



ASX Announcement

20 April 2011

AET Successfully Completes Non-Renounceable Rights Issue

Austock Property Management Limited, as the responsible entity of the Australian Education Trust (**AET** or the **Trust**) (ASX:AEU), is pleased to announce the successful completion of AET's fully underwritten 3 for 10 non-renounceable rights issue (**Rights Issue**) at an offer price of 75 cents per new unit. The Rights Issue raised \$30.4 million in total with the net proceeds to be used to repay debt.

AET received applications for 36.5 million units (\$27.4 million) from Unitholders for entitlements and additional new units, representing 90.2% of new units available under the Rights Issue. AET was able to fulfill all applications for additional new units from Unitholders. As the Rights Issue was fully underwritten, the shortfall of 4.0 million units will be allocated to institutional and professional investors, further expanding AET's unitholder base.

The proceeds will reduce AET's gearing and provide significant headroom under its bank covenants. The Loan to Value Ratio (LVR) will decrease from approx 49% to approx 41% (Covenant 55%) as well as increase the forecast FY12 Interest Coverage Ratio calculation (ICR) to approx 2.3x compared with AET's bank covenant of 1.6x. The raising reduces the cost of debt due to the lowered bank margins below a 45% LVR and restructures AET's capital base, increasing stability and long term predictability in earnings, together with a greater level of insulation against unknown events.

The Directors of AET are pleased with the level of support for the Rights Issue which has been confirmed by the high participation level from Unitholders. The willingness of a large number of Unitholders to increase their holdings demonstrates strong support for the Trust's future and underpins Management's strategy of mitigating risk and repositioning AET to the benefit of Unitholders.

Important Dates:

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| ▪ Dispatch date/allotment of new units under Rights Issue | 28 April 2011 |
| ▪ Commencement of trading on a normal settlement basis | 29 April 2011 |

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Further information

The Australian Education Trust internet site, www.educationtrust.com.au is a source of information for Unitholders. It includes details of AET and its Manager, announcements, current activities and historical information. The site provides access to annual and half-year reports and also AET updates covering matters of relevance to investors.