

20 November 2015

Market Update

The Company refers to previous announcements and confirms that Phoenix received notices from the Federal Department of Education and ASQA inviting Phoenix to provide reasons why:

1. the payment of certain VET FEE Help funds should not be suspended and its VET provider accreditation should not be terminated; and
2. its licence to operate as an RTO should not be cancelled.

Phoenix responded to the Department of Education in good faith providing all requested information by 26 October, however received further requisitions and advice that the Department would further defer the suspended payments. Phoenix addressed the further requisitions by the due date of 13 November. Phoenix awaits any further requests for information or advice of a determination by the Department of Education.

Phoenix responded to ASQA in good faith providing all requested information by the due date of 9 November. Phoenix is awaiting from ASQA advice that it is satisfied with the information and submissions provided by Phoenix or that they have further requisitions.

Phoenix does not know at this time when it will hear from the Department of Education or ASQA or what the responses from each regulator might involve.

Given the uncertainty around the possible outcome of the regulators determinations, the Company does not believe that lifting its suspension and recommencement of trading in its shares will enable investors to trade shares in the Company based on the market being fully informed.

The Company has therefore sought an extension to its suspension until 18 December or such earlier date as the Company is satisfied that it has received a response from the regulators which will fully inform the market of the outcome.

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