

16 December 2015

Litigation Update

In the Federal Court on 15 December the initial directions hearing was held regarding the matter of the ACCC and the Commonwealth vs Phoenix Institute and Community Training Initiatives.

The Court ordered that Phoenix and CTI prepare a response to the Concise Statement by 5th February, 2016 with a case management hearing scheduled for 12th February, 2016.

The Companies reiterate that these matters will be strongly defended. The position of the companies was strengthened on Monday when the ACCC finally provided the names of three named alleged victims in the proceedings.

Enquiries by the companies have revealed that one of the alleged victims has never been interviewed for enrolment by Phoenix. The second alleged victim was withdrawn following enquiries after receipt of her enrolment without penalty to either the student or the Commonwealth. The final alleged victim was enrolled and has been in contact with his trainer regarding completion of his course as late as November. The audio recording of the pre- enrolment of the third student is also available. It demonstrates a full and complete understanding of the cost and repayment obligations relating to the course and that there were no inducements offered in respect of his enrolment.

The Company will provide further information to the market as the matter proceeds but re-iterates its intention to vigorously defend the proceedings.



For further information, please contact:

Ivan Brown

Managing Director

P: +61 3 8331 7890

E: info@australiancareersnetwork.com.au

W: www.australiancareersnetwork.com.au

For queries, please contact Australian Careers Network Limited on 03 8331 7890 or info@australiancareersnetwork.com.au

Australian Careers Network Group (ASX: ACO) is a full service vocational education and training provider encompassing student marketing and recruitment, direct and subcontracted education and training delivery (registered and non-registered), the issuing of registered qualifications, tracking, processing and reporting functions under the Australian Skills Quality Authority (ASQA) and the Victorian Registration and Qualifications Authority (VRQA).

Its primary services include workplace training and classroom based accredited certificates and diplomas, heavy equipment licensing, simulative and flexible learning, industry-experienced training and assessment and partnering with job seeking agencies to provide employment pathways to students seeking employment upon completion of a qualification.