

ASX Announcement

July 31, 2017

JUNE QUARTER UPDATE

- Cash receipts from customers increased by \$77k over the previous quarter, reflecting an increase in student enrolments in Celtic Training in South Australia which currently stands at 450 students enrolled in training courses, which will contribute to cash collections over the 2018 Financial Year in excess of \$2M. Included in this result are the initial enrolment of students referred to Celtic under the five-year exclusive Agreement with Ubercare Services Pty Ltd (Ubercare)
- Due to changes in Federal Government funding regulations, the Company had to transition all students involved in the Diploma of Sports Development program to the Company's partner BCA National Training. This was completed during the quarter. Post January 2017 the course was being delivered at a loss due to the changes in funding regulations, which did not enable the company to enrol sufficient students to recovery course delivery costs. This will result in a lower cash burn rate on course delivery;
- Included in the period were legal and professional costs involved in the due diligence review undertaken on the Friendship Games, the Lara Group PLC acquisition and Australian Capital College;
- The company has discontinued its Queensland corrections program so it can focus on its core course offerings through Celtic Training in South Australia;
- Repayment in cash of a Convertible Note of \$0.5M was completed, funded by the Share Placement that was completed in the March quarter.
- The Company remains in discussion with a core shareholder group in relation to ongoing funding for expansion of the Celtic business.

- Ends -

For further Information:

Mr. Matt Sutherland
Chief Operating Officer

icollege.edu.au

Corporate inquiries
+61 8 9466 9008

Investor inquiries
investors@icollege.edu.au

Media inquiries
media@icollege.edu.au

College Limited
+61 8 9466 9008
Matt.sutherland@icollege.edu.au

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

iCollege Limited

ABN

75 105 012 066

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	563	2,047
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	(226)
	(d) leased assets	-	-
	(e) staff costs	(164)	(965)
	(f) administration and corporate costs	(540)	(2,396)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(42)	(279)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Costs of course delivery)	(115)	(707)
1.9	Net cash from / (used in) operating activities	(298)	(2,526)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Celtic vendors for debtors received pre acquisition date	-	(80)
2.6	Net cash from / (used in) investing activities	-	(80)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	(220)	4,330
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(409)
3.5	Proceeds from borrowings	25	175
3.6	Repayment of borrowings	(500)	(1,500)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(695)	2,596

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,003	20
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(298)	(2,526)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(80)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(695)	2,596

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	10	10

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10	1,003
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10	1,003

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
19
-

Director fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

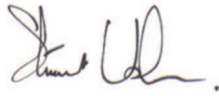
--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	130
9.6 Administration and corporate costs	200
9.7 Other (Costs of course delivery)	50
9.8 Total estimated cash outflows	380

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Company Secretary

Date: 31 July 2017

Print name: Stuart Usher

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.