



UCW Limited (ASX:UCW)
ACN 108 962 152
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11 April 2017

Dear Shareholder

Non-Renounceable Rights Issue

UCW Limited ACN 108 962 152 (**Company** or **UCW**) is pleased to announce a pro-rata non-renounceable non-underwritten rights issue on the basis of 1 fully paid ordinary share in the Company (**Share**) for every 6.87284792 Shares held at the Record Date at an issue price of \$0.04 per Share (**Issue Price**). The rights issue will result in the issue of up to 50,000,000 new Shares (**New Shares**) to raise a total of up to \$2,000,000 (**Rights Issue**). As the Rights Issue is not underwritten, there is a risk that not all New Shares will be issued.

The Company intends to use the funds raised under Rights Issue to fund part of the cash component of the purchase price payable by the Company subject to and on completion of the acquisition of approximately 24.6% of the ordinary shares in Performance Education Group Pty Ltd ACN 117 850 281 (**Performance Education**). If the acquisition does not complete for any reason, the funds raised will be used for the Company's general working capital purposes and/or to be applied towards any future acquisition or other investment opportunities.

The Rights Issue is available to Shareholders who are, as at 7:00pm AEST on the Record Date of 18 April 2017, registered (in accordance with the records of Link Market Services Limited, the Company's share registry (**Share Registry**)) with a registered address situated in Australia or New Zealand (**Eligible Shareholders**).

Any New Shares offered under the Rights Issue that are not applied for by Eligible Shareholders by the Closing Date under their entitlement will form part of the shortfall (**Shortfall**). The Directors reserve the right, subject to the Corporations Act 2001 (Cth) and the Listing Rules, to allocate any Shortfall (other than to Directors and related parties of the Company) to Eligible Shareholders that apply for New Shares additional to their Entitlement or otherwise, to place any further Shortfall at their discretion within 3 months after the Closing Date (at a price not less than the Issue Price of \$0.04 per New Share).

Shares purchased on market on or after the "Ex Date" of 13 April 2017 will not carry an entitlement to participate in the Rights Issue. If you have any doubt, please consult your sponsoring broker.

Entitlements to New Shares pursuant to the Rights Issue are non-renounceable and accordingly, there will be no trading of rights.

Various details of the Rights Issue are contained in an ASX Appendix 3B which was released by the Company to the Australian Securities Exchange on 10 April 2017. Enclosed with this letter is a copy of that Appendix 3B.

Further details of the Rights Issue are contained in an Offer Document which will be mailed to Eligible Shareholders on 20 April 2017. The Offer Document will also be available on the Company's announcements platform at www.asx.com.au (ASX Code: UCW).

Key dates of the Rights Issue

The expected timetable for the Rights Issue is shown below.

Announcement of Rights Issue, lodgement of Appendix 3B, Rights Issue letter of offer document with ASX and section 708AA(2)(f) cleansing notice	10 April 2017
Dispatch of notice to security holders including option holders	11 April 2017
"Ex" Date (date from which securities commence trading without the entitlement to participate in the Rights Issue)	13 April 2017
Record Date (date for determining entitlements to participate in the Rights Issue) 7.00pm AEST	18 April 2017
Dispatch of Rights Issue letter of offer and personalised Entitlement and Acceptance Form to Eligible Shareholders	20 April 2017
Closing Date for acceptances 5.00pm AEST	5 May 2017
Securities quoted on a deferred settlement basis	8 May 2017
Notification to ASX of under-subscriptions	10 May 2017
Allotment of New Shares	12 May 2017
Despatch date of holding statements for New Shares/deferred settlement trading ends/lodgement of Appendix 3B (final) with ASX	12 May 2017

*Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Rights Issue at their discretion. Should this occur, an announcement will be made to ASX and the extension will have a consequential effect on the anticipated date of issue for the New Shares.

**All dates are indicative only and subject to change.

An application for New Shares under the Rights Issue may only be made by completing the Entitlement and Acceptance Form which accompanies the Offer Document. Eligible Shareholders should read the Offer Document in its entirety.

Ineligible Foreign Shareholders

As at the date of this notice, there are no Shareholders that have a registered address outside of Australia and New Zealand.

In accordance with ASX Listing Rule 7.7 and Section 9A of the Corporations Act 2001 (Cth), the Company advises that it has decided that it is unreasonable to make the Rights Issue to registered shareholders on the Record Date with a registered address outside of Australia or New Zealand (Ineligible Foreign Shareholders), having regard to:

- 1) the small number of shareholders with addresses outside these countries;
- 2) the small number and value of the shares they hold; and
- 3) the cost of complying with the legal requirements, and requirements of regulatory authorities in each of the countries concerned.

Accordingly, the Rights Issue will not be made to Ineligible Shareholders.

Contact

If you have any questions regarding the Rights Issue, please do not hesitate to contact Lyndon Catzel, Company Secretary on +61 2 9112 4540 or contact your stockbroker or professional advisor.

We look forward to your continuing support of the Company.

For and on behalf of
UCW Limited

A handwritten signature in black ink, appearing to read 'AD Davis', with a stylized flourish at the end.

Adam Davis
Chief Executive Officer