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ASX Code ICT

Cambridge Assessment English appoints iCollege Ltd as Preferred Partner in Australia

Key points:

- Cambridge Assessment English, a division of Cambridge University UK has appointed iCollege as its Preferred Partner to promote, sell and administer Linguaskill English tests in Australia.
- iCollege will promote Linguaskill through its newly established division, TestEd English.
- The initial appointment is for a 3-year term, with automatic rolling 1-year renewals subject to meeting agreed minimum sales targets.
- Cambridge Assessment English provides the world's leading range of English tests for learners of English including IELTS, which is co-owned and managed by Cambridge Assessment English, IDP Education Australia and British Council.

Agreement synopsis

The Board of iCollege is pleased to announce that Cambridge Assessment English has appointed iCollege Limited as its Preferred Partner to promote, sell and administer the use of Linguaskill English tests¹ in Australia.

The key terms of the appointment are as follows:

1. Initial 3-year term and thereafter, automatic rolling 1-year renewals subject to meeting agreed minimum sales targets;
2. Cambridge Assessment English will not, for an initial period of 2 years, appoint another sales agent in Australia²;
3. Pursuant to the agreement, iCollege has been granted a licence to use and exploit Cambridge Assessment English's logos and marks on and in connection with the Linguaskill products and services;
4. In addition to its obligation to providing iCollege with its suite of Linguaskill tests and the development of those tests, Cambridge Assessment English is to also provide iCollege with:
 - a. Use of iCollege's name on the Cambridge Assessment English database of recognised institutions;
 - b. Access to Cambridge Assessment English's web application used to administer Linguaskill tests;

¹ Linguaskill General English Tests and Linguaskill Business English Tests, delivered by Cambridge Assessment English

² Cambridge Assessment English reserves the right to allow its Global Partners/Clients to sell into the territory during this period.

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- c. Access to its 24/7 support services;
 - d. Training; and
 - e. Marketing support including the development of promotional material for use by iCollege.
5. The agreement also contains other commercial terms relating to fees, payment terms, confidentiality, data protection, indemnities, termination and jurisdiction (England and Wales).

iCollege will promote the Linguaskill test through its newly established division, TestEd English.

Implementation

A formal launch event for Linguaskill will be held in Australia, to be hosted by key representatives from the Cambridge Assessment English team and Simon Tolhurst, Chairman of iCollege.

iCollege will be appointing a dedicated team and appropriately resourcing that team to ensure that the full potential of the opportunity is captured.

An indication of potential sales numbers and revenues are set out in the table below:

Tests Sales	Revenue per annum
8,000	\$ 960,000
15,000	\$ 1,800,000
25,000	\$ 3,000,000
50,000	\$ 6,000,000
100,000	\$ 12,000,000

In addition to revenue generated from the sales of Linguaskill tests, iCollege will also be offering associated English Language courses enabling non-English speakers to enhance their English-speaking skills prior to undertaking the test.

Linguaskill is a medium-stakes test which can be invigilated at an organisation's own venue, making it suitable for a variety of contexts including:

- Registered Training Organisations holding CRICOS accreditation that need to assess English proficiency levels of international students at various stages including upon entry, midway through their studies to monitor progression, and for graduation purposes.
- English language schools that test English proficiency as part of their intensive English curriculum and are recommended to implement a neutral English language test, many of which are already clients of Cambridge Assessment English.
- Government Departments and assessing authorities.
- Australian Universities that wish to assess English proficiency levels of international students upon entry to determine their individualised learner support needs, regardless of whether they are exempt from providing evidence prior to acceptance. It is also important for universities to monitor progression and development of international students, and for graduation purposes.
- Businesses (and recruitment agencies for those businesses) operating both domestically and overseas who employ staff where English is not their first language; and

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- International Schools that must assess English proficiency levels of international students upon entry to determine their individualised learner support needs.

iCollege Chairman Simon Tolhurst commented:

"This partnership with Cambridge Assessment English is a very important step for the business allowing us to increase our suite of student services and client offerings in partnership with the world leader in English Language training and assessment."

"The ability to provide the Linguaskill suite of tests allows us to further develop our relationships with Higher Education providers and Government departments keeping the business aligned with the mid-term priorities we have been working towards since February 2018. We expect this partnership to prove mutually beneficial and look forward to expanding the relationship into other opportunities with Cambridge Assessment English as they arise."

Ms Lim Cheng Pier, Regional Director of Cambridge Assessment English, Southeast Asia & Pacific region said:

"We are very excited to announce our partnership with iCollege and to be working together to provide Linguaskill online English language testing in Australia. Cambridge Assessment English is committed to helping people learn English and prove their skills to the world."

About Linguaskill

Linguaskill is a quick and convenient online test to help organisations check the English levels of individuals and groups of candidates. It tests all four language skills: speaking, writing, reading and listening.

It's fast and accurate and can be easily administered at a company's own venue. Alternatively, the test can be remote proctored (securely monitored) in partnership with ProctorU.

Linguaskill provides accurate results within 48 hours, with clear individual Test Reports and Group Reports. Results are aligned to the Common European Framework of Reference (CEFR), the international standard for describing language ability. Linguaskill also reports on the Cambridge English Scale to provide a more detailed understanding of performance.

There are also two test options, Business and General, so that participants can test the type of English best suited for their organisation. All that is required to run the test is a computer (with camera), an internet connection, a microphone and a set of headphones.

Linguaskill has been developed by a dedicated team of experts from Cambridge Assessment English, which is part of the University of Cambridge. Supported by artificial intelligence, the test is reliable and accurate. Linguaskill has been developed for higher education institutions, VET providers, employers, student recruitment agencies and can be used to determine suitability for:

- **Admissions:** Assess students' language levels on admission.
- **Graduation:** Check your students meet exit requirements.
- **Progression:** Measure improvement in language ability over time.
- **Recruitment:** Hire employees with the right English skills.

Test Options

Linguaskill provides two test options, General and Business. These options allow clients to choose the type of English that will be tested, based on organisational or institutional requirements.

1. Linguaskill General

Linguaskill General tests English used in daily life, making it suitable for university admission and recruitment for roles in a non-business-specific environment. For example, where the employee needs strong English skills to

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perform their role effectively but does not need specialist business terminology. The test suitable for a broad range of organisations. Test topics include studying, working, making future plans, travel and technology.

2. Linguaskill Business

Linguaskill Business tests English used in a business and corporate setting and is most suitable for recruitment in organisations where employees are expected to be familiar with the language of business.

It is suitable for large or small organisations, which may be operating internationally or utilise a foreign workforce. Test topics include the buying and selling of products or services, the office, business travel and human resources.

About Cambridge Assessment English:

Cambridge Assessment English is the producer and proud co-owner of IELTS, the world's leading English test for migration and higher education. Cambridge Assessment English helps millions of people learn English and prove their skills to the world.

Part of the University of Cambridge, Cambridge Assessment English provides the world's leading range of qualifications and tests for learners and teachers of English. Globally recognised by more than 20,000 leading universities, employers and governments, their research-based assessments are a mark of excellence that open doors.

Cambridge Assessment English delivers exams in over 130 countries to over 5.5 million people every year. Cambridge Assessment English offers comprehensive preparation, support materials and resources for learning and teaching English. Through years of research Cambridge Assessment English have gained in-depth understanding of how people learn languages. This enables Cambridge Assessment English to design assessments that help learners acquire the right skills based on how people use English today.

The work of Cambridge Assessment English is supported around the world by a network of 2,800 exam centres, over 50,000 schools and tens of thousands of examiners, teachers, education experts and publishers. Working together.

Ends

For further information:

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About iCollege

iCollege Limited comprises of seven businesses which deliver accredited and non-accredited vocational education and training solutions throughout Australia and abroad. iCollege currently has four registered training organisations (RTO's) based in Australia, an internationally recognised training provider based in Singapore and an international student recruitment agency, with offices in India.

The training is targeted at fee paying consumers and large corporations seeking essential skills and knowledge required to gain employment or grow their workforce across a range of industry sectors including construction, aged care, disability, hospitality, business, English language and health & fitness.

iCollege's subsidiaries are approved to train both domestic and international students throughout Australia. iCollege's subsidiaries currently provide training to a range of existing workers, job seekers and school leavers throughout our eight campuses in Sydney, Brisbane, Gold Coast, Perth, Adelaide and Canberra.

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