
ASX Announcement

3 December 2014

Australian Securities Exchange Limited

Via e-lodgement – ASX Code ICT

iCOLLEGE COMPLETES ACQUISITIONS & CAPITAL RAISING

HIGHLIGHTS

- iCollege has completed Due Diligence and will enter into a fully binding Share Sale Agreement to acquire Dynamic Learning Solutions Pty Ltd (“**DLS**”)
- Acquisition of the The Bookkeeping School Pty Ltd (“**Bookkeeping School**”) has been completed and a fully binding Share Sale Agreement executed
- iCollege will leverage its 100% mobile optimised Learning Management System to the DLS and Bookkeeping School businesses to allow for the online delivery of courses and management of students
- iCollege online platform set to migrate to new address in December 2014 – iCollege.edu.au
- Firm commitments are in place to raise \$500,000 at \$0.15 which provides adequate cash for the settlement of the acquisitions
- Further complementary EPS accretive acquisitions in Australia and South East Asia are currently under review

iCollege Ltd (ASX: ICT) ("iCollege" or "the Company"), is pleased to announce it has made significant progress in its strategy of identifying training and education businesses that can be acquired on attractive earnings multiples and grown via leveraging iCollege's online delivery platform.

Completion of Due Diligence on Dynamic Learning Solutions Pty Ltd

iCollege is pleased to announce that following completion of the due diligence period, the company has now proceeded to execute a fully binding Share Sale Agreement to acquire 100% of the issued capital of Registered Training Organisation ("RTO"), Dynamic Learning Solutions Pty Ltd ("**DLS**").

DLS is an accredited Vocational Education and Training (VET) Registered Training Organisation, which provides educational courses across Australia and Asia. The courses are currently 100% classroom-based and will be integrated onto iCollege's mobile optimised online platform.

DLS brings significant turnover and EBIT, generating \$2.98m in revenue and \$1m in EBIT for the financial year ended 30 June 2014.

Variation on Acquisition Terms for DLS

iCollege is pleased to announce that in the interests of aligning the interests of both parties in meeting the performance target for FY15 set out in the Acquisition terms, DLS have agreed to reduce the upfront cash consideration from \$1.5m to \$1m.

If the performance milestone of \$1.3m EBIT is achieved by DLS in FY15, the vendors may recoup the \$500k reduction in the upfront payment, by receiving a \$500k increase in the first milestone payment, taking it from \$500k to \$1m.

Therefore while the total acquisition consideration remains unchanged, iCollege is pleased that the management of DLS were able to demonstrate their confidence in the business and dedication to meeting performance milestones as set out in the Acquisition terms.

Completion of the Acquisition of The Bookkeeping School Pty Ltd

iCollege has additionally executed a fully binding Share Sale Agreement to acquire 100% of the issued capital of The Bookkeeping School Pty Ltd ("Bookkeeping School"), an RTO operating a number of accredited accounting and bookkeeping courses online.

The courses offered complement iCollege's existing course portfolio and will be integrated onto the company's existing online learning platform and marketing strategy.

Additionally the acquisition paves the way for iCollege to migrate from iCollege.net to iCollege.edu.au. This process is underway and expected to be completed by the end of December 2014.

Placement Completion

iCollege is pleased to announce it has firm commitments in place for the placement of 3,333,334 shares at \$0.15, to raise \$500,000. The Placement shares were offered with a 1 for 2 free attaching listed option (ASX.ICTO) and was subscribed to by key strategic Sophisticated investors. The placement was a Condition Precedent of the DLS acquisition as previously announced on the 20th October, and was completed under the company's existing 7.1 and 7.1A Placement capacity.

The Placement attracted a fixed management fee of \$5000 and 1,666,667 listed options (ASX.ICTO). The Lead Manager to the Placement was Colonial Capital Management Pty Ltd, a company of which Mr Phillip Re holds an interest and acts as a non-executive director.

-ENDS-

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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.