
ASX Announcement

31 October 2014

ASX RELEASE

APPENDIX 4C – QUARTERLY CASH FLOW REPORT AND QUARTERLY UPDATE – SEPTEMBER 2014

iCollege Limited (ASX: ICT) (“iCollege” and “the Company”) lodges the attached Appendix 4C Quarterly Report for entities admitted on the basis of commitments for the quarter ended 30 September 2014.

- The Company held cash reserves of \$1,942,000 at 30 September 2014
- Net financing inflows for the September quarter were \$170,000 resulting from successful capital raising via the non-renounceable rights issue, as announced on 25 July 2014
- Success launch of Learning Management System (www.icollege.net)
- Acquisition of The Bookkeeping School and Dynamic Learning Services Pty Ltd

Loyalty Option

On 18 June 2014, iCollege announced to undertake a fully underwritten non-renounceable rights issue of one option to acquire a fully paid ordinary share in the capital of the Company (exercisable at 20 cents on or before the date which is 3 three years from the date of issue) for every 3 shares held by shareholders at the record date to raise up to A\$186,736 before costs, which was finalised on 25 July 2014.

Platform Launch

On 10 July 2014, the Company announced the launch of its commercial education website (www.icollege.net) and initial course portfolio. The website offers a range of online courses to students requiring vocational education and

training across major English speaking countries including: the United States, Canada, United Kingdom, Ireland, Australia, New Zealand, South Africa and Singapore.

Following the successful launch last month of its fully functional Learning Management System, iCollege has taken the platform live and offered its first round of courses to students. The courses are optimised for both Android and iOS devices (including the iPad and iPhone) and offers students a fully integrated learning experience which is uniquely customised, accessible and affordable.

The Bookkeeping School Acquisition

On 3 September 2014, iCollege announced that it has entered into a binding Heads of Agreement (“Agreement”) to acquire 100% of the shares in Bookkeeping School Pty Ltd, a Registered Training Organisation (RTO). Under the Heads of Agreement, iCollege will acquire 100% of the shares in the Company for a cash payment of \$115,000. The acquisition is subject to further due diligence and contractual agreements.

The acquisition of this Registered Training Organisation (RTO) provides iCollege with a vehicle to pursue growth in the accredited education course market. Bookkeeping School currently offers certificate-level bookkeeping and accounting courses to over 100 students. This compliments the company’s existing course portfolio and current strategy within the non-accredited education course market.

Dynamic Learning Services Acquisition

On 20 October 2014, the Company announced that it entered into a binding Heads of Agreement (“HOA”) to acquire 100% of the shares in Dynamic Learning Services Pty Ltd (“DLS”). DLS is an accredited Vocational Education and Training (VET) Registered Training Organisation (RTO), which provides educational courses across Australia, Singapore, India, Malaysia and Vietnam. The courses are currently 100% classroom-based and upon completion of the acquisition will be integrated onto iCollege’s mobile optimised online platform. The acquisition is subject to further due diligence and contractual agreements.

The strategic acquisition of DLS is highly complementary and enhances iCollege’s course portfolio offering to include Hospitality, Business Administration, Management, Real Estate, Aged Care, Retail, Process & Competitive Manufacturing, Workplace Health & Safety, Training & Assessment and courses specific to the mining sector and career transition.

DLS brings significant turnover and EBIT, generating \$2.98m in revenue and \$1m in EBIT for the financial year ended 30 June 2014. In addition, DLS has established an international footprint with proven success of implementing

education and training programs across a number of countries including: China, India, Sri Lanka, Malaysia, Vietnam, Australia, and Russia.

Appointment of Mr Ross Cotton as Executive Director

During the quarter, iCollege announced the appointment of Mr Ross Cotton as Executive Director of the Company. Mr Cotton will focus on acquisitions, financing and promotional activities for the Company which will allow Mr Hawkins to focus on operational matters and the implementation of the Company's new acquisitions.

For further information contact:

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About iCollege Limited:

iCollege Limited (ASX: ICT) is an online training organisation that provides practical and comprehensive specialist education to students all over the world. Launching in 2014 to help students and employees stay relevant in an ever-changing employment environment, the 100 per cent online education provider creates more engaging content and training experiences for the student and working community who are seeking to get ahead and advance their knowledge and current skill sets.