

PRESS RELEASE

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AbsoluteSKY: Wal-Mart Experience Good News for RFID Vendors

(Montreal, June 8, 2006) – AbsoluteSKY, Inc. (OTO:ABSY) reports that its own target retail customers are elated with positive market news now coming out of the University of Arkansas' RFID Research Center that detail even better-than-predicted RFID performance at Wal-Mart who single-handedly launched their own RFID program back in 2003. Wal-Mart's bold RFID initiative created a groundswell of interest across the globe and has been closely watched by retailers and industry specialists ever since.

In October 2005, researchers at the University of Arkansas had announced initial results of an independent study that estimated the impact of implementing RFID on out-of-stocks (OOS) at Wal-Mart at 16 percent - in itself very positive news. Now, as publicized in media reports on May 4, 2006, the researchers have revised their impact study reflecting as much as a 62 percent decrease in out-of-stocks for certain inventory items!

For AbsoluteSKY and its prospective retail customers this is all very good news. The Company has long-stated that the benefits, both direct and indirect, of implementing RFID at the store level will be extensive – OOS reduction being just one of them. The impact to Wal-Mart in this instance adds up to dramatic cost savings, increased sales and enhanced customer satisfaction.

In the referenced study, researchers collected the out-of-stock (OOS) rates of approximately 4,000 stock-keeping units (SKUs) at 12 pilot stores equipped with RFID technology, as well as 12 control stores without the technology. The RFID-enabled stores received inventory tagged at the case and pallet level from either Wal-Mart's own distribution centers, or directly from certain suppliers.

As stated by Bill Hardgrave, director of the University of Arkansas RFID Research Center "What Wal-Mart has done was simple. It used RFID data to add one key piece of information: Do we have it in the backroom? It's just a little tiny tweak—it didn't change the way it stocks shelves or the printout of the pick list—but the impact is phenomenal."

Importantly, AbsoluteSKY's technology brings RFID tagging well beyond the case and pallet level used at Wal-Mart to the point that it is able to provide Specialty Retailers with real-time Individual Item Level inventory tracking where even more benefits can be derived. The Company's intelliTRACKER™ RFID-based solution integrates multiple technologies to provide benefits that include, not only reduced out-of-stock rates as

witnessed by Wal-Mart, but also the ability to increase inventory turns, virtually eliminate missed sales and gain extensive real-time control over loss prevention.

As noted by John Frabasile, President and CEO of AbsoluteSKY, “For our range of specialty retail clients, and for our Company, this feedback is both timely and profound. These studies show very specific, credible results for one element of an RFID solution, and when employed at a very basic level – crates and pallets. As we prepare to roll-out full spectrum RFID solutions to the specialty retail market, our customers have become keenly aware of the extent to the benefits they can expect.”

Over this same timeframe, market predictions for RFID are becoming increasingly bullish with major research firms now estimating continued double-digit growth (worldwide growth up 39% in 2005), with global RFID spending rising to \$3 billion by 2010 – a six-fold increase from 2005. Other researchers post even more aggressive figures, estimating the size of the RFID market in North America alone to be \$2.7 billion, and \$6.1 billion worldwide!

“From a Company standpoint,” he continued, “We have to believe we are in the absolute right place at the right time. By all accounts the RFID market is booming and the interest we are seeing in our product solutions and technology is enormous.”

About AbsoluteSKY, Inc.

AbsoluteSKY, Inc. (ABSX.OTO) specializes in the design, development and implementation of Radio Frequency IDentification (RFID) technology that provides individual item-level inventory tracking for retail customers. Based in Montreal, Quebec, the Company’s business model combines strategic, creative and technical skills to deliver solutions that help its clients achieve their business objectives through the use of AbsoluteSKY’s breakthrough technology and extensive knowledge of their business operations. For more information visit: www.AbsoluteSKY.ca.

AbsoluteSKY's Safe Harbor Statement

Except for any historic information contained herein, the matters discussed in this press release contain forward-looking statements that involve risks and uncertainties, which are subject to section 27A of the Securities Act of 1933 and section 21E of the Exchange Act of 1934, and are subject to safe harbor created by these sections. Any statements that express or involve discussions with respect to predictions, beliefs, plans, projections, objectives, goals, assumptions of future events or performances are not statements of historical fact and may be "forward looking statements". Forward looking statements in this release may be identified through the use of such words as "expects", "anticipates", "estimates", "believes", or statements indicating certain actions "may", "could", or "might" occur. Actual results, performance or achievements could differ materially from those anticipated in such forward-looking statements, which involve numerous risks and uncertainties, including the Company's ability to market its products and services in a competitive environment as well as other factors.

For More Information Contact:

AbsoluteSKY, Inc.

Mr. Eric Boyd
Investor Relations

514.685.5554 Ext. 4007
Eric.Boyd@AbsoluteSKY.ca