

20 November 2020

The Manager
Companies Announcements
Australian Securities Exchange

Contact Darren Pereira
Direct Line (02) 8083 0487
Email darren.pereira@holdingredlich.com
Our Ref DAP 19670149

By electronic lodgement

Dear Sir / Madam

**3P Learning Ltd (ASX: 3PL)
Notice of initial substantial holder**

We act for the shareholders of Blake eLearning Pty Ltd (ACN 140 998 821) (**Blake**), being Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the Blake Sandblom Trust, Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the BEL Unit Trust and KPIT Pty Ltd (ACN 132 677 162) as trustee for KP Investment Trust (together, the **Blake Shareholders**).

On behalf of the Blake Shareholders, we **enclose** a copy of:

- (a) a "Form 603: Notice of initial substantial holder" in relation to 3P Learning Ltd; and
- (b) covering letter to the Chairman of 3P Learning Ltd.

Yours sincerely



Holding Redlich

Enclosures: 2

Sydney . Melbourne . Brisbane

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ABN 15 364 527 724

20 November 2020

The Chairman
3P Learning Ltd
L18/124 Walker Street
NORTH SYDNEY NSW 20060

Partner Darren Pereira
Direct Line (02) 8083 0487
Email darren.pereira@holdingredlich.com
Our Ref DAP 19670149

Dear Sir

Notice of initial substantial holder

We act for the shareholders of Blake eLearning Pty Ltd (ACN 140 998 821) (**Blake**), being Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the Blake Sandblom Trust, Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the BEL Unit Trust and KPIT Pty Ltd (ACN 132 677 162) as trustee for KP Investment Trust (each a "**Blake Shareholder**").

Please find attached a Form 603 (Notice of initial substantial holder) in connection with the Blake Shareholders' substantial holding interests in 3PL (**Form 603**).

The Form 603 relates to 34,866,596 3PL ordinary shares held by (or on behalf of) Viburnum Funds Pty Ltd (ACN 126 348 990) (**Viburnum**) (**Viburnum Shares**).

Viburnum has agreed to facilitate the submission of a proposal by the Blake Shareholders to the board of 3PL, whereby 3PL would acquire 100% of the shares in Blake from the Blake Shareholders, in exchange for cash and scrip in 3PL. The Blake Shareholders have given an undertaking to Viburnum to deal exclusively with Viburnum and 3PL concerning the sale of shares in Blake to 3PL. A copy of the exclusivity undertaking and a term sheet setting out the terms of the proposal from the Blake Shareholders to be put to the board of 3PL, is annexed to the Form 603 as Annexure A.

As a result the arrangements described above, Viburnum and each of the Blake Shareholders may be associates of each other (for the purposes of section 12 of the Corporations Act), because of an agreement, arrangement or understanding between them for purposes of influencing the affairs of 3PL.

If an association exists between Viburnum and each of the Blake Shareholders, then by virtue of section 610 of the Corporations Act, the voting power of Blake Shareholders in 3PL will be taken to include Viburnum's voting power in 3PL (which is 25%, attached to the Viburnum Shares).

Notwithstanding the potential association, the Blake Shareholders do not have a relevant interest in the Viburnum Shares, or any other shares in 3PL. In addition, any such association is likely to cease upon submission of the proposal to the board of 3PL and the exclusivity undertaking ceasing to apply.

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However, the Blake Shareholders consider it prudent to disclose the potential association with Viburnum by way of lodging the attached Form 603.

Yours faithfully

A handwritten signature in blue ink that reads "Holding Redlich". The signature is written in a cursive, flowing style.

Holding Redlich

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme **3P Learning Ltd ("3PL")**ACN/ARSN **103 827 836****1. Details of substantial holder (1)**

Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the Blake Sandblom Trust

Name Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the BEL Unit Trust

KPIT Pty Ltd (ACN 132 677 162) as trustee for KP Investment Trust

(each a "Blake Shareholder")

ACN/ARSN (if applicable):

The holder became a substantial holder on 20/11/2020

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	34,866,596	34,866,596	25.00% (the Blake Shareholders may have voting power in these securities by virtue of the reasons specified in item 6 below. The Blake Shareholders do not have a relevant interest in those securities.)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Viburnum Funds Pty Ltd (ACN 126 348 990) ("Viburnum") and related entities	See substantial holding notices lodged by Viburnum.	See substantial holding notices lodged by Viburnum.

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
See substantial holding notices lodged by Viburnum.	See substantial holding notices lodged by Viburnum.	See substantial holding notices lodged by Viburnum.	See substantial holding notices lodged by Viburnum.

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Nil	Nil	Nil	Nil	Nil

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Viburnum	<p>Viburnum and each of the Blake Shareholders may be associates of each other because of an agreement, arrangement or understanding between them for purposes of influencing the affairs of 3PL. Viburnum has agreed to facilitate the submission of a proposal by the Blake Shareholders to the board of 3PL whereby 3PL would acquire 100% of the shares in Blake in exchange for cash and scrip in 3PL. The Blake Shareholders have given an undertaking to Viburnum to deal exclusively with Viburnum and 3PL concerning the sale of shares in Blake to 3PL. Any such association is likely to cease upon submission of the proposal to the board of 3PL and the exclusivity undertaking ceasing to apply.</p> <p>A copy of a letter from Viburnum to the board of 3PL dated 20 November 2020, and the attachments to that letter including both (a) the exclusivity undertaking and (b) a term sheet setting out the terms of the proposal from the Blake Shareholders to be put to the board of 3PL, is annexed to this form 604 as Annexure A.</p>

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the Blake Sandblom Trust	649-655 Parramatta Road, Leichhardt, NSW, 2040
Pascal Educational Services Pty Ltd (ACN 082 850 744) as trustee for the BEL Unit Trust	649-655 Parramatta Road, Leichhardt, NSW, 2040
KPIT Pty Ltd (ACN 132 677 162) as trustee for KP Investment Trust	20 Croydon Street, Petersham, NSW, 2049

Signature

print name **Matthew Sandblom** capacity **Director**

sign here  date **20/11/2020**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A to form 603

This is Annexure A of 6 pages referred to in ASIC form 603 (Notice of initial substantial holder), for 3P Learning Ltd.



20 November 2020

Viburnum Funds Pty Ltd
31 Carrington Street
Nedlands WA 6009

Attention: Craig Coleman

Email: craig@viburnumfunds.com.au

Dear Craig,

Blake eLearning Pty Ltd opportunity

In our capacity as the owners of Blake eLearning Pty Ltd (**Blake**), we wish to confirm that we are interested in participating in a transaction whereby 3P Learning Limited (**3PL**) would acquire 100% of the shares in Blake in exchange for cash and scrip in 3PL (**Proposed Transaction**).

We have discussed the possibility of pursuing the Proposed Transaction on the terms of the term sheet attached to this letter (**Term Sheet**).

You have indicated that, as the largest shareholder in 3PL, you are prepared to facilitate the submission of our proposal to the board of 3PL and indicate to the board that you support the consideration of the Proposed Transaction by the board of 3PL.

In consideration of your undertaking to support the 3PL board's consideration of the Proposed Transaction, we each undertake (in our capacity as the owners of Blake) from the date of this letter until 31 March 2021 (**Exclusivity Period**), that we will, and we will procure Blake, our respective officers, employees and advisors to:

- not permit access to or make available any non-public information in relation to Blake or any of its subsidiaries or business to;
- not directly or indirectly, continue, engage or participate in any discussions with, deal or negotiate with, or solicit offers or expressions of interest from; or
- not enter into, or agree to enter into, any agreement, arrangement or understanding or take any actions to facilitate an agreement, arrangement or understanding,

with any person other than Viburnum Funds Pty Ltd or 3PL and their respective officers, employees and advisors with respect to the sale of the shares in Blake or in any subsidiary of Blake or the sale or other direct or indirect dealing in respect to the business of Blake and its subsidiaries.

The Exclusivity Period will terminate if, prior to 31 March 2021:

1. 3PL's board (or a sub-committee of the 3PL board) fails to make itself available to meet with us within 10 business days of the date of this letter to discuss the Proposed Transaction (**Initial Meeting**);

ABN: 64 140 998 821

Head Office

655 Parramatta Road
Leichhardt NSW 2040
Phone 61-2-8585 4085
Fax 61-2-8585 4058

Email info@blake.com.au

Web www.blake.com.au

Postal Address

PO Box 250
Glebe NSW 2037

2. 3PL does not provided us with access to a data room within 4 weeks of the Initial Meeting;
3. if dataroom access is granted as described above and such access is subsequently withdrawn at the direction of 3PL;
4. 3PL's board notifies us in writing that it is terminating negotiations with us in relation to the Proposed Transaction; or
5. 3PL undergoes a change of control or 3PL enters into a binding agreement to undergo a change of control transaction.

You have advised us, and we confirm, that you are unable to give any undertaking and we have no understanding as to the voting of your shares at the 3PL scheme meeting on 20 November 2020 or any 3PL shareholder meeting convened by the board to consider a transaction between us and 3PL in relation to Blake.

This letter is signed as a deed poll in favour of you and is legally binding on us.

Yours sincerely



Matthew Sandblom
Director
Blake eLearning Pty Ltd
and
Sole director
Pascal Educational Services Pty Ltd as
trustee for each of the Blake Sandblom Trust
and BEL Unit Trust

Yours sincerely



Katherine Pike
Director
Blake eLearning Pty Ltd
and
Sole Director
KPIT Pty Ltd as trustee for KP Investment Trust

APPENDIX 1
TERM SHEET FOR THE PROPOSED TRANSACTION

TERM SHEET – PROPOSED PURCHASE OF 100% OF BLAKE BY 3PL

Background	<ul style="list-style-type: none"> • Pascal Educational Services Pty Ltd as trustee for the Blake Sandblom Trust and the BEL Unit Trust, and KPIT Pty Ltd as trustee for the KP Investment Trust (together the Sellers) own 100% of the shares in the capital of Blake eLearning Pty Ltd (Blake). • The Sellers wish to negotiate a proposed transaction under which 3P Learning Limited ACN 606 520 192 (3PL) (or one of its wholly owned subsidiaries) would acquire all of the shares of Blake materially on the terms set out in the term sheet (Proposed Transaction). • This term sheet sets out the basis on which the Sellers are prepared to proceed with the Proposed Transaction, subject to negotiation with 3PL (acting reasonably).
Proposed Transaction	3PL to acquire 100% of the issued share capital in Blake from the Sellers (Proposed Transaction).
Formal agreement	The parties will use best endeavours to enter into a formal legally binding agreement containing detailed provisions reflecting the basic commercial terms in this term sheet and other provisions that are mutually acceptable to the Sellers and 3PL (Share Sale Agreement) on or before 31 January 2021.
Purchase price	<p>The purchase price will be A\$188 million, subject to completion account adjustments.</p> <p>The purchase price (before adjustments) will be satisfied:</p> <ul style="list-style-type: none"> • 10% in cash of A\$18.8 million (Cash Consideration); and • 90% in 3PL shares, being A\$169.2 million of shares in 3PL (Scrip Consideration). The number of 3PL shares making up the Scrip Consideration will be determined based on a price of \$1.35 per ordinary 3PL share, being 125.3 million ordinary 3PL shares. <p>3PL shareholder approval will be required under ASX Listing Rule 7.1 for 3PL to issue the Scrip Consideration.</p> <p>The Sellers will enter into a voluntary escrow in respect of their Scrip Consideration for a period of 18 months from completion under the Share Sale Agreement.</p> <p>Any completion adjustments to the purchase price will be made against the Cash Consideration.</p>
Conditions	<p>The Share Sale Agreement will be subject to customary conditions, including:</p> <ul style="list-style-type: none"> • completion of financial, technical and legal due diligence on Blake to the reasonable satisfaction of 3PL; • completion of financial, technical and legal due diligence on 3PL to the reasonable satisfaction of the Sellers; and • 3PL shareholder approval as required under the ASX Listing Rules.

Due diligence by 3PL	<p>In order to confirm the proposed purchase price and terms, 3PL will require access to the Sellers and Blake's management and management information.</p> <p>The Sellers will us best endeavours to make the due diligence materials requested by 3PL available as soon as practicable following the date of the letter to which this term sheet is attached.</p>				
Period before signing of a Share Sale Agreement	<p>From the date of the letter to which this term sheet is attached, until a Share Sale Agreement is signed (or both parties elect not to pursue the Proposed Transaction):</p> <ul style="list-style-type: none"> • the Sellers must ensure that Blake's business; and • 3PL must ensure that its business, <p>is conducted in the ordinary course of ordinary business.</p>				
Executive chairman and board composition following completion	<p>On completion under the Share Sale Agreement, Matthew Sandblom will be appointed as the executive chairman of 3PL (on terms to be agreed between Matthew Sandblom and 3PL).</p> <p>Following completion under the Share Sale Agreement, the board of 3PL will be constituted by:</p> <ul style="list-style-type: none"> • 2 of the current directors of 3PL (to be determined) • Matthew Sandblom (as executive chairman) • Craig Coleman (as a nominee of 3PL's shareholder Viburnum Funds) • a new independent director (whose identity is to be agreed) 				
Warranties and liability regime	<p>The Seller will provide warranties and indemnities as are usual in similar transactions and are reasonably required by 3PL. Given the relatively small percentage of Cash Consideration (as compared to the Scrip Consideration) and the ongoing relationship between the Sellers and 3PL, the parties will look to 3PL obtaining buy-side W&I insurance in respect of the Sellers' warranties and indemnities and for such insurance to be its sole recourse (other than title warranties above the limit of liability of the W&I insurance policy).</p> <p>3PL, as the issuer of the Scrip Consideration, will provide warranties and indemnities as are usual in similar transactions and are reasonably required by the Sellers.</p>				
Governing Law	<p>The Share Sale Agreement and other Transaction Documents will be governed by the laws of NSW, Australia.</p>				
Expenses	<p>Each Party is to bear its own expenses incurred in preparing and negotiating this document and other Transaction Documents.</p>				
Indicative Timetable	<table border="1"> <thead> <tr> <th data-bbox="448 1778 692 1834"><i>Date</i></th> <th data-bbox="700 1778 1358 1834"><i>Details</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1845 692 1957">19 Dec 2020</td> <td data-bbox="700 1845 1358 1957"> <ul style="list-style-type: none"> • Blake prepare and populate virtual data room for due diligence • 3PL and Blake enter into NDA and process deed </td> </tr> </tbody> </table>	<i>Date</i>	<i>Details</i>	19 Dec 2020	<ul style="list-style-type: none"> • Blake prepare and populate virtual data room for due diligence • 3PL and Blake enter into NDA and process deed
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19 Dec 2020	<ul style="list-style-type: none"> • Blake prepare and populate virtual data room for due diligence • 3PL and Blake enter into NDA and process deed 				

	31 Jan 2021	Due diligence completed and execute Share Sale Agreement	
	8 Feb 2021	3PL despatches Notice of Meeting	
	8 March 2021	3PL shareholder meeting	
	22 March 2021	Completion	