

ASX Announcement

AUSTRALIAN CAREERS NETWORK LIMITED ACN 168 592 434

21 September 2016

Australian Careers Network Limited (ASX:ACO) – DOCA update Deferral of Financial Reporting and Annual General Meeting Requirements

Australian Careers Network Limited (**ACO**) wishes to announce that the Australian Securities and Investments Commission (**ASIC**) has granted a deferral of certain obligations of ACO in relation to financial reporting and annual general meetings (**AGMs**). This deferral commenced on 20 September 2016 and will end on the earlier of 20 September 2018, or the date on which ACO ceases to be in external administration (the **Deferral Period**).

1 Details of the Deferral

The deferral granted by ASIC means that ACO does not have to comply with the following requirements under Part 2M.3 of the *Corporations Act 2001* (Cth):

- (a) report to members of ACO under section 314 within the time required by section 315;
- (b) send reports to members of ACO in accordance with a request under subsection 316(1) within the time required by subsection 316(2);
- (c) lodge reports with ASIC under subsection 319(1) within the time required by subsection 319(3);
- (d) lodge half-year reports with ASIC under subsection 320(1) within the time required by that subsection;

in relation to:

- (e) the half-year of ACO ending 31 December 2015;
- (f) the financial year of ACO ending 30 June 2016; and
- (g) a financial year or half-year of ACO ending during the Deferral Period.

Further, ACO is not required to hold its 2016, 2017 or 2018 AGMs until the date that is 2 months after the end of the Deferral Period. Further details of the deferral are set out in the attached ASIC instruments.

2 Reasons for the Deferral

Since the appointment of external administrators on 21 March 2016, ACO has taken advantage of the temporary financial reporting relief available under *ASIC Corporations (Externally-Administered Bodies) Instrument 2015/251* (the **Instrument**) to companies in external administration. However, the relief that is granted automatically under the Instrument expires today, 21 September 2016.

The Deed Administrators of ACO consider that the further deferral which has now been granted by ASIC is necessary because, among other things:

- deferral of the financial reporting obligations will preserve the assets of ACO for the benefit of shareholders, creditors and other parties while its prospects are being determined;
- the cost of complying with these obligations would ultimately be borne by the creditors and shareholders of ACO, at a time when the Deed Administrators are endeavouring to maximise the potential returns to creditors and shareholders;
- the likelihood of existing shareholders having an ongoing economic interest in the ACO during and after the external administration is highly contingent, including in relation to the matters set out in the section 439A report prepared by the Deed Administrators and dated 26 April 2016 (the **Section 439A Report**); and
- members and creditors of ACO have been kept informed of ACO's financial position by way of the Section 439A Report and subsequent ASX announcements regarding the progress of the administration.

For further information, including information about the consequences of the external administration of ACO and the holding of its 2016, 2017 and 2018 AGMs, please contact Ben Anderson of Ferrier Hodgson on 03 9604 5137.

END



ASIC

Australian Securities & Investments Commission

Our Reference: 30071/16

20 September 2016

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Dear Messrs Georges and Lindholm,

**Australian Careers Network Limited (subject to Deed of Company Arrangement) ACN 168 592 434 (the Company)
Extension of time to hold the 2016, 2017 and 2018 Annual General Meetings (AGMs)**

We refer to your application dated 22 August 2016 and lodged with the Australian Securities and Investments Commission (*ASIC*) on that date, requesting that *ASIC* grant the Company relief from s250N of the *Corporations Act 2001* (the *Act*) to hold its 2016, 2017 and 2018 AGMs at which the company would normally present its financial reports for the financial years ending 30 June 2016, 30 June 2017 and 30 June 2018.

This application was considered concurrently with an application for financial reporting relief by the Company, which was granted pursuant to *ASIC* Instrument 16-0940. Under *ASIC* Instrument 16-0940, the Company's financial reporting obligations were deferred until the earlier of:

- (a) 21 September 2018; or
- (b) the date that the Company ceases to be under external administration.

Under s250P of the *Act*, *ASIC* may extend the period within which s250N of the *Act* requires a company to hold its AGM. After considering the information contained in your application, *ASIC* extends the period[s] within which the Company must hold its 2016, 2017 and 2018 AGMs to the date that is 2 months after the financial reporting deferral period provided by *ASIC* Instrument 16-0940 expires.

Accordingly, if the financial reporting deferral period expires on 21 September, then the Company must hold its 2016, 2017 and 2018 AGMs by 21 November 2018. If the financial reporting deferral period ends before 21 September 2018 because the company ceased to be under external administration, then the Company must hold its outstanding AGM(s) within 2 months after the date the Company ceased to be under external administration. Please note that under s250P(3) of the Act, the Company must hold its AGM within the extended period, i.e. before the extended period expires.

Under s250P(4) of the Act, ASIC imposes the following conditions:

- (a) the administrators must maintain arrangements for answering free of charge, reasonable enquiries from the Company's members about the consequences of the external administration of the Company and the holding of the 2016, 2017 and 2018 AGMs;
- (b) within 2 business days of receipt of this letter, the administrators must ensure that details of the extension of time for holding the 2016, 2017 and 2018 AGMs are disclosed on a public website that is maintained by, or on behalf of, the administrators of the Company in a way that is readily accessible from the website; and
- (c) within 2 business days of receipt of this letter, the administrators must give written notice explaining the need for, and the effect of, this extension to the ASX Limited ACN 008 624 691 (*ASX*) for release to the financial market operated by the ASX.

Please note that where the financial reporting deferral period under ASIC Instrument 16-0940 has ceased earlier than 2 months before the date on which the Company would normally be required under s250N(2) of the Act to hold the relevant AGM, then the Company must hold the relevant AGM within the period that it would normally be required to hold the relevant AGM under s250N(2).

If you have any questions about this matter, please contact me on 03 9280 4410.

Yours sincerely



Owen Rayner
as a delegate of the Australian Securities & Investments Commission

**Australian Securities and Investments Commission
Corporations Act 2001 - Subsection 340(1) - Order**

Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 340(1) of the *Corporations Act 2001* (the *Act*).

Title

2. This Order is ASIC Instrument 16-0940.

Commencement

3. This instrument commences on 20 September 2016.

Order

4. Australian Careers Network Limited (Subject to Deed of Company Arrangement) ACN 168 592 434 (the *Company*) does not have to comply with any of the following obligations under Part 2M.3 of the Act:
 - (a) report to members of the Company under section 314 within the time required by section 315;
 - (b) send reports to a member of the Company in accordance with a request under subsection 316(1) within the time required by subsection 316(2);
 - (c) lodge reports with ASIC under subsection 319(1) within the time required by subsection 319(3);
 - (d) lodge half-year reports with ASIC under subsection 320(1) within the time required by that subsection;in relation to:
 - (e) the half-year of the Company ending 31 December 2015;
 - (f) the financial year of the Company ending 30 June 2016; and
 - (g) a financial year or half-year of the Company ending during the deferral period. This paragraph applies until the last day of the deferral period.
5. The Company does not have to comply with an obligation under Part 2M.3 of the Act of a kind specified in paragraph 4 in relation to any earlier financial year or

half-year of the Company but only to the extent that the Part would have imposed, but for this paragraph 5, a continuing obligation on the Company from the date of appointment of the External Administrator. This paragraph applies until the last day of the deferral period.

Conditions

6. The Company:
 - (a) must comply with any obligation to which paragraph 4 applies by no later than the last day of the deferral period;
 - (b) must arrange for a notice explaining the relief granted by this instrument to be published:
 - (i) both:
 - (A) in a prominent place on the Company's website (if any); and
 - (B) in a place that is readily accessible on a website maintained by the External Administrator or any external administrator appointed after the External Administrator; and
 - (ii) if the company is listed on a prescribed financial market—on a website maintained by the operator of the financial market; and
 - (c) must have adequate arrangements in place to answer, within a reasonable period of time and without charge, any reasonable questions asked by a member of the Company about the external administration.
7. The Company need not comply with the condition specified in subparagraph 6(a) (other than an obligation under subparagraphs 4(c) and 4(d)) if, by no later than the last day of the deferral period, the Company arranges for a prescribed notice to be published:
 - (i) both:
 - (A) in a prominent place on the Company's website; and
 - (B) in a place that is readily accessible on a website maintained by the External Administrator or any external administrator appointed after the External Administrator; and
 - (ii) if the company is listed on a prescribed financial market—on a website maintained by the operator of the financial market.

8. This order will cease to apply in relation to a half-year or a financial year of the Company from the date of any failure to comply with a condition in paragraph 6 (subject to paragraph 7) in relation to the half-year or the financial year.

Interpretation:

In this instrument:

deferral period means the period starting on the date of this instrument and ending on whichever is the earlier of:

- (a) 21 September 2018; or
- (b) the date that the Company ceases to be under external administration.

external administration means where an external administrator has been appointed to the Company.

external administrator means:

- (a) an administrator of the Company appointed under s436A, 436B or 436C of the Act;
- (b) where the Company has executed a deed of company arrangement that has not yet terminated, the administrator of the deed appointed under Part 5.3A of the Act;
- (c) a provisional liquidator of the Company; or
- (d) a managing controller appointed in relation to property of the Company.

External Administrator means George Georges and John Lindholm, both of Ferrier Hodgson, appointed as joint and several deed administrators to the Company under Part 5.3A of the Act on [insert DOCA execution date].

prescribed notice means a notice that contains statements to the following effect:

- (a) the reports for the relevant financial year of the Company have been lodged with ASIC; and
- (b) the Company will send copies of the reports to a member of the Company free of charge if the member asks for the reports in writing; and

- (c) the reports are available for download on the relevant website together with a hypertext link to the reports.

Dated: 20 September 2016



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Signed by Owen Rayner

as a delegate of the Australian Securities and Investments Commission