



## **ASX ANNOUNCEMENT**

Monday, 8th October 2018

### **Notice of 2018 Annual General Meeting**

3P Learning Limited's 2018 Annual General Meeting (AGM) will be held on Friday, 9 November 2018 at its offices at 124 Walker St, North Sydney NSW at 10.00 a.m. AEDT.

Attached is a copy of the:

- Notice of Annual General Meeting for 2018; and
- Sample Proxy Form

### **Product & Technology Showcase**

Shareholders are also invited to attend the product and technology showcase which will be held after the AGM at 3P Learning's North Sydney office. The presentation will commence at 11.00am AEDT. There will be an opportunity to meet the extended leadership team, including Regional Heads of Sales & Marketing.

Shareholders who would like to attend the showcase are requested to RSVP to:

[investors@3plearning.com](mailto:investors@3plearning.com)

**Contact:**

Marta Kielich, Company Secretary

[marta.kielich@3plearning.com](mailto:marta.kielich@3plearning.com)

3P Investor Relations

[investors@3plearning.com](mailto:investors@3plearning.com)

# Notice of annual general meeting 2018



3P Learning

Notice is given that the Annual General Meeting of 3P Learning Limited will be held on Friday, 9 November 2018, commencing at 10:00am (Sydney time) at 124 Walker Street, North Sydney, 2060.





8 October 2018

Dear Fellow Shareholder,

On behalf of the Board of Directors, I am pleased to enclose the Notice of Meeting for the 3P Learning 2018 Annual General Meeting to be held on Friday, 9 November 2018 at 10:00am (Sydney time) at 124 Walker Street, North Sydney, 2060.

At the Meeting, Rebekah O'Flaherty, CEO and I will briefly review the Company's progress and performance during the year to 30 June 2018 and reiterate our plans for the future prior to consideration of the business as detailed in the enclosed Notice of Meeting. You can also refer to the 3P Learning 2018 Annual Report, which is available on the Company's website, for further information.

If you are able to attend the meeting, please bring the proxy form with you as the bar coding on this form will enable shareholders to be registered easily. Registration will be available from 9:30am.

If you are unable to attend the meeting, I encourage you to vote either by using the attached proxy form or by lodging your vote online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

Directors and management look forward to your attendance at the meeting.

Yours sincerely,

A handwritten signature in black ink that reads "S. Weiss".

**Samuel Weiss**

Chairman



3P Learning Limited ('3P Learning' or the 'Company') will hold its Annual General Meeting (AGM) at 10.00am AEDT on Friday, 9 November 2018 at its offices at 124 Walker Street, North Sydney NSW 2060, to transact the business set out in this Notice.

## Items of Business

### 1. Receive Financial and Other Reports

To receive the financial statements, Directors' report and Auditor's Report for the financial year ended 30 June 2018.

Note: No resolution is required for this item of business.

### 2. Election of Directors

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

(a) "That Ms Claire Hatton, being eligible, be re-elected as a Director."

(b) "That Mr Mark Lamont, being eligible, be elected as a Director."

Note: each resolution will be voted on separately.

### 3. Adopt Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"To adopt the Remuneration Report for the financial year ended 30 June 2018."

Note: This resolution is advisory only and does not bind the Company. The Directors will consider the outcome of the vote, as well as comments from shareholders, when considering the Company's remuneration policies.

### 4. Approve CEO FY19 LTI Grant

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the grant of options to the Managing Director and Chief Executive Officer under the 3P Learning Long-Term Incentive Plan, as set out in the Explanatory Notes, be approved and that this approval be for all purposes."

### 5. Approve Approach to Termination Benefits

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That approval be given for all purposes, including sections 200B and 200E of the Corporations Act, for the giving of benefits to any current or future holder of a managerial or executive office of the Company or a related body corporate ('Relevant Team Member') in connection with the Relevant Team Member ceasing to hold that office, as set out in the Explanatory Notes."

**Marta Kielich**

Company Secretary | Sydney, 8 October 2018



### ENTITLEMENT TO ATTEND AND VOTE

You will be entitled to attend and vote at the Annual General Meeting if you are registered as a shareholder of the Company as at 7:00pm (Sydney time) on Wednesday, 7 November 2018. This is because, in accordance with the Corporations Regulations 2001, the Board of Directors has determined that the Shares on issue at that time will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

### HOW TO VOTE

#### Voting in person

Shareholders who plan to attend the meeting are asked to arrive at the venue 30 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's register of members and attendances recorded. If you are attending the meeting, please bring the enclosed personalised proxy form with you to assist with registration.

#### Corporate representatives

A body corporate, which is a shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the meeting in accordance with section 250D of the Corporations Act. The appropriate appointment document must be produced prior to admission. A form of appointment may be obtained by telephoning the Company's share registry (+61 1300 554 474 - toll free within Australia) or at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) by downloading the form 'Appointment of Corporate Representative'.

#### Direct voting

Shareholders are able to vote on resolutions directly by marking Section A of the Shareholder Voting Form.

If you mark Section A then you are voting your shares directly and you do not need to appoint a third party such as a proxy to act on your behalf. Shareholders who wish to vote their shares directly should mark either the "for" or "against" boxes next to each item of their Shareholder Voting Form. Do not mark the "abstain" box.

If you complete both Section A and Section B, Section B is deemed to be the chosen method and the person named will be your proxy, or if no person is named, the Chairman of the Meeting will be appointed as your proxy. If you mark the "abstain" box or no direction is given for an item, no vote will be recorded for that item.

When lodging your direct vote, you may specify the number of your shares to be voted on any resolution by inserting the proportion or number of shares. If you do not specify a proportion or number of shares, the instructions provided will apply to all of your shares.

If you cast a direct vote, you are still entitled to attend the meeting. However, if you attend the meeting, your direct vote will be valid unless revoked at the meeting.

#### Voting by proxy

Your personalised proxy form and reply-paid envelope accompany this Notice.

Any shareholder who is entitled to attend and cast a vote at the meeting may appoint a proxy. A proxy need not be a shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the meeting (see above).

A shareholder who is entitled to cast two or more votes may appoint two proxies to attend the meeting and vote on their behalf and may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions).



If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry (+61 1300 554 474 - toll free within Australia) or at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) or you may copy the enclosed proxy form.

To be effective for the scheduled meeting, a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number set out below no later than 10:00am (Sydney time) on Wednesday, 7 November 2018 (being 48 hours before the commencement of the meeting). Any proxy appointment received after that time will not be valid for the scheduled meeting.

**Online:** Login to the Link website using the holder details as shown on the Voting Form. Select "Voting" and follow the prompts to lodge your vote. To use the online lodgment facility, shareholders will need their Holder Identification Number (HIN) as shown on the front of the Voting Form). You will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website.

**By mail:** 3P Learning Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**By fax:** +61 2 9287 0309

**Delivery:** Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

For more information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

### Voting by attorney

A shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company, at its registered office or one of the addresses listed above for the receipt of proxy appointments, at least 48 hours prior to the commencement of the meeting.

### Chairman as proxy

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on the proxy form for each of the proposed Resolutions.

If you appoint the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default) and you do not direct your proxy how to vote on a Resolution, you will be authorising the Chairman to vote as he decides on the relevant Resolution (even though Resolutions 3, 4 and 5 are connected with the remuneration of members of the KMP). On a poll, the Chairman of the meeting intends to vote, as your proxy, as follows:

- **in favour** of Resolutions 3 (Adoption of Remuneration Report), 4 (Grant of options to the Chief Executive Officer) and 5 (Approval of approach to termination benefits).

If you do not want the Chairman of the meeting to vote, as your proxy, as indicated above, you must direct your proxy how to vote, or to abstain from voting on, the relevant Resolution by marking the appropriate box on the proxy forms.



### Voting exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons, on certain resolutions to be considered at the AGM.

These voting exclusions apply to Resolutions 3, 4 and 5, and are described more fully in the Explanatory Notes for each resolution.

### QUESTIONS FROM SHAREHOLDERS

The Chairman of the meeting will allow a reasonable opportunity for shareholders at the meeting to ask questions about and make comments on the management of the Company and on the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report (collectively, 'Reports'), as well as each of the Resolutions to be considered at the meeting.

Lisa Nijssen-Smith (or another representative) of the Company's auditor, EY, will attend the meeting. During the meeting's consideration of the Reports, the Chairman of the Meeting will allow a reasonable opportunity for shareholders at the meeting to ask the auditor's representative questions relevant to the:

- conduct of the audit;
- preparation and content of the Auditor's Report for the financial year ended 30 June 2018;
- accounting policies adopted by the Company in relation to the preparation of the financial statements contained in the Financial Report for that year; and
- independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to the Company's auditor if the question is relevant to the content of the Auditor's Report or the conduct of the audit.

If you wish to submit a question in advance of the meeting, you may do so by sending your question to one of the addresses or facsimile numbers below by no later than 5 business days before the date of the meeting.

Questions should be directed to the Company using the "Contact 3P" details available at:

<http://www.3plearning.com/investors/shareholders/>

The most frequently asked questions, together with answers, will be made available online at:

<http://www.3plearning.com/investors/shareholders/>





These Explanatory Notes form part of the Notice of Meeting and are intended to provide shareholders of the Company with information to assess the merits of the proposed resolutions. The Directors recommend that shareholders read these Explanatory Notes in full before making any decision in relation to the resolutions.

### 1. RECEIVE FINANCIAL AND OTHER REPORTS

The Corporations Act requires the Financial Report, Directors' Report and Auditor's Report of the Company and the consolidated entity for the more recent financial year (the financial year ended 30 June 2018) to be laid before the AGM.

Shareholders will be able to ask questions.

There is no requirement for a formal resolution on this item. Accordingly, there will be no formal resolution put to the AGM.

### 2. ELECTION OF DIRECTORS

#### Background

Ms Hatton joined the Board in July 2014, retires by rotation at this AGM and has offered herself for re-election. Mr Mark Lamont joined the Board in March 2018, retires at this AGM and has offered himself for election.

The Board considers each of Ms Hatton and Mr Lamont to be independent directors. The Board's diverse range of skills, experience and backgrounds supports the effective governance and robust decision-making of 3P Learning. An assessment of the optimum mix of these skills and experience takes place regularly taking into account the strategic positioning of the Company. A summary of the collective skills and experience of the current directors, assessed against those identified in the Board skills matrix, is set out on page 5 of the FY18 Corporate Governance Statement available on the Company's website - <http://www.3plearning.com/investors/governance/>

Information about the experience and skills of Ms Hatton and Mr Lamont is outlined below.

#### Recommendation

The re-election of Claire Hatton and the election of Mark Lamont are unanimously recommended by the Board (other than by each candidate who has abstained in respect of their own candidacy).

#### 2(a) Re-election of Ms Claire Hatton

**Independent Non-Executive director**  
BSc, MBA, GAICD

Ms Hatton joined the Board in July 2014. She is the Chair of the Nomination and Remuneration Committee and a member of the Audit and Risk Committee. Ms Hatton has extensive experience in strategy and operations in both Australia and internationally. She is currently the co-founder and director of Full Potential Labs, and her previous roles include senior positions at Google, Travelport and Zuji.com.

#### 2(b) Election of Mr Mark Lamont

**Independent Non-Executive Director**  
BA., Dip Ed

Last year we indicated our intention to appoint an additional Non-Executive Director to the Board to strengthen and develop the Board's abilities in these key areas and to encourage a diversity of skills, viewpoints, thinking and experience.



We were pleased to announce in March 2018 that Mark Lamont joined the Board as a Non-Executive Director. He is a member of the Nomination and Remuneration Committee and a member of the Audit and Risk Committee. Mark has deep experience in the global education and EdTech sectors in Australia and international markets. He is currently a non-executive director of Education Services Australia Limited, a public company owned by the state and federal governments and is the founder and director of World Mosaic. Mark previously held roles with myinternet Ltd and Follett Corporation.

### 3. ADOPT REMUNERATION REPORT

The Company's Remuneration Report for the financial year ended 30 June 2018 is set out on pages 7 – 19 of the FY18 Annual Report. The Annual Report is available on the 3P Learning website at:  
<http://www.3plearning.com/investors/results/>

The Remuneration Report includes an explanation of the Company's remuneration framework, guiding principles and the remuneration arrangements in place for non-executive directors, the CEO and other key management personnel ('KMP'). It also outlines details of the performance conditions that apply to the 'at risk' short term and long term incentive component of senior executive remuneration, as well as why those performance conditions were chosen.

This resolution is advisory only. The Board will however take the outcome of the vote, as well as shareholder feedback, into consideration when reviewing the remuneration framework for future years. Shareholders should also note that, if 25% or more of the votes cast are against the Remuneration Report, the first element in the Board spill provisions contained in the Corporations Act (i.e. the 'two strikes' rule) will be triggered. While this would not impact on the current year's Annual General Meeting, it would affect next year's Annual General Meeting.

#### Board Recommendation

The directors recommend shareholders vote FOR resolution 3.

#### Voting Exclusions

The Company will disregard any votes cast on this resolution:

- By or on behalf of a member of KMP whose remuneration is disclosed in the Remuneration report or a Closely Related Party of such a person (any spouse, dependent or company they control), or
- By a member of KMP or any of their Closely Related Parties as a proxy,

Unless the vote is cast by that person as a proxy entitled to vote on this resolution:

- In accordance with a direction as to how to vote on the proxy form, or
- By the Chairman of the meeting following express authorization on the proxy form to vote as he sees fit.

### 4. APPROVE CEO FY19 LTI GRANT

The performance of the Group depends upon the quality of its executives and to prosper the Group must attract, motivate and retain highly skilled executives.

The Group's executive reward framework is based on the objectives to:

- drive growth and profitability;
- align executive rewards with achievement of strategic objectives and the delivery of shareholder value; and
- provide competitive remuneration packages that recognise both individual and organisational performance, with the following guiding principles applied to the current remuneration framework, and any potential changes to that framework:



- aligned to long term value creation
- fair for all stakeholders
- simple to understand and administer
- motivating to executives
- explicitly encourages more executive ownership of the Company.

To enhance its remuneration framework, the Board adopted the 3P Learning Long Term Incentive Plan ('Plan') in 2015. That Plan was approved by shareholders at the 2015 AGM and a summary of the Plan is set out in the 2015 Notice of Annual General Meeting (which is available on the Company's investor relations website at: <http://www.3plearning.com/investors/agm/>). Further information about grants made under the Plan can be found in the Company's FY18 Remuneration Report.

Resolution 4 seeks to obtain shareholder approval for the grant of Options under the Plan (and the delivery of Shares on valid exercise of those Options) to Rebekah O'Flaherty, Chief Executive Officer and Managing Director, as the long-term incentive component of her remuneration for the financial year ending 30 June 2019.

The key terms of the CEO's FY19 LTI grant are unchanged from FY18 and are subject to 3P Learning meeting performance conditions that have been determined by the Board and are designed to align the Company and the CEO's interest with those of shareholders. Details of the performance conditions are outlined below.

#### **a) Why is shareholder approval required?**

ASX Listing Rule 10.14 requires shareholder approval before a Director may acquire securities in the Company under an employee incentive scheme (such as the Plan). ASX Listing Rule 10.15 requires specified information to be given in or with a Notice of Meeting seeking approval of a director's acquisition of securities under an employee incentive scheme (which will result in an award of Options) for the purposes of ASX Listing Rule 10.14.

If approval is given by shareholders under listing rule 10.14, approval is not required under listing rule 7.1.

The following information is provided to shareholders to assist them in determining whether to approve the proposed grant of Options to Ms O'Flaherty under Resolution 4.

#### **b) What are the terms of the proposed FY19 LTI Grant to the CEO?**

Pursuant to her employment contract, Ms O'Flaherty is entitled to an annual equity based long term incentive ('LTI') with value of up to 50% of her fixed annual remuneration (at target).

The choice of Options as the equity based LTI under the Plan (subject to shareholder approval) is in recognition of the high growth nature of online education and its fragmented early stage in global markets. This permits Ms O'Flaherty to benefit from that growth in a way that is consistent with providing value for shareholders.

#### **c) What are Options?**

Subject to shareholder approval, it is intended that the Options forming part of Ms O'Flaherty's LTI for FY19 will be issued to Ms O'Flaherty as soon as practicable after the date of the Annual General Meeting and, in any event, no later than 9 November 2019 (being 12 months after the date of the Annual General Meeting). If approved, the Options will give Ms O'Flaherty a conditional entitlement to acquire the number of Shares equal to the number of Options granted to her (subject to adjustment in the event of a capital reorganisation or otherwise in accordance with the Plan rules).

No loans will be made in relation to the proposed acquisition of Options (or Shares) under the Plan by Ms O'Flaherty.



#### d) How is the long term incentive grant determined?

For the purpose of the FY19 grant under the Plan, the exercise price has been set at a premium of 43% to the Company's share value prior to the date of grant, based on a 10 trading day VWAP over the week before and week after the release of the Company's full year results ('Share Value').

The number of Options granted has been determined by dividing the dollar award value by the fair value of an Option at the grant date, 23 August 2018, being \$0.17.

Upon the valid exercise of an Option and payment of the Exercise Price, Ms O'Flaherty will be allocated one Share for each Option that is exercised. Options may only be settled in Shares (not by payment of cash).

#### e) What vesting schedules apply?

The vesting date will be approximately three years after the grant date, following the approval of the audited financial results for FY21. Any Options which do not meet the performance conditions at the end of the performance period will lapse.

During the financial year, the Board reviewed the award schedule in light of the Company's historical financial performance and the three year Revenue and EBIT growth forecasts. The Board approved challenging threshold, target and stretch growth rates (using FY18 as the base) in respect of both the Revenue and EPS hurdles, which are based on the Company's strategic plan and are reflective of the Company's growth objectives.

The following award schedule applies to both performance hurdles:

<b>Performance level</b>	<b>% of Options vesting</b>
Below threshold	0%
Thershold	80% of Target Options
Target	100% of Target Options
Stretch	150% of Options (i.e. all Target Options and all Stretch Options)

The Board has chosen to offer significant incentive opportunity if Ms O'Flaherty can substantially increase the rate of growth in revenue and EPS as the Board believes this is in the interest of Ms O'Flaherty and shareholders alike.

The target hurdle has been set to be ambitious but achievable and the stretch target to represent particularly strong growth.

The Board considers the combination of Revenue and EPS hurdles an appropriate balance to ensure that 'top line' growth is pursued over the long term, whilst growth in earnings is maintained. The Revenue hurdle has been adopted in light of the Group's desire to accelerate growth and the Board selected EPS as a performance measure because it provides a relevant indicator of shareholder value and a clear target to drive and motivate performance.

The publication of prospective Revenue and EPS targets in relation to the proposed award would require the disclosure of price sensitive information. Accordingly, the Company will not disclose prospective targets but will disclose historic targets and the Company's performance against those targets.

Options may lapse in the event that the relevant performance conditions are not met. In addition, Options may be forfeited if a "claw back" event occurs during the performance period. A claw back event includes circumstances where the recipient of an award has engaged in fraud, dishonesty or gross misconduct, where the financial results that led to the equity award are subsequently shown to be materially misstated, or where the behaviour of the recipient brings the Company into disrepute or impacts the Company's long term financial strength.



#### f) How many Options will be granted to the CEO for 2019?

In satisfaction of her LTI entitlement for FY19, Ms O'Flaherty will be granted Options as set out below, subject to shareholder approval.

<b>Number of Options</b>	1,911,765 Target Options = LTI opportunity (i.e., 50% of FY19 Fixed Annual Remuneration divided by the fair value of an Option, being \$0.17). Plus 955,882 Stretch Options (equal to an additional 50% of Target Options). The total number of Options to be issued is 2,867,647.
<b>Grant Date</b>	23 August 2018 for the purpose of the Plan rules and Option terms, with the issue to occur subject to shareholder approval in November 2018.
<b>Exercise Price</b>	\$1.7507, being a premium of 43% to the Company's Share Value on the Grant Date of AU\$1.2243.
<b>Vesting Date</b>	A date following the release of the Company's audited annual results for the period ending 30 June 2021 when the Board determines the extent to which the Vesting Conditions have been satisfied and any Options vest and become exercisable (anticipated to be in or around September 2021).
<b>Exercise Period</b>	A period commencing on the day following the Vesting Date and ending on the date that is four years from the Grant Date (unless another period is specified under the Plan Rules).
<b>Vesting Conditions</b>	<p>The performance conditions for the year ending 30 June 2019 grant are based on the following:</p> <ul style="list-style-type: none"> <li>• 50% of the award to be tested on the Company's FY21 Group Revenue; and</li> <li>• 50% of the award to be tested on the Company's FY21 earnings per share (EPS).</li> </ul> <p>For Group Revenue and EPS between Threshold and Target, or between Target and Stretch performance levels, vesting will occur on a straight line basis between the two relevant vesting percentages.</p> <p>Each performance condition is tested following finalisation of the audited annual financial results for the year ending 30 June 2021.</p> <p>These Vesting Conditions are independent of each other and 50% of the Options will be earned for each condition. For example, if one condition is satisfied and the other is not, the Options for the satisfied condition will vest according to the vesting schedule for that condition.</p>
<b>Expiry Date</b>	23 August 2022

#### g) Voting exclusions

Voting exclusions apply to Resolution 4. Please see below.



### **Treatment of Options on termination of employment or change of control**

If Ms O'Flaherty ceases to be an employee of the Company before the relevant vesting date, by reason of resignation, dismissal or any other circumstances determined by the Board to indicate a "Bad Leaver", all unvested Options will lapse as at the date of such cessation. If Ms O'Flaherty ceases to be an employee of the Company for any reason other than as a Bad Leaver, the Board may, in its discretion determine that all or a portion of unvested Options may vest immediately or at some time in the future. If the Board does not make a determination, all Options will remain on-foot and will be tested and vest on the original Vesting Date to the extent that the applicable Vesting Conditions have been met.

If Ms O'Flaherty ceases to be an employee of the Company after a relevant vesting date (other than as a result of termination for cause), any Vested Options then held by Ms O'Flaherty must be exercised within ninety (90) days following cessation of employment. Subject to Board discretion to apply a different treatment, Vested Options not exercised during this period will lapse.

In the event that Ms O'Flaherty's employment is terminated for cause, subject to Board discretion to apply a different treatment, all Vested Options held by Ms O'Flaherty will automatically lapse.

If a change of control event (as defined in the Plan Rules) occurs prior to Ms O'Flaherty's Options vesting, the Board may, in its discretion, determine whether all or a number of such Options shall lapse (at the time of the Event or at a future point in time) or shall vest (at the time of the Event or at a future point in time). Where, at the time an Event occurs, Ms O'Flaherty holds vested but unexercised Options, the Board may determine the time by which such Options must be exercised (which period must be a minimum of 60 days) failing which such Options will lapse.

The Board retains discretion to adjust the Vesting Conditions, including changing the Group Revenue and EPS Threshold and Target hurdles, or adjust actual performance outcomes, to ensure that participants are not subject to a material disadvantage or obtain a windfall gain as a result of a transaction, corporate event or some other change in circumstances which may have impacted the appropriateness of the original Vesting Conditions

### **Treatment of Options on reorganisation and new issues**

If there is any bonus issue, rights issue or reorganisation, including any subdivision, consolidation, reduction or return of the issued capital of the Company, the number of Options held by a participant, the number of Shares to which the Options relate, and the Exercise Price per Option and/or the nature of the shares to which the Options relate will be adjusted in the way (if any) specified by the Listing Rules from time to time or, if the Listing Rules do not specify any adjustment, in the manner determined by the Board acting reasonably.

Before the exercise of Options, participants are not entitled to participate in any new issue of Shares as a result of holding the Options.

### **Additional information disclosed under the ASX Listing Rules**

For the purposes of Listing Rule 10.15, the following additional information is provided to shareholders to assist them in determining whether to approve the proposed grant of Options to Ms O'Flaherty under Resolution 4.

- The acquisition price for each Option is nil.
- As Managing Director and Chief Executive Officer of the Company, Rebekah O'Flaherty is the only Director of the Company who is entitled to participate in the Plan.

Ms O'Flaherty is the only person referred to in Listing Rule 10.14 to have received securities since the last approval.

Following approval at the 2016 Annual General Meeting, Ms O'Flaherty received 2,015,419 Options exercisable at \$1.256 per Option and expiring on 2 September 2020, and 500,000 Performance Rights issued as part of her remuneration package upon her appointment in June 2016. The Performance Rights are subject to vesting and performance criteria which are more fully detailed in the 2016 Notice of Meeting and the 2017 and 2018 Remuneration Report. These Options and Performance Rights were issued for nil consideration.

Following approval at the 2017 Annual General Meeting, Ms O'Flaherty received 2,644,509 Options exercisable at \$1.424 per Option and expiring on 31 August 2021.



### Board Recommendation

The directors (with Ms O'Flaherty abstaining) recommend shareholders vote FOR resolution 4. Ms O'Flaherty does not make a recommendation in respect of the resolution in view of her personal interest in the resolution.

### Voting exclusions

The Company will disregard any votes cast in favour of this resolution:

- By Ms O'Flaherty and any of her associates, and
- As a proxy by a person who is a member of KMP and their closely related parties,

unless the vote is cast by that person as a proxy entitled to vote on this resolution:

- In accordance with a direction as to how to vote on the proxy form, or
- By the Chairman of the meeting following express authorisation on the proxy form to vote as he sees fit.

## 5. APPROVE APPROACH TO TERMINATION BENEFITS

### Why is shareholder approval being sought?

The law in Australia restricts the benefits that can be given without shareholder approval to team members who hold (or have held within the previous three years) a managerial or executive office (as defined in the Corporations Act) on cessation of their employment with 3P Learning Limited and its related bodies corporate ('Relevant Team Members'). Under section 200B of the Corporations Act, a company may only give a Relevant Team Member a benefit in connection with their ceasing to hold a managerial or executive office if approved by shareholders or if an exemption applies.

The Company's position in relation to grants of equity securities under the 3P Learning Long Term Incentive Plan ('Plan'), referred to in resolution 4 above, and any future new, modified or replacement equity incentive plans (together, the Group's 'Team Member Equity Plans') is to treat departing team members appropriately having considered the relevant circumstances in which the Relevant Team Member is ceasing employment, and in accordance with applicable laws, market practice and Company policy.

To allow this policy to be achieved, the Board has determined that it is appropriate to seek shareholder approval of the approach that it proposes to take to these benefits, now, in advance of any such potential benefits being provided.

The Company previously sought, and received, approval for these purposes at its 2015 AGM and accordingly this authorisation lapses at the end of the 2018 AGM. Shareholders are being requested to provide a further three-year approval (to the conclusion of the 2021 AGM).

### No New Benefits

Shareholders are not being asked to approve any change or increase in the remuneration or benefits or entitlements for Relevant Team Members, or any variations to the existing discretions of the Board.



### Board Discretion

The Group's Team Member Equity Plans provide the Board with an overriding discretion in relation to the treatment of grants under the Group's Team Member Equity Plans on cessation of employment. The Board may determine that awards are forfeited, partially forfeited or retained, and that vesting is unchanged or accelerated on cessation of employment.

In exercising its discretion, the Board will always consider all relevant circumstances in which the Relevant Team Member is ceasing employment. However, in order to provide transparency, the Board proposes to adopt the following positions as its likely default treatment:

Event	Likely Treatment
<p><b>“Bad Leaver”</b></p> <ul style="list-style-type: none"> <li>Termination for misconduct</li> <li>Termination for poor performance</li> <li>Resignation</li> </ul>	All awards lapse on date of cessation of employment
<p><b>“Good Leaver”</b></p> <ul style="list-style-type: none"> <li>Mutual separation</li> <li>Bona fide Redundancy</li> <li>Death, serious illness or incapacity</li> <li>Genuine retirement</li> </ul>	<p>Discretionary – the Board will determine treatment in the circumstances</p> <p>Vesting of part or all of the awards may be accelerated. Some awards may lapse and/or some awards may remain on foot to vest subject to the stated performance period and performance conditions (unless Board discretion determines a different treatment)</p>

Shareholder approval is sought for the purposes of sections 200B and 200E of the Corporations Act for any 'termination benefits' resulting from the future exercise of the Board's discretion under the Group's Team Member Equity Plans.

If shareholder approval is obtained, the value of the above benefits will be disregarded when calculating the Relevant Team Member's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act.

If the Board exercises discretion to allow a member of the KMP to retain any equity securities under any of the Group's Team Member Share Plans that would otherwise be forfeited, this will be fully described in the Remuneration Report.

This approval does not guarantee the Board will exercise the discretions set out above. Depending on the circumstances of cessation, any specific individual may not ultimately receive the benefits covered by this approval

### Who does the approval affect?

Approval is sought in respect of any current or future employee who at the time of his/her termination of employment, or at any time in the three years prior to that date, was a Relevant Team Member and holds awards under the Group's Team Member Equity Plans. As at the date of this Notice of Meeting, this group is currently limited to executive KMP of the Company, as disclosed in the Company's FY18 Remuneration Report, although may also extend to executives who serve as directors of subsidiary companies. Non-executive directors received fixed fees for their service and do not participate in Team Member Equity Plans, and so do not receive termination benefits referred to in this resolution.





### The value of the benefits or entitlements

The amount and value of the benefits being approved is the maximum potential benefit that could be provided under the Group's Team Member Equity Plans as a result of the exercise of the Board's discretion. The amount and value of the benefits that may be provided cannot be ascertained in advance. This is because various matters, events and circumstances will or are likely to affect the calculation of the amount and value. These include without limitation:

- the number of securities held by the Relevant Team Member under the Team Member Equity Plan prior to cessation of employment and the number that the Board determines to forfeit or leave on-foot in accordance with the relevant plan;
- the Company's share price at the relevant time;
- any other factors that the Board determines to be relevant when exercising discretion in relation to the number of awards which will vest or lapse (such as their length of service, the Board's assessment of the team member's performance up to the termination date, the extent to which the performance conditions have been satisfied, the financial performance of the Company and the business area in which that participant works, and the circumstances in which the participant leaves the Company).

Accordingly, the amount and value of the benefits for which shareholder approval is sought is the maximum potential benefit that could be provided to the Relevant Team Member under the Team Member Equity Plan in connection with the person ceasing to hold an office or position of employment with the Group.

### Approval is sought for a three-year period

If approval is obtained, it will be effective for a three-year period. That is, shareholder approval will be effective:

- If the Board exercises discretions under any Team Member Equity Plan
- In relation to any incentive awards granted under the Plan,
- In relation to any awards granted under any other new, modified or replacement equity incentive plan, and in each case,
- If the Relevant Team Member ceases to hold office,

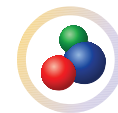
during the period beginning at the conclusion of this AGM and expiring at the conclusion of the AGM in 2021.

As noted above, the Company last sought, and received approval for the purpose of s200B at its 2015 AGM. If considered appropriate, the Company may seek also fresh shareholder approval at the AGM in 2021.

It can be reasonably anticipated that Relevant Team Member remuneration and aspects of the Group's Team Member Equity Plans, and the rules that underpin them, will be amended from time to time in line with market practice and changing governance standards. Where relevant, changes in relation to KMP remuneration will be reported in the Company's Remuneration Report. However, as set out above, the Board has an overriding discretion in relation to the treatment of grants of equity securities on cessation of employment. Subject to the three-year approval period, it is intended that approval under this resolution will remain valid for as long as the Group Team Member Equity Plans provide for these Board discretions.

### Board recommendation

The directors (with Ms O'Flaherty abstaining) recommend shareholders vote FOR Resolution 5. Ms O'Flaherty does not make a recommendation in respect of the resolution in view of her personal interest in the resolution.



### Voting Exclusions

The Company will disregard any votes cast on this resolution:

- By any executive member of KMP and any of their associates
- By any other team member who holds a managerial or executive office of the Company or a related body corporate (or is expected to in the future), and any of their associates, or
- As a proxy by a person who is a member of KMP on the date of the AGM or their closely related parties,

Unless the vote is cast as proxy for a person entitled to vote on this resolution:

- In accordance with a direction as to how to vote on the proxy form, or
- By the Chairman of the meeting following express authorization on the proxy form to vote as he sees fit.



In this Notice of Meeting, the following terms have the following meanings (unless otherwise indicated):

**AGM** means the Annual General Meeting of the shareholders of the Company.

**Board** means the board of Directors.

**Closely Related Party**, in relation to a member of the KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence, or be influenced by, the member in the member's dealings with the Company and/or the Group, and any company that the member controls.

**Company** means 3P Learning Limited ABN 50 103 827 836.

**Constitution** means the constitution of the Company.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Corporations Regulations** means the Corporations Regulations 2001 (Cth).

**Director** means a director of the Company.

**Group** means the Company and its controlled entities.

**Key Management Personnel** or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company and/or the Group, whether directly or indirectly.

**Notice of Meeting** means the Notice of Annual General Meeting for the particular year specified.

**Performance Rights** has the meaning set out in the Company's Long Term Incentive Plan.

**Options** has the meaning set out in the Company's Long Term Incentive Plan.

**Resolution** means a resolution referred to in the Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.





## 3P Learning Ltd

Level 18, 124 Walker Street  
North Sydney, NSW 2060

T: 1300 850 331

F: 1300 762 165

[customerservice@3plearning.com.au](mailto:customerservice@3plearning.com.au)



# 3P Learning

3P Learning Limited  
ABN 50 103 827 836

## LODGE YOUR VOTE

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
3P Learning Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

**ALL ENQUIRIES TO**  
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

## VOTING FORM

I/We being a member(s) of 3P Learning Limited and entitled to attend and vote hereby appoint:

STEP 1 Please mark either A or B

### A VOTE DIRECTLY

elect to lodge my/our vote(s) directly (mark box)

in relation to the Annual General Meeting of the Company to be held at **10:00am on Friday, 9 November 2018**, and at any adjournment or postponement of the Meeting.

You should mark either "for" or "against" for each item. Do not mark the "abstain" box.

OR

### B APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am on Friday, 9 November 2018 at 124 Walker Street, North Sydney, NSW 2060 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 3, 4 and 5:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 3, 4 and 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

## VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

### Resolutions

2a Re-election of Director - Ms Claire Hatton

For Against Abstain\*

5 Approval of Approach to Termination Benefits

For Against Abstain\*

2b Election of Director - Mr Mark Lamont

3 Adoption of Remuneration Report

4 Approval of CEO FY19 LTI Grant

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

3PL PRX1801G



## HOW TO COMPLETE THIS SHAREHOLDER VOTING FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### VOTING UNDER BOX A

If you ticked the box under Box A you are indicating that you wish to vote directly. Please only mark either "for" or "against" for each item. Do not mark the "abstain" box. If you mark the "abstain" box for an item, your vote for that item will be invalid.

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the Meeting as your proxy.

Custodians and nominees may, with the Share Registrar's consent, identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid.

If you have lodged a direct vote, and then you attend the Meeting, your attendance will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

### VOTING UNDER BOX B – APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Voting Form, including where the Resolutions is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A VOTING FORM

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Wednesday, 7 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Voting Form received after that time will not be valid for the scheduled Meeting.

Voting Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Voting Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Voting Form).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your vote by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

3P Learning Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**