12 January 2016

Australian Securities Exchange Limited
Via e-lodgement – ASX Code ICT

ACQUISITION OF CELTIC TRAINING & CONSULTANCY PTY LTD COMPLETED & UPDATE ON FUNDRAISING

- **Acquisition of Celtic completed**
- **Funding received of $1.125M through issue of Convertible Notes**
- **$0.5M of existing Convertible Notes rolled over until 31 March 2017**

iCollege Ltd ("ICT or the Company") is pleased to announce that it has completed Settlement in accordance with the Share Sale Agreement (SSA) with Celtic Training & Consultancy Pty Ltd ("Celtic"). $375,000 has been paid in cash together with $375,000 in ICT Shares, escrowed until 31 October 2016; this now completes payment of the initial purchase price under the SSA.

Integration of Celtic Training into the broader Group has begun in earnest. David Leigh–Ewers has joined the iCollege executive team. Celtic Training has received approval for Queensland Government funding and the first courses will begin during January 2016. Formal notifications of the change in ownership are currently being processed by all relevant bodies including ASQA and DET Queensland. "The integration of Celtic Training within iCollege will bring to fruition my ambitions for Celtic to become a national player in the VET sector," said David, "all of my team are all thrilled with this start to the year and look forward to being part of the success that will flow from this union".

Executive Chairman Mr. Ross Cotton commented that "The iCollege executive is extremely excited to have completed the acquisition of Celtic Training. Celtic has already begun to generate significant additional training revenue and this acquisition cements the pathway for iCollege to become a high quality competitor in the allied health and community services sector. I am looking forward to continuing to develop these opportunities with David and the team at Celtic."

The Company also announces that it has entered into two Convertible Loan facilities with four new stakeholders.

Key terms of Facility 1

- Facility: $375,000
- Purpose: For the settlement and acquisition of Celtic
- Maturity: 45 days from drawdown unless otherwise converted into Fully Paid Ordinary Shares issued on the same conditions as the Rights Issue as announced on 19 October 2015, at an issue price on conversion of 10 cents and 1 free option to acquire a share in the Company for every 2 shares issued on conversion of the Notes, exercisable at 20 cents and expiring 24 July 2017.
- Security: First ranking security interest over iCollege Limited and its wholly owned subsidiaries with the exclusion of Celtic
- Interest: The facility has been negotiated on normal commercial terms

Key terms of Facility 2

- Facility: $750,000
- Purpose: Working capital applied towards revenue growth and the 2016 strategic objectives
- Maturity: 12 months from drawdown unless otherwise converted into Fully Paid Ordinary Shares issued on the same conditions as the Rights Issue as announced on 19 October 2015, at an issue price on conversion of 10 cents and 1 free option to acquire a share in the Company for every 2 shares issued on conversion of the Notes, exercisable at 20 cents and expiring 24 July 2017.
- Security: Unsecured
- Interest: The facility has been negotiated on normal commercial terms.

$500,000 of existing convertible notes held by a cornerstone investor, have been rolled over for a further 12 months following acceptance of an agreement to vary the conversion terms to that of the Rights Issue as announced on 19 October 2015. The issue price on conversion is 10 cents (down from 15 cents) and are issued one (1) free option to acquire a share in the Company for every two (2) shares issued on conversion of the Notes, exercisable at 20 cents and expiring 24 July 2017.

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For further Information:
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About iCollege Limited:

iCollege Limited is an ASX listed training organisation positioned to become one of Australia's leading educators.

iCollege has a demonstrated commitment and clear strategy to provide ethical and sustainable training to Australian students through over 170 accredited and non-accredited courses. This has enabled the Company to achieve high quality student outcomes, including course completion rates of over 70 per cent of students, against an industry average of around 35 per cent. iCollege students have excellent employment prospects upon graduation and are assisted through iCollege’s growing network of strategic partnerships with peak industry bodies, like the Western Australian Business Association and Clubs Queensland.

This strategy and the outstanding student outcomes it produces have facilitated iCollege’s shift to a user pay revenue model, accompanied by additional income from State Government funding programs. Additionally, iCollege is paving the way for fresh funding sources for students from both the public and private sectors, through its network of partnerships. As well as organic growth, iCollege is pursuing a targeted acquisition strategy to build the Company’s portfolio of Registered Training Organisations.

About Celtic Training and Consultancy Pty Ltd:

Celtic was incorporated in 2005 in response to a need for consistent, quality training in the aged care sector. The company now offers more than 30 qualifications, covering foundation skills through to advanced diplomas in personal care, administration, training & assessment, nursing, health & safety and injury management.

Celtic's core client base is residential and community aged care groups, disability agencies, hospitals and government departments. A key driver of growth will be through the Company's Workplace Health & Safety and Injury Management training, allowing Celtic to leverage its existing training and education offerings to a broader range of industry sectors.

Furthermore, the recent utilisation of an e-learning platform has allowed Celtic to provide a blended learning experience (rather than the historical face-to-face training conducted in South Australia), and expand its business nationally.