



ASX ANNOUNCEMENT

24 February 2016

PROSPECTUS UPDATE

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Living Cities Development Group Limited ("the Company") is pleased to advise that it has today lodged a replacement Prospectus ("the Replacement Prospectus") with ASIC dated 24 February 2016. It replaces the Prospectus lodged on 22 December 2015 ("the Original Prospectus").

The Replacement Prospectus has been lodged in response to the ASIC interim order issued on 14 January 2016 in respect of the Original Prospectus.

The Replacement Prospectus has been prepared for the purposes of:

- (a) extending the indicative Closing Date to 5PM WST on **Wednesday, 30 March 2016**;
- (b) clarifying statements made in the Prospectus in respect to average construction times in China, including for the Project;
- (c) providing additional information in respect to the proposed minority shareholder in SFP, Mr Jingda Song;
- (d) providing additional information in the event that either the Company or Mr Jingda Song default on any requirement for additional construction capital for the Project;
- (e) clarifying the nature and purpose of the audited accounts of SFP as set out at Table 10 of the Prospectus;
- (f) deleting 'Project Development and Cost Estimates' and 'Sales Forecasts' from the Independent Technical Specialist Report (ITSR);
- (g) providing updated information in respect to the Project Technical Specifications Table 6 of the ITSR; and
- (h) updating other minor matters related to the Project which have altered since the date of the Original Prospectus.

The Replacement Prospectus will be released to the ASX by separate announcement shortly. The Replacement Prospectus may be downloaded from the Company's website at www.lcg.properties

Where there are changes between the Original Prospectus and the Replacement Prospectus, any altered text is provided in 'blue' for ease of reference.

At this time the Interim Order issued by ASIC remains in place but is expected to be lifted in the near future. The Company will advise when this occurs.

Shareholders and potential investors are encouraged to download the complete Replacement Prospectus and carefully read it in its entirety before deciding whether to invest. A Hard Copy of the Replacement Prospectus can be obtained upon request from the Company free of charge. All applications for New Shares must be made on the Application Form in and accompanying the Replacement Prospectus.

Applicants who applied for New Shares prior to the date of the Replacement Prospectus (pursuant to the Original Prospectus) have withdrawal rights and will be contacted by the Company in this regard. Further details of the withdrawal rights of previous Applicants are provided on Page 2 of the Replacement Prospectus.



The Company has also been granted a modification to the Corporations Act ("the Act") by way of a declaration by ASIC made on 22 February 2016 (ASIC Declaration) pursuant to Section 741(1) of the Act. The effect of the ASIC Declaration is to permit the extension of the period for the Company to:

- (a) raise the Minimum Subscription under the Offer to four (4) months from the date of the Replacement Prospectus; and
- (b) be admitted to the Official List of the ASX and obtain quotation of the Shares to three (3) months from the date of the Replacement Prospectus.

Shareholders are reminded that up to 50% of the pool of New Shares available under the Public Offer pursuant to the Replacement Prospectus is reserved in priority for Eligible Shareholders. The number of shares which may be applied for under the priority is not constrained by the number of Shares an Eligible Shareholder holds. An Eligible Shareholder may apply for any number of New Shares using their priority, provided the Application is equal to or greater than the minimum of 10,000 New Shares under the terms of the Offers.

The **Closing Date** for the Offers under the Replacement Prospectus is now **30 March 2016**. Applications must be received by the Company by 5PM WST on that date.

For further details please contact: Brett Manning, Executive Chairman on 08 9277 2600 or brett@lcg.properties