

14 June 2016

Dear Optionholder

## FULLY UNDERWRITTEN NON-RENOUCEABLE RIGHTS ISSUE – OPTIONHOLDER NOTICE

The Directors of iCollege Limited ("**ICT or the Company**") announced on 26 May 2016 a Fully Underwritten Pro-rata Non-renounceable Rights Issue (Rights Issue) to raise up to \$3.1M before costs.

Eligible shareholders have the opportunity to subscribe on the basis of one (1) Share for every one (1) Share at a price of \$0.04 with a free attaching option exercisable at \$0.08 expiring three years from issue on a One (1) for Two (2) basis held by shareholders. The Company intends on applying to the ASX to have the Options quoted ("Rights Issue").

Pursuant to the terms of the options that were issued to you, the Company is required to notify you of your right to participate in any pro rata issue of securities if you exercise your options prior to the record date for the Entitlement Offer.

Accordingly, take notice that in order to participate in the Entitlement Offer, you will need to exercise your options prior to the record date for the Entitlement Offer, being 5pm (AEST) 20 June 2016.

The Directors have determined that the Record Date for the offer under the Rights Issue is 5pm (AEST) on 20 June 2016. 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.

The timetable and important dates of the Rights Issue are:

Event	Date
Announcement of Offer	26 May 2016
Appendix 3B, cleansing notice and Prospectus lodged with ASX	14 June 2016
Notice sent to Shareholders	16 June 2016
Notice sent to Optionholders	16 June 2016
'Ex' date <sup>1</sup>	17 June 2016
Record Date (5.00pm (AEST)) <sup>2</sup>	20 June 2016
Prospectus sent to Eligible Shareholders and announcement of issue of the Prospectus	22 June 2016
Opening Date	22 June 2016
Closing Date (5.00pm (AEST))	8 July 2016
Deferred settlement trading commences	11 July 2016
ASX notified of any under-subscriptions	13 July 2016
Issue of new Securities and deferred settlement trading ends	15 July 2016
Issue of holding statements and commencement of trading of new Securities	18 July 2016

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.

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

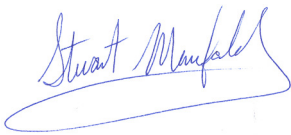
- The leasing and development of suitable CRICOS compliant (zoned 9B) facilities for the purpose of the delivery of training to foreign students
- Employment of suitably qualified instructional staff to cater for the expected increase in training participants
- Customisation of Diploma teaching materials for bespoke blended sports and education programs
- The continued expansion of the Company's Foundation Skills program allowing the delivery to Corrective Services in QLD, SA, ACT, NSW and WA
- Further development of partnerships that foster improved completion rates and therefore higher employment outcomes

The Company have entered into an Underwriting Agreement with Executive Chairman Mr Ross Cotton, through Richmond Food Systems Pty Ltd, an entity which he controls, to undertake a fully underwritten Rights Issue.

A Prospectus 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 22 June 2016 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 Prospectus.

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

Yours sincerely



Stuart Manifold  
**Chief Executive Officer**