



ASX ANNOUNCEMENT

AFFINITY EDUCATION GROUP LIMITED

ASX:AFJ

12 March 2015

Affinity Education Group Limited – notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Affinity Education Group Limited ACN 163 864 195 (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) as modified by the Australian Securities and Investments Commission's Class Order [CO 08/35] (**Corporations Act**).

The Company has announced a 8 for 21 accelerated pro rata renounceable entitlement offer of approximately 63.8 million fully paid ordinary shares, each at an offer price of \$1.18 per share (**Entitlement Offer**). Shareholders on the record date with a registered address in Australia, New Zealand and certain other jurisdictions, as determined by the Company, (**Eligible Jurisdictions**) will be eligible to participate in the Entitlement Offer. The record date for the Entitlement Offer is 7.00 pm (Sydney time) on Tuesday, 17 March 2015.

The Entitlement Offer is fully underwritten by CBA Equities Limited and Canaccord Genuity (Australia) Limited (**Joint Lead Managers and Underwriters**). After the close of each of the institutional component of the Entitlement Offer and the retail component of the Entitlement Offer, the Joint Lead Managers and Underwriters will conduct a bookbuild process to sell unexercised entitlements (including the entitlements of ineligible shareholders) to institutional investors.

The Company gives notice that:

- 1 the Company will offer the shares under the Entitlement Offer without disclosure to investors under Part 6D.2 of the Corporations Act;
- 2 as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act;
- 3 as at the date of this notice, there is no "excluded information" (as defined in section 708AA(8) of the Corporations Act) which is required to be disclosed by the Company; and
- 4 the potential effect the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including the extent to which eligible shareholders participate in the Entitlement Offer and existing shareholdings.

However, as the Entitlement Offer is a pro rata issue, and given the current level of holdings of substantial holders (based on substantial holder notices that have been given to the Company and lodged with ASX before the time this notice is released), the Entitlement Offer is not expected to have any material effect on the control of the Company and, as a result, there are not expected to be any consequences flowing from that effect.

Yours sincerely

Affinity Education Group Limited

A handwritten signature in black ink, appearing to read 'Paul v G', with a long, sweeping horizontal stroke extending to the right.

Paul Cochrane
Company Secretary

