



ASX / MEDIA RELEASE

16 JUNE 2020

RedHill Education Limited

Announcement of \$12.0 million pro-rata accelerated non-renounceable entitlement offer and institutional placement

RedHill Education Limited ("RedHill" or "the Company") (ASX: RDH) is pleased to announce a capital raising of approximately \$12.0 million to enhance its balance sheet and increase its available cash to support the business during the economic uncertainties caused by the global COVID-19 pandemic, and to have sufficient funds available for future recovery and operational change initiatives when pandemic conditions improve (**Capital Raising**).

Capital Raising

The Capital Raising will comprise:

- an institutional placement to raise approximately \$4.6 million ("**Placement**"); and
- a fully underwritten 1 for 2.5 pro-rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**") to raise approximately \$7.4 million, comprising an offer to eligible institutional shareholders ("**Institutional Entitlement Offer**") and an offer to eligible retail shareholders ("**Retail Entitlement Offer**");

together raising approximately \$12.0 million.

Approximately 20 million new ordinary shares (**New Shares**) will be issued (equivalent to approximately 65% of existing RedHill shares on issue). All shares offered under the Capital Raising will be issued at a price of \$0.60 per New Share, which represents an approximate 9.0% discount to the 5 day VWAP as at 15 June 2020.

Each New Share issued under the Capital Raising will rank equally with existing shares on issue and will be quoted on ASX Limited.

Placement

All New Shares offered under the Placement will be issued at the same price as New Shares issued under the Institutional Entitlement Offer (\$0.60 per share). New Shares issued under the Placement do not have rights to participate in the Entitlement Offer and represent the Company's full 25% placement capacity under Listing Rule 7.1 (as amended by the recent ASX class waiver).

The Placement is not underwritten.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer. The Institutional Entitlement Offer will open today, 16 June 2020.

Eligible institutional shareholders can choose to take up their entitlement in whole, in part or not at all.

In addition, under the Institutional Entitlement Offer, New Shares equal in number to those attributable to entitlements not taken up by eligible institutional shareholders, together with New Shares attributable to entitlements which would otherwise have been offered to institutional shareholders in ineligible jurisdictions, will be offered to institutional shareholders.

Retail Entitlement Offer

Every RedHill retail shareholder registered as a shareholder in Australia or New Zealand as at 7:00pm AEST on 18 June 2020 ("**Eligible Retail Shareholders**") will be entitled to participate in the Retail Entitlement Offer on the terms and subject to conditions set out in the retail offer booklet to be sent to Eligible Retail Shareholders in relation to the Retail Entitlement Offer ("**Retail Offer Booklet**").

The Retail Entitlement Offer will open on 22 June 2020 and close at 5:00 pm AEST on 2 July 2020.

In addition to each Eligible Retail Shareholder's entitlement under the Retail Entitlement Offer, Eligible Retail Shareholders will be offered the opportunity to apply for additional New Shares ("**Top-Up Facility**"). Eligible Retail Shareholders are not assured of being allocated any New Shares in excess of their entitlement under the Top-Up Facility which will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. RedHill retains absolute discretion regarding allocations under the Top-Up Facility.

RedHill may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

The Retail Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or be otherwise transferable. Shareholders who do not take up their full entitlement will not receive any payment or value in respect of entitlements they do not take up and their percentage equity interest in RedHill will be diluted.

The Retail Entitlement Offer is fully underwritten and lead managed by Veritas Securities Limited.

MinterEllison is acting for RedHill in respect of the Capital Raising.

Indicative Timetable

Trading halt and announcement of Capital Raising Placement and Institutional Entitlement Offer opens	16 June 2020
Institutional Entitlement Offer and Placement close	16 June 2020
Announcement of results of Institutional Entitlement Offer and Placement	18 June 2020
Trading halt lifted – shares recommence trading on ASX on an "ex-entitlement" basis	18 June 2020
Record Date for determining entitlement to participate in Entitlement Offer (7:00pm AEST)	18 June 2020
Retail Offer Booklet dispatched and Retail Entitlement Offer opens	22 June 2020
Settlement of Institutional Entitlement Offer and Placement	23 June 2020

Issue of New Shares under Institutional Entitlement Offer and Placement	24 June 2020
Retail Entitlement Offer closes (5:00pm AEST)	2 July 2020
Settlement of Retail Entitlement Offer	8 July 2020
Issue of New Shares under the Retail Entitlement Offer	9 July 2020
Dispatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	10 July 2020

The above timetable is indicative only and subject to change. The commencement and quotations of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, RedHill reserves the right to amend this timetable at any time without notice.

Director Participation

RedHill's non-executive directors plan to participate in sub-underwriting up to a total of \$380,000 of the Retail Entitlement Offer, but will not be paid any sub-underwriting or other fees for doing so.

Further Information

Further details on the Capital Raising are set out in the Investor Presentation also provided to ASX today. The Investor Presentation contains important information including key risks with respect to the Capital Raising and foreign selling restrictions with respect to the Capital Raising.

If you have any questions in relation to the Capital Raising, please use the contacts below:

Lisa Jones
Company Secretary
Email: lisa.jones@redhilleducation.com

Michael Fahey
Chief Financial Officer
Email: michael.fahey@redhilleducation.com

For other questions you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

Authorised for release to ASX by the Board of Directors of RedHill.

ENDS

ABOUT REDHILL

RedHill has a portfolio of quality education businesses at the premium end of the private education market to capitalise on the demand for higher education, vocational training and English language programmes. For further information refer to our website www.redhilleducation.com.

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