

## **ASX ANNOUNCEMENT**

28 May 2021

### **COMPLETION OF BLAKE ACQUISITION, APPOINTMENT OF NON-EXECUTIVE CHAIRMAN AND INTERIM CEO**

3P Learning Limited ("3PL") is pleased to confirm that formal completion of its acquisition of 100% of the equity in Blake eLearning Pty Ltd ("Blake") has occurred through the issuance of 137.0 million new shares in 3PL.

The merger immediately creates a large scale, leading EdTech platform. It combines 3PL's strength in numeracy and direct to school marketing with Blake's strength in literacy and direct to consumer marketing and provides 3PL with full control of the intellectual property rights to two of its key products: *Reading Eggs* and *Mathseeds*.

Following completion of the merger the Board initiated a number of changes to its composition and to the executive leadership of the Company.

- Matthew Sandblom has joined the Board as Non-Executive Chairman;
- Sam Weiss has stepped down as Chairman and will remain on the Board as interim Chairman of the Audit and Risk Committee;
- Roger Amos has retired from the Board; and
- Jose Palmero has been appointed Interim CEO.

Commenting on Mr Amos' retirement, Sam Weiss, said "On behalf of my fellow directors, I would like to extend my sincere gratitude to Roger for his seven years of service to 3PL. His experience and commitment to the success of the company have been instrumental to our progress."

#### **Appointment of Non-Executive Chairman**

As previously foreshadowed, Sam Weiss, who will remain on the Board as a Non-Executive Director, has stepped down as Chairman and is replaced by Matthew Sandblom.

Mr Sandblom, founder and former Executive Chairman of Blake has considerable experience in EdTech, having founded or co-founded many successful companies including Blake Education, Clickview, and Blake eLearning over the past 30 years. In addition, Mr Sandblom has had a long association with both 3PL and *Mathletics*. He acquired the predecessor company to what became *Mathletics*, Scaffolding Maths from its founder Shane Hill in 2003, and he was a major shareholder of 3PL until its IPO in 2014.

As an incoming substantial shareholder of the Company, Mr Sandblom has requested that he receive a nominal fee of \$1 in relation to his appointment as Chairman and Non-executive Director.

## Appointment of Interim CEO

Jose Palmero has been appointed by the Board of 3PL as Interim CEO.

Mr Palmero, has been the CEO of Blake until now and played a key role in growing and scaling the business. He was a member of the 3PL Board from 2009 to 2014 prior to its IPO and has a proven track record in the education content, intellectual property and EdTech industries.

Mr Palmero has been instrumental in developing the framework for the 3PL and Blake integration plan and go-forward strategy, and said "I look forward to working with the combined team and see outstanding potential for the business going forward."

A summary of the material terms of the Employment Agreement for Mr Palmero is attached in Annexure A.

-ENDS-

This announcement has been authorised for release to the ASX by the Board of Directors of 3PL.

For further information, please contact:

3PL Investor Relations - [investors@3plearning.com](mailto:investors@3plearning.com)

## Annexure A: Summary of Key Terms of Employment

A summary of the material terms of Jose Palmero's (JP) executive service agreement is below.

Key Terms	Details
<b>Commencement date</b>	JP's appointment as interim Chief Executive Officer of the Company is effective from the completion of the merger between Blake eLearning and the Company which occurred on 28 May 2021.
<b>Interim Period</b>	JP's appointment is subject to an interim period of 12 months. At any time prior to the expiry of the interim period, the Board may in its sole and absolute discretion resolve to end the employment prior to that date by 3 months' written notice.
<b>After Interim Period</b>	JP's appointment will be on an ongoing basis subject to termination by either party (see termination and notice below).
<b>Fixed Remuneration</b>	AUD \$525,000 per annum, inclusive of SCG capped at the maximum contribution level.
<b>At risk remuneration</b>	<p>Short term incentive: JP will be eligible to receive an annual Short-Term incentive (STI) for FY22 with a target STI of 50% of his annual Fixed Remuneration, based on the achievement of performance objectives determined by the Board in its sole and absolute discretion.</p> <p>Long term incentive: JP will be eligible to receive a Long-Term Incentive award for the FY22-FY24 with a value equivalent to 50% of annual Fixed Remuneration based upon the achievement of performance objectives and vesting conditions determined by the Board in its sole and absolute discretion and subject to shareholder approval at the 2022 annual general meeting, where required.</p>
<b>Leave entitlements</b>	<p>Eligible for statutory leave entitlements including annual and long service leave.</p> <p>For service-related entitlements, the Company will recognise JP's prior service with Blake eLearning which commenced on 13 November 2006.</p>
<b>Change of control</b>	The Board will have sole and absolute discretion to determine to make a cash payment or vest any at-risk award early or keep them afoot (as applicable) if a change of control event is likely to result in or does result in a change in the Control of the Company.
<b>Termination and notice</b>	<p>After the Interim Period, either party may terminate by providing six months' written notice other than where the employment is terminated for misconduct, dishonesty, fraud, negligence or a serious or persistent breach of contract, in which case 3PL may terminate with no notice.</p> <p>The Company may elect to make a payment in lieu of all or part of any period of notice of termination given by either party with the payment to be based on JP's Fixed Remuneration during the notice period. The Company may also direct JP to take 'garden leave' during a period of notice.</p>

<b>Post- employment restraint</b>	JP must not engage in any business that competes with or is the same or substantially similar to the Company's business for period of 12 months after ceasing employment.  Further, JP must not for a period of 12 months after ceasing employment canvass, solicit, or attempt to solicit or accept employees, officers, contractors, agents, customers, suppliers, distributors and/or partners of the Company.
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