

ASX Announcement

8 September 2010

New Zealand Earthquake Exposure

Australian Education Trust (AET) (ASX:AEU) provides the following update regarding AET's potential exposure to the recent earthquakes in New Zealand.

AET owns 15 centres that have been identified as potentially being within areas that have been affected by the earthquake. These centres represent approximately 4% of the entire portfolio by number and 3% by value as at 30 June 2010. The earthquake zone cannot be precisely defined at this stage and it appears that the general level of damage varies significantly within the overall zone with some areas being unaffected.

Due to the Civil State of Emergency that exists within the Christchurch region, access has been restricted and all schools and childcare centres have been temporarily closed as a result. We are currently waiting for the results of qualified reports of assessment for all the centres in the affected area. Management can confirm to date, that initial and unqualified reports indicate no evidence of significant damage, with only superficial damage reported. Expert assessment will assist in quantifying the status of AET's centres.

Irrespective, Management can confirm that the centres are insured for damage and destruction including damage caused by earthquakes. The insurance also includes coverage for loss of rent as a result of earthquake damage. Management holds a Certificate of Currency that confirms that the tenant of the centres also carries Business Interruption ("Loss of Income") insurance.

Prior to the re-opening of any childcare centre, the tenant will provide a qualified building practitioner's safety report to the Minister of Education, whereupon occupancy will be granted.

Once an accurate assessment can be made, an update will be provided.

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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 contains releases made to the Australian Securities Exchange covering matters of relevance to investors.