



**ACN 136 815 891
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Contact:

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Board of Directors:

Paul Collins, *Non- Exec Chairman*
Lars Lindstrom, *Managing Director*
Darren Hunter, *Executive Director*
Guy Mendelson, *Non-Exec Director*

Company Secretary:

Melanie Leydin

Securities on Issue:

RCL: 88,750,000 ordinary shares
RCLO: 16,666,663 options

Website:

<https://www.readcloud.com/>

ASX Announcement

13 May 2019

Deferred consideration for acquisition of Australian Institute of Education & Training

ReadCloud Limited ("ReadCloud" or "the Company"; ASX: RCL, RCLO) refers to the ASX announcement dated 15 November 2018 relating to the acquisition of Australian Institute of Education and Training ("AIET").

The Directors are pleased to advise that AIET has generated revenue in excess of \$900,000 for FY19 (year to date), exceeding the performance hurdle for the payment of the first tranche of deferred consideration. In accordance with the Share and Unit Purchase Agreement, ReadCloud has paid the first tranche of deferred consideration comprising \$50,000 cash and the issue of 1,000,000 RCL shares. As previously announced, a further tranche of consideration (comprising up to \$410,000 cash and the issue of up to 4.1 million RCL shares) is payable on a sliding scale subject to AIET achieving from \$200,000 and up to \$600,000 in EBIT for FY19.

All RCL shares issued as consideration for the acquisition will be subject to voluntary escrow, with 50% escrowed for 12 months from the date of issue and 50% escrowed for 24 months from the date of issue.

The Company will release an Appendix 3B in relation to the issue of shares shortly.

-Ends-

**CONTACTS:
Investors & Media:**

Luke Murphy, Chief Financial Officer
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About ReadCloud Limited (“ReadCloud”)

ReadCloud is a leading provider of software solutions, including eBooks, to schools within Australia. ReadCloud’s proprietary eBook reader delivers digital content to students and teachers with extensive functionality, including the ability to make commentary in, and import third party content into eBooks.

Students and teachers can share notes, questions, videos and weblinks directly inside the eBooks turning the eBook into a place for discussion, collaboration and social learning, substantially improving learning outcomes. ReadCloud sources content for its solutions from multiple publishers so that together with its reseller Channel Partners, ReadCloud is able to deliver the Australian school curriculum in digital form in all States, on one platform.

ReadCloud also provides digital Vocational Education and Training (VET) course materials and services to schools through its subsidiary Australian Institute of Education and Training (AIET), which offers 37 VET courses and Auspicing services to schools across Australia.