

ASX ANNOUNCEMENT

11 April 2016

3P Learning Limited appoints Rebekah O'Flaherty as Chief Executive Officer

3P Learning Limited (ASX: 3PL) is pleased to announce that Rebekah O'Flaherty has been appointed as Chief Executive Officer and Executive Director of the Company. The appointment follows an extensive global executive search process and will take effect on or prior to 11 July 2016.

Rebekah is a proven, high energy leader with extensive experience in technology companies in the United States, Europe and Australia where she has led large-scale business units for HP, Telstra and Origin Energy. At Origin her team was responsible for the transformation of the Retail Division's engagement with its customer base and the re-build of the Company's digital platform.

Rebekah has a deep understanding of digital platforms, services and direct consumer connections, gained through digital channel management at HP and Origin. Her six years of service for HP in Singapore, the UK and the USA gives her a direct insight into the challenges faced by 3P Learning as it implements a rapid, global expansion of its online learning platform.

3P Learning Chairman Sam Weiss commented, "We are delighted that Rebekah has decided to join 3P Learning. Her experience in the management of strategic complexity and the implementation of services at scale, along with her proven capability to build strong empowered teams, is of critical importance for 3P Learning during its transformation from an early stage internet education organisation to an international leader in its sector. We look forward to her leadership of our Company, and the clarity of communication and strategic vision that she will bring to 3P Learning.

Education has been important for Rebekah all her life; it has played a critical role in her success in the commercial world and she is pleased to be able to turn her skills and experience to help students learn math, literacy and science."

Ms. O'Flaherty said, "I'm thrilled to be joining the 3P Learning team and look forward to putting my knowledge of technology and the digital world to work in this rapidly evolving industry. I am excited to have the opportunity to grow and develop the community of students and schools that use 3P Learning products and services around the world."

A summary of the key terms of Rebekah's employment contract is attached.

Sam Weiss
Chairman

ENDS

Contact

Sam Weiss, Chairman
sam.weiss@3plearning.com

Jolanta Masojada, Investor Relations Adviser
investors@3plearning.com

3P Learning Limited
Level 18, 124 Walker Street
North Sydney NSW 2060 Australia

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About 3P Learning

3P Learning's mission is to transform lives through a love of learning.

3P Learning has brought together a community of 5.6 million students and 17,500 schools across the world using its award winning resources to learn mathematics (Mathletics), spelling and literacy (Spellodrome), reading (Reading Eggs) and science (Into Science).

The company is comprised of 350 educators, engineers, product designers and other personnel, based in 11 countries, servicing schools in more than 100 countries.

3P Learning has a powerful partnership with UNICEF, which has enabled over 100,000 students to go to school in developing countries.

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SUMMMARY OF KEY TERMS OF EMPLOYMENT

A summary of the material terms and conditions of the employment agreement entered into with Rebekah O'Flaherty (ROF) are provided below.

Key Terms	Details
Commencement date	ROF's appointment as Chief Executive Officer and Executive Director of 3P Learning Limited (Company) will commence on or prior to 11 July 2016.
Term	ROF's appointment is ongoing with no fixed term.
Fixed Remuneration	AUD610,000 per annum, inclusive of compulsory superannuation contributions (Fixed Remuneration). ROF's remuneration will be reviewed annually in accordance with the Company's performance review policy.
At risk remuneration	<ol style="list-style-type: none"> 1 Short term incentive: ROF will be eligible to receive an annual short term incentive (STI) with a target STI of 50% of her annual Fixed Remuneration, subject to the Board's assessment of her achievement of applicable performance targets in accordance with the Company's Short Term Incentive Plan (STIP). ROF will have discretion regarding the split of any incentive payment between cash and ordinary shares in the Company. If an Event (as defined in the LTI Plan) occurs in any financial year, ROF will be entitled to receive payment of the target STI amount (i.e. 50% of Fixed Remuneration) for the relevant year. 2 Long term incentive: Subject to shareholder approval, ROF will be made an award of performance rights under the Company's Long Term Incentive Plan (LTI Plan) for the financial year commencing 1 July 2016 with a value equivalent to 50% of annual Fixed Remuneration. 3 Special long term incentive: Subject to shareholder approval, ROF will receive a specific award of up to 400,000 performance rights under the LTI Plan subject to the following conditions: <ol style="list-style-type: none"> (a) Where the VWAP of the Company's ordinary shares for the period of 60 consecutive days after the date of release of the Company's annual results for the period ended 30 June 2019 is: <ol style="list-style-type: none"> i. Less than \$3.95 per share, none of the performance rights will vest; ii. Greater than \$3.95 per share, 50% of the performance rights will vest; iii. Greater than \$4.45 per share, 75% of the performance rights will vest; or iv. Greater than \$5.70 per share, 100% of the performance rights will

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	<p>vest.</p> <p>Each threshold is absolute and there is no incremental vesting between thresholds.</p> <p>(b) Any shares issued on vesting of any performance right shall be placed in escrow for a period of 12 months from the date of vesting.</p> <p>4 Further long term incentive: Provided ROF remains in the role of Chief Executive Officer until 1 September 2019, ROF shall, subject to shareholder approval, receive an additional award of 100,000 performance rights under the terms of the LTI Plan.</p>
Leave entitlements	ROF is entitled to statutory leave entitlements, plus, if ROF takes 20 working days of accrued paid annual leave in a 12 month period, ROF will be entitled to an additional 5 days of paid annual leave.
Termination provisions	<p>The Company may terminate ROF's employment (without cause) by providing six months' written notice. The Company may terminate ROF's employment summarily without notice if she engages in particular conduct (for example, serious misconduct).</p> <p>ROF may terminate her employment by providing the Company with six months' written 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 ROF's Fixed Remuneration during the notice period. The Company may also direct ROF to take 'garden leave' during a period of notice.</p> <p>In the event ROF's employment is terminated due to redundancy, ROF will be entitled to an additional severance payment equivalent to six months' Fixed Remuneration.</p>
Post-employment restraint	ROF must not engage in any business that competes with or is similar to the Company's business for a period of twelve months after ceasing employment. Further, ROF must not for a period of twelve months after ceasing employment solicit employees, officers, contractors, agents, customers, suppliers, distributors and/or partners of the Company.