay dividends or distributions on any equity securities of the Company;

h) enter into any transaction with any officer, director or any Affiliate of the Company which would be required to be disclosed in any public filing with the Commission, unless such transaction is made on an arm's-length basis and expressly approved by a majority of the independent directors of the Company (even if less than a quorum otherwise required for board approval);

i) So long as the Company shall have any obligation under this Note, the Company shall not, without the Holder's written consent, sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business. Any consent to the disposition of any assets may be conditioned on a specified use of the proceeds of disposition; or

j) enter into any agreement with respect to any of the foregoing.

Section 8. Redemption Upon Triggering Events.

a) "Triggering Event" means, wherever used herein any of the following events (whatever the reason for such event and whether such event shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

i. the Company fails to pay the principal hereof or interest thereon when due on this Note, whether at maturity, upon acceleration or otherwise;

ii. the Company shall fail to deliver Conversion Shares issuable upon a conversion hereunder that comply with the provisions hereof prior to the fifth Trading Day after such shares are required to be delivered hereunder, or the Company shall provide written notice to any Holder, including by way of public announcement, at any time, of its intention not to comply with requests for conversion of any the Notes in accordance with the terms hereof;

iii. the Company shall fail for any reason to pay in full the amount of cash due pursuant to a Buy-In within five calendar days after notice therefor is delivered hereunder within five days of the date due and payable;

iv. the Company shall fail to have available a sufficient number of authorized and unreserved shares of Common Stock to issue to such Holder upon a conversion hereunder;

v. unless specifically addressed elsewhere in this Note as a Triggering Event, the Company shall fail to observe or perform any other covenant, agreement or warranty contained in, or otherwise commit any breach of the Transaction Documents, and such failure or breach shall not, if subject to the possibility of a cure by the Company, have been cured within 10 calendar days after the date on which written notice of such failure or breach shall have been delivered;

vi. Reverse Splits. The Company effectuates a reverse split of its Common Stock without twenty (20) days prior written notice to the Holder.

vii. the Company shall fail to observe or perform any other covenant, agreement or warranty contained in, or otherwise commit any breach of the obligations in this Note, and such failure or breach shall not, if subject to the possibility of a cure by the Company, have been cured within 10 calendar days after the date on which written notice of such failure or breach shall have been delivered;

viii. the Company shall be party to a Change of Control Transaction;

ix. the Company shall have filed for protection under any bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights generally;

x. at any time on or after the two year anniversary of the Issue Date, the Common Stock shall fail to have completed a Public Offering;

xi. any monetary judgment, writ or similar final process shall be entered or filed against the Company, any subsidiary or any of their respective property or other assets for more than \$25,000, and such judgment, writ or similar final process shall remain unvacated, unbonded or unstayed for a period of 45 calendar days;

xii. The Company shall fail to maintain the listing of the Common Stock on at least one of the OTC Markets or any level of the Nasdaq Stock Market or the New York Stock Exchange;

xiii. The Company shall fail to comply with the reporting requirements of the 1934 Act and/or the Company shall cease to be subject to the reporting requirements of the 1934 Act.

xiv. The restatement of any financial statements filed by the Company with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding, if the result of such restatement would, by comparison to the unrestated financial statement, have constituted a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

xv. The DTC places a "chill" (i.e., a restriction placed by DTC on one or more of DTC's services, such as limiting a DTC participant's ability to make a deposit or withdrawal of the security at DTC) on any of the Company's securities.

xvi. A breach or default by the Company of any covenant or other term or condition contained in any of material agreements or instruments of the Company (including those filed as exhibits to the Company's filings with the SEC and including any other agreement or instrument between the Holder and its affiliates and the Company), after the passage of all applicable notice and cure or grace periods, shall, at the option of the Holder, be considered a default under this Note, in which event the Holder shall be entitled (but in no event required) to apply all rights and remedies of the Holder under the terms of this Note.

b) Upon the occurrence of a Triggering Event, each Holder shall (in addition to all other rights it may have hereunder or under applicable law) have the right, exercisable at the sole option of such Holder, to require the Company to redeem all of the Indebtedness then held by such Holder for a redemption price, in cash, equal to the Triggering Redemption Amount. The Triggering Redemption Amount, in cash shall be due and payable within five Trading Days of the date on which the notice for the payment therefor is provided by a Holder (the "Triggering Redemption Payment Date"). If the Company fails to pay in full the Triggering Redemption Amount hereunder on the date such amount is due in accordance with this Section, the Company will pay interest thereon at a rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law, accruing daily from such date until the Triggering Redemption Amount, plus all such interest thereon, is paid in full. For purposes of this Section, the Indebtedness is outstanding until such date as the applicable Holder shall have received Conversion Shares upon a conversion (or attempted conversion) thereof that meets the requirements hereof or has been paid the Triggering Redemption Amount in cash.

Section 9. Miscellaneous.

a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Conversion, shall be in writing and delivered personally, by facsimile, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above Attention: Robert Gruder via email: bgruder@klearcapture.com or such other email or address as the Company may specify for such purposes by notice to the Holders delivered in accordance with this Section 9. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile, or sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile number or address of such Holder appearing on the books of the Company, or if no such facsimile number or address appears on the books of the Company, at the principal place of business of such Holder, as set forth in the Purchase Agreement. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth in this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth in this Section on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

b) Absolute Obligation. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay liquidated damages, accrued dividends and accrued interest, as applicable, on the Notes at the time, place, and rate, and in the coin or currency, herein prescribed.

c) Lost or Mutilated Note. If a Holder's Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof reasonably satisfactory to the Company.

d) Cost of Collection. If default is made in the payment of this Note, the Company shall pay the Holder hereof costs of collection, including reasonable attorneys' fees.

e) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of Florida without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in Broward County, Florida (the "Florida Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the Florida Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such Florida Courts, or such Florida Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If any party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys' fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

f) Certain Amounts. Whenever pursuant to this Note the Company is required to pay an amount in excess of the outstanding principal amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest plus Default Interest on such interest, the Company and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Company represents stipulated damages and not a penalty and is intended to compensate the Holder in part for loss of the opportunity to convert this Note and to earn a return from the sale of shares of Common Stock acquired upon conversion of this Note at a price in excess of the price paid for such shares pursuant to this Note. The Company and the Holder hereby agree that such amount of stipulated damages is not plainly disproportionate to the possible loss to the Holder from the receipt of a cash payment without the opportunity to convert this Note into shares of Common Stock.

g) Waiver. Any waiver by the Company or a Holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note or a waiver by any other Holders. The failure of the Company or a Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Note on any other occasion. Any waiver by the Company or a Holder must be in writing.

h) Severability. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

i) Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note and any of the other Transaction Documents at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Note.

j) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

k) Headings. The headings contained herein are for convenience only, do not constitute a part of this Note and shall not be deemed to limit or affect any of the provisions hereof.

l) Amendment. This Note may be modified or amended or provisions hereof waived with the written consent of the Company and the Holder(s) of at least 51% of the then outstanding principal amount of all of the Notes.

SIGNATURE PAGE FOR CONVERTIBLE NOTE - SUMMIT

IN WITNESS WHEREOF, the undersigned has executed this Note as of the Issue Date.

Blue Sky Media Corp.,
a Wyoming corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBT A
DEFINITIONS

“Affiliate” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 of the Securities Act.

“Alternate Consideration” shall have the meaning set forth in Section 5(e).

“Base Conversion Price” shall have the meaning set forth in Section 5(b).

“Beneficial Ownership Limitation” shall have the meaning set forth in Section 4(d).

“Business Day” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

“Buy-In” shall have the meaning set forth in Section 4(c)(iv).

“Change of Control Transaction” means the occurrence after the date hereof of any of (a) an acquisition after the date hereof by an individual or legal entity or “group” (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of 33% of the voting securities of the Company (other than by means of conversion of the Indebtedness), (b) the Company merges into or consolidates with any other Person, or any Person merges into or consolidates with the Company and, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction own less than 66% of the aggregate voting power of the Company or the successor entity of such transaction, (c) the Company sells or transfers all or substantially all of its assets to another Person and the stockholders of the Company immediately prior to such transaction own less than 66% of the aggregate voting power of the acquiring entity immediately after the transaction, (d) a replacement at one time or within a one year period of more than one-half of the members of the Board of Directors which is not approved by a majority of those individuals who are members of the Board of Directors on the Issue Date (or by those individuals who are serving as members of the Board of Directors on any date whose nomination to the Board of Directors was approved by a majority of the members of the Board of Directors who are members on the Issue Date), or (e) the execution by the Company of an agreement to which the Company is a party or by which it is bound, providing for any of the events set forth in clauses (a) through (d) above.

“Closing” means the closing of the purchase and sale of the Securities pursuant to Section 2.1 of the Purchase Agreement.

“Closing Date” means the Trading Day on which all of the Transaction Documents have been executed and delivered by the applicable parties thereto and all conditions precedent to (i) each Holder’s obligations to pay the Subscription Amount and (ii) the Company’s obligations to deliver the Securities have been satisfied or waived.

“Commission” means the United States Securities and Exchange Commission.

“Common Stock” means the Company’s common stock, par value \$0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Conversion Amount” means the sum of the Principal Amount, accrued interest and any other amounts due under this Note.

“Conversion Date” shall have the meaning set forth in Section 4(a).

“Conversion Price” shall have the meaning set forth in Section 4(b).

“Dilutive Issuance” shall have the meaning set forth in Section 5(b).

“Dilutive Issuance Notice” shall have the meaning set forth in Section 5(b).

“Equity Conditions” means, during the period in question, (a) the Company shall have duly honored all conversions scheduled to occur or occurring by virtue of one or more Notices of Conversion of the applicable Holder on or prior to the dates so requested or required, if any, (b) all of the Conversion Shares issuable pursuant to the Transaction Documents may be resold pursuant to Rule 144 without volume or manner-of-sale restrictions or current public information requirements as determined by the counsel to the Company as set forth in a written opinion letter to such effect, addressed and acceptable to the Transfer Agent and the affected Holders, (c) the Common Stock is trading on a Trading Market and all of the shares issuable pursuant to the Transaction Documents are listed or quoted for trading on such Trading Market (and the Company believes, in good faith, that trading of the Common Stock on a Trading Market will continue uninterrupted for the foreseeable future), (d) there is a sufficient number of authorized, but unissued and otherwise unreserved, shares of Common Stock for the issuance of all of the shares then issuable pursuant to the Transaction Documents, (e) there is no existing Triggering Event and no existing event which, with the passage of time or the giving of notice, would constitute a Triggering Event, (f) the issuance of the shares in question (or, in the case of a call, the shares issuable upon conversion in full of the call amount) to the applicable Holder would not violate the Beneficial Ownership Limitation, (g) there has been no public announcement of a pending or proposed Fundamental Transaction or Change of Control Transaction that has not been consummated, and (h) the applicable Holder is not in possession of any information provided by the Company that constitutes, or may constitute, material non-public information

“Interest Payment Date” shall have the meaning set forth in the first paragraph of this Note.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Fundamental Transaction” shall have the meaning set forth in Section 5(e).

“GAAP” means United States generally accepted accounting principles.

“Holder” shall have the meaning given such term in the first paragraph of this Note.

“Junior Securities” means the Common Stock, all other Common Stock Equivalents and preferred stock of the Company other than those securities which are explicitly senior or pari passu to the Note in payment rights or liquidation preference.

“Liens” means a lien, charge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

“Liquidation” shall have the meaning set forth in Section 3.

“Florida Courts” shall have the meaning set forth in Section 11(e).

“Notice of Conversion” shall have the meaning set forth in Section 4(a).

“Issue Date” means the date of the first issuance of any of the Notes.

“Note” shall have the meaning set forth in the first paragraph of this Note and the term “Notes” shall mean all of the Notes issued by the Company pursuant to the Purchase Agreement.

“Permitted Lien” means the individual and collective reference to the following: (a) Liens for taxes, assessments and other governmental charges or levies not yet due or Liens for taxes, assessments and other governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves (in the good faith judgment of the management of the Company) have been established in accordance with GAAP, and (b) Liens imposed by law which were incurred in the ordinary course of the Company’s business, such as carriers’, warehousemen’s and mechanics’ Liens, statutory landlords’ Liens, and other similar Liens arising in the ordinary course of the Company’s business, and which (x) do not individually or in the aggregate materially detract from the value of such property or assets or materially impair the use thereof in the operation of the business of the Company and its consolidated Subsidiaries or (y) are being contested in good faith by appropriate proceedings, which proceedings have the effect of preventing for the foreseeable future the forfeiture or sale of the property or asset subject to such Lien.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Purchase Agreement” means the Securities Purchase Agreement, dated as of the Issue Date, among the Company and the original Holders, as amended, modified or supplemented from time to time in accordance with its terms.

“Public Offering” means the date on which the Company shall have completed a closing of any transaction that results, or series or related transactions that result, in: (i) the shares of Common Stock of the Company being registered under the Exchange Act; or (ii) the shares of Common Stock of the Company being exchanged for the shares of common stock of any corporation that are registered under the Exchange Act.

“Principal Amount” shall have the meaning set forth in the first paragraph of this Note.

“Registration Statement” means a registration statement covering the resale of the Underlying Shares by each Holder.

“Rule 144” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Share Delivery Date” shall have the meaning set forth in Section 4(c).

“Successor Entity” shall have the meaning set forth in Section 6(e).

“Subsidiary” means any subsidiary of the Company and shall, where applicable, also include any direct or indirect subsidiary of the Company.

“Trading Day” means a day on which the New York Stock Exchange is open for business.

“Transaction Documents” means this Note and the Purchase Agreement, all exhibits and schedules thereto and hereto and any other documents or agreements executed in connection with the transactions contemplated pursuant to the Purchase Agreement.

“Trading Market” shall have the meaning set forth in Section 4(e).

“Triggering Event” shall have the meaning set forth in Section 8(a).

“Triggering Redemption Amount” means the sum of (a) 130% of the Principal Amount, (b) all accrued but unpaid interest thereon and (c) all liquidated damages and other costs, expenses or amounts due in respect of this Note.

“Triggering Redemption Payment Date” shall have the meaning set forth in Section 8(b).

“Underlying Shares” means the shares of Common Stock issued and issuable upon conversion or redemption of this Note and issued and issuable in lieu of the cash payment of interest on the Principal Amount in accordance with the terms of this Note.

“Variable Rate Transaction” shall have the meaning ascribed to such term in Section 7(a) of the Purchase Agreement.

ANNEX A

NOTICE OF CONVERSION

(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT PROMISSORY NOTE)

The undersigned hereby elects to convert \$[] principal amount of the Note (defined below) into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of Blue Sky Media Corp., a Wyoming corporation (the "Company") according to the conditions of the Convertible Promissory Note of the Company dated as of October [], 2015 (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

By the delivery of this Notice of Conversion the undersigned represents and warrants to the Company that its ownership of the Common Stock does not exceed the amounts specified under Section 4 of this Note, as determined in accordance with Section 13(d) of the Exchange Act.

The undersigned agrees to comply with the prospectus delivery requirements under the applicable securities laws in connection with any transfer of the aforesaid shares of Common Stock.

Conversion calculations:

Date to Effect Conversion: _____

Balance of Principal Amount of the Note prior to Conversion: _____

Principal Amount of Note to be Converted: _____

Number of shares of Common Stock to be Issued: _____

Applicable Conversion Price: _____

Balance of Principal Amount of Note subsequent to Conversion: _____

Address for Delivery: _____

or

DWAC Instructions:

Broker no: _____

Account no: _____

[HOLDER]

By: _____
Name:
Title:

LIST OF SUBSIDIARIES

The Registrant has one subsidiary named:

Klear Kapture, Inc., a Delaware corporation

GILLESPIE & ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
10544 ALTON AVE NE
SEATTLE, WA 98125
206.353.5736

Consent of Independent Registered Public Accounting Firm

To the Board of Directors
Blue Sky Media Corporation

We hereby consent to the use in the foregoing Registration Statement on Form S-1 of our report dated August 14, 2015, with respect to the balance sheets of Blue Sky Media Corporation (the "Company") as of June 30, 2015 and 2014, and the related statements of operations, shareholders' equity/(deficit) and cash flows for the years then ended. We also consent to the reference to our firm under the caption "Experts" in the Registration Statement.

Gillespie & Associates, PLLC
Seattle, Washington
October 30, 2015

/S/ Gillespie & Associates, PLLC

NASDAQ rule used by the Company to determine whether a director is independent.

4200. Definitions

(a) For purposes of the Rule 4000 Series, unless the context requires otherwise:

(15) “Independent director” means a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship, which, in the opinion of the company’s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The following persons shall not be considered independent:

(A) a director who is, or at any time during the past three years was, employed by the company or by any parent or subsidiary of the company;

(B) a director who accepted or who has a Family Member who accepted any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current or any of the past three fiscal years, other than the following:

(i) compensation for board or board committee service;

(ii) payments arising solely from investments in the company’s securities;

(iii) compensation paid to a Family Member who is a non-executive employee of the company or a parent or subsidiary of the company;

(iv) benefits under a tax-qualified retirement plan, or non-discretionary compensation; or

(v) loans permitted under Section 13(k) of the Act.

Provided, however, that audit committee members are subject to additional, more stringent requirements under Rule 4350(d).

(C) a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the company or by any parent or subsidiary of the company as an executive officer;

(D) a director who is, or has a Family Member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the company made, or from which the company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:

(i) payments arising solely from investments in the company’s securities; or

(ii) payments under non-discretionary charitable contribution matching programs.

(E) a director of the listed company who is, or has a Family Member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the listed company serve on the compensation committee of such other entity; or

(F) a director who is, or has a Family Member who is, a current partner of the company’s outside auditor, or was a partner or employee of the company’s outside auditor who worked on the company’s audit at any time during any of the past three years.

(G) In the case of an investment company, in lieu of paragraphs (A)-(F), a director who is an “interested person” of the company as defined in section 2(a)(19) of the Investment Company Act of 1940, other than in his or her capacity as a member of the board of directors or any board committee.
