

27 October 2015

Dear Shareholder

## NON-RENOUNCEABLE RIGHTS ISSUE – SHAREHOLDER NOTICE

The Directors of iCollege Limited ("**ICT or the Company**") announced on 19 October 2015 a pro-rata non-renounceable rights issue (Rights Issue) to raise up to \$1,673,366 before costs.

Eligible shareholders have the opportunity to subscribe on the basis of one (1) Share for every four (4) shares at a price of \$0.10 with a free attaching ICTO listed option exercisable at \$0.20 on or before 24 July 2017 on a One (1) for two (2) basis held by shareholders.

The Directors have determined that the Record Date for the offer under the Rights Issue is 5pm (AEST) on 30 October 2015. Accordingly, those persons who are registered as a Shareholder on the Record Date and are otherwise considered to be an Eligible Shareholder will be eligible to participate in the offer pursuant to the Rights Issue.

The Company will apply for official quotation by ASX of the Shares and Options to be issued pursuant to the Rights Issue. In calculating entitlements under the Rights Issue fractions will be rounded up to the nearest whole number.

Funds raised by the Company from the Rights Issue will be applied as follows:

Use of funds	Full Subscription	%
Expenses of the offer	\$117,136	7%
Working Capital	\$251,005	15%
Business Acquisitions	\$351,407	21%
Market & integration of existing course offerings	\$334,673	20%
Investment in training initiatives with corporates, government & peak industry bodies	\$619,145	37%
<b>Total</b>	<b>\$1,673,366</b>	<b>100%</b>

The timetable and important dates of the Rights Issue are:

Event	Date
Announcement of Offer, Appendix 3B, cleansing notice and Offer Document lodged with ASX	23 October 2015
Notice sent to Shareholders	27 October 2015
'Ex' date <sup>1</sup>	28 October 2015
Record Date (5.00pm (AEST)) <sup>2</sup>	30 October 2015
Offer Document sent to Eligible Shareholders and announcement of issue of the Offer Document	4 November 2015
Opening Date	4 November 2015
Closing Date (5.00pm (AEST))	17 November 2015
Deferred settlement trading commences	18 November 2015
ASX notified of any under-subscriptions	20 November 2015
Issue of new Securities and deferred settlement trading ends	24 November 2015
Issue of holding statements and commencement of trading of new Securities	25 November 2015

**Notes:**

1. The date from which Shares commence trading without the entitlement to participate in the Offer.
2. The date for determining the Entitlements of Eligible Shareholders to participate in the Offer.

**Note:** These dates are determined based upon the current expectations of the directors and may, subject to the ASX Listing Rules, be changed without notice. The directors may extend the closing date by giving at least 3 business days' notice to ASX prior to the closing date.

The Company and DJ Carmichael Pty Ltd (DJC) have entered into a Corporate Advisory Services Mandate pursuant to which DJC will act as Lead Manager to the rights issue shortfall where it will establish and facilitate demand, on a best endeavours basis, for any rights issue shortfall.

An Offer Document will be mailed to all shareholders eligible to participate, including an Entitlement and Acceptance Form which will entitle eligible shareholders to take up their respective entitlements from 4 November 2015 until the Closing Date. Eligible shareholders will be able to apply for additional securities over and above their entitlement as part of the shortfall offer. Further details of the shortfall are contained in the Offer Document.

I encourage shareholders to carefully read the Offer Document when you receive it in the post and consider investing in the Rights Issue.

Yours sincerely



Ross Cotton  
Executive Chairman