

10 February 2016

Company Update

The Company previously advised that Phoenix had received a number of Notices from the Department of Education and Training (DET) and that it was addressing the same. A Notice received by Phoenix on 12 October 2015 advised that DET was proposing to suspend the registration of Phoenix as a VET provider. Further Notices were received on 29 January 2016. They provided that DET is suspending the approval of Phoenix as a VET provider and that DET is considering revoking Phoenix's approval as a VET provider. Phoenix has 28 days to provide written submissions as to why DET should not proceed with the revocation. The Company does not agree that such revocation should take place and is putting together submissions to address concerns raised by DET.

Separately, the Company advised the market on 24 December 2015 that the Federal Court had ordered that the parties to the proceedings concerning the deferred payments mediate in late January/early February 2016. The mediation was held on 2 February 2016 and did not result in a settlement. Accordingly, the Company is pursuing its remedies through Federal Court proceedings on the 11 and 12 February 2016.

The Company will keep the market updated as matters proceed.



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Australian Careers Network Group (ASX: ACO) is a full service vocational education and training provider encompassing student marketing and recruitment, direct and subcontracted education and training delivery (registered and non-registered), the issuing of registered qualifications, tracking, processing and reporting functions under the Australian Skills Quality Authority (ASQA) and the Victorian Registration and Qualifications Authority (VRQA).

Its primary services include workplace training and classroom based accredited certificates and diplomas, heavy equipment licensing, simulative and flexible learning, industry-experienced training and assessment and partnering with job seeking agencies to provide employment pathways to students seeking employment upon completion of a qualification.