

ASX Announcement

1 May 2014

Manager of Company Announcements

ASX Limited

Exchange Centre

20 Bridge Street

SYDNEY NSW 2001

By E-Lodgement

Statement of Capital Structure

The Company completed the acquisition of iCollege Holdings Pty Ltd. Set out below is a statement of the capital structure of the Company on the completion of the acquisition of iCollege Holdings Pty Ltd and the issue of securities pursuant to the prospectus dated 24 February 2014:

Capital Structure	Shares	Performance Shares	Options
Existing capital on issue	25,970,229	Nil	6,344,291
Consideration Securities	16,666,667	10,000,002	8,333,333
Issue under the Prospectus	13,383,950	Nil	Nil
TOTAL	<u>56,020,846</u>	<u>10,000,002</u>	<u>14,677,624</u>

*The existing options on issue and terms are as follows

11,667	Options exercisable at \$30.00 and expiring 28/8/14.
3,334	Options exercisable at \$30.00 and expiring 1/5/17.
5,955	Options exercisable at \$1.39 and expiring 8/7/14.
2,989,994	Options exercisable at \$0.20 and expiring 31/12/15.
3,333,341	Options exercisable at \$0.30 and expiring 31/3/19.

Statement of commitments

The table below sets out the application of actual funds received under the prospectus dated 24 February 2014 over a two year period.

Funds Available	\$
Existing cash reserves	794,345
Funds raised from the offer	2,676,790
Totals	3,471,135

Allocation of Funds	\$	%
Expenses of the offer	291,299	8.39%
Advertising	625,819	18.03%
Course development	1,472,517	42.42%
Digital marketing	350,000	10.08%
Miscellaneous	39,500	1.14%
Working Capital	692,000	19.94%
TOTALS	3,471,135	100.00%

Pro-forma Balance Sheet

The table below sets out the financial position of the Company, updated to include actual the amount of funds raised pursuant to the prospectus dated 24 February 2014.

	Notes	(Unaudited) 8 April 2014 \$	(Unaudited) Pro-forma \$
Current Assets			
Cash assets	1	3,471,135	3,263,278
Receivables		18,311	18,311
Other current assets		2,625	2,625
Total current assets		3,492,071	3,284,214
Net Current Assets			
Property, plant & equipment		20,150	20,150
Intangible assets	2	31,994	1,656,994
Total non-current assets		52,144	1,677,144
Total assets		3,544,215	4,961,358
Current Liabilities			
Trade payables		2,531	2,531
Total current liabilities		2,531	2,531
Total liabilities		2,531	2,531
Net assets		3,541,684	4,958,827
Equity			
Issued capital	3	29,212,118	30,462,118
Share issue cost	4	(274,696)	(482,553)
Options reserve	5	116,130	491,130
Accumulated losses		(25,511,868)	(25,511,868)
Total equity		3,541,684	4,958,827

Note 1: Cash

	\$
Balance at 8 April 2014	3,471,135
Expenses of the issue	(207,857)*
Closing balance	3,263,278

*The difference between the expenses of the Offer on the Statement of Commitments and the Pro-forma Balance Sheet is because \$83,442 of the total expenses of the issue had already been paid by the Company as at 8 April 2014.

Note 2: Intangible Assets

	\$
Balance at 8 April 2014	31,994
Acquisition of intellectual property	1,625,000
	1,656,994

Note 3: Issued capital

	\$
Balance at 8 April 2014	29,212,118
Exercise of option to acquire iCollege	1,250,000
Closing balance	30,462,118

Note 4: Share issue cost

	\$
Balance at 8 April 2014	(274,696)
Share issue costs pursuant to the issue of securities under the Prospectus	(207,857)
Closing balance	(482,553)

Note 5: Options reserve

	\$
Balance at 8 April 2014	116,130
Exercise of option to acquire iCollege	375,000
Closing balance	491,130

END