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ASX Announcement

1 April 2009

**A.B.C. Learning Centres Limited
(Administrators Appointed)
(Receivers and Managers Appointed)
ACN: 079 736 664**

The Receivers and Managers have provided the following update with respect to the litigation the company is currently involved in the USA:

On or about 20 October 2008, RCS Capital Development, LLC (**RCS**) commenced proceedings in Arizona, USA (**Arizona Proceedings**) against both ABC Learning Centres Limited (**ABC**) and ABC Developmental Learning Centers (USA), Inc (**ABC USA**). ABC USA is a wholly owned subsidiary of ABC. In the Arizona Proceedings it is alleged by RCS that both ABC and ABC USA have breached an exclusive development agreement entered into between the parties. ABC and ABC US continue to defend the Arizona Proceedings.

On or about 10 March 2009, ABC commenced proceedings in Nevada, USA (**Nevada Proceedings**) against American Child Care Properties, LLC, Mr Kenneth Krynski and RCS. In the Nevada Proceedings ABC alleges, amongst other things, that it is owed significant amounts and/or that certain conveyances are to be set aside. ABC continues to pursue the Nevada Proceedings.

Yours faithfully

**Greg Moloney
Administrator**

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