

ASX ANNOUNCEMENT

1 June 2007

CEC GROUP ANNOUNCES RIGHTS ISSUE FULLY SUBSCRIBED

CEC Group Limited (ASX: CEG) announced today that its 1 for 6 pro-rata rights issue closed on 29 May 2007 fully subscribed. As a result CEC will allot 10,953,219 New Shares and raise \$20.811 million in additional equity capital.

The difference in the number of New Shares to be allotted and the maximum number of Shares offered under the Rights Issue stated in the Prospectus arises because of the Company's policy (noted in the Prospectus) to round down Entitlements to the nearest whole number of Shares.

On the basis of the exercise of Entitlements by Shareholders alone there was a Shortfall of approximately 448,028 Shares under the Rights Issue. However, the Company received applications to be issued Shares out of the Shortfall far in excess of the number of Shares in the Shortfall. The Company will scale back the applications for Shares out of the Shortfall in its absolute discretion.

Capitalised terms in the announcement have the same meaning as given in the Prospectus for the Rights Issue dated 27 April 2007.

ENDS

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