

24 December 2012

Immediate release to the ASX

Lifestyle Communities settles \$36.5 million capital raising

Lifestyle Communities Ltd (ASX code: LIC) advises that its non-renounceable rights issue ("Entitlement Offer") and Placement announced on 20 November 2012 has settled. Under the Entitlement Offer, eligible shareholders were invited to participate on a 1:1 basis to their existing holdings at a price of \$0.07 (7 cents) per share to raise approximately \$33.5 million (before costs). The Placement has raised an additional \$3 million.

The shortfall of 134,866,174 shares not taken up under the Entitlement Offer have been successfully issued to (or as directed by) the underwriter, Canaccord Genuity (Australia) Ltd, under the terms of the Underwriting Agreement.

As a result of the settlement of the Entitlement Offer and Placement, Lifestyle Communities is in receipt of \$36.5 million. As previously announced, funds will be used to take advantage of growth opportunities by bolstering the funding pool for new developments and the reduction of debt that will see the Company's loan to value ratio (LVR) reduced to approximately 28%.

The allotment of new shares to be issued under the Entitlement Offer and Placement is scheduled to occur on Monday, 24 December 2012. The new shares are scheduled to commence trading on the Australian Securities Exchange on Thursday, 27 December 2012. Holding statements will be dispatched as soon as practicable after this date.

For further information, please contact

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About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living communities.