



ASX ANNOUNCEMENT

1 July 2016

(Administrator Appointed)

ADMINISTRATOR APPOINTED

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Living Cities Development Group Limited ("the Company") advises that it has today appointed Mr Antony Resnick, Mr David Solomons, and Mr Riad Tayeh of de Vries Tayeh as Joint and Several Administrators ("the Administrators") of the Company pursuant to Section 436A of the Corporations Act 2001.

Following the ASX decision not to grant re-quotations of the Company's shares as announced on 30 May 2016 and the resultant cancellation of the reconstruction capital raising as announced on 3 June 2016, the Directors of the Company were unable to identify an alternative way forward for the Company in the time available and as a result were forced to place the Company into Voluntary Administration.

Earlier today, prior to the appointment of the Administrators, the Board of the Company entered into a recapitalisation deed ("the Recapitalisation Deed") with Benelong Capital Partners Pty. Ltd. with a view to facilitating an efficient recapitalisation process for the Company through external Administration. The Recapitalisation Deed anticipates the utilisation of a Deed of Company Arrangement for the recapitalisation of the Company and management of its assets for the benefit of Creditors. The Administrators are not bound by the Recapitalisation Deed but will consider it in the context of determining the best outcome for all stakeholders. The Option Deed over the Yogi tenements, announced on 28 June 2016, will also be considered as part of the Administrators review.

The Administrators will keep the market informed in due course when there are matters to announce and ask shareholders in the meantime to please refrain from contacting de Vries Teyeh as no further information can be provided at this time.