

2024 Annual General Meeting Notice Meeting, Letter of Access and Proxy

Sydney, Australia, 1 May 2024: OpenLearning Limited (ASX: OLL), the AI powered SaaS platform for lifelong learning ('OpenLearning' or 'Company'), attaches the following documents in relation to its Annual General Meeting, scheduled to be held on 31 May 2024:

- Notice of Meeting;
- Letter of Access; and
- Proxy Form.

Ends.

Authorised by:
Robyn Slaughter
Company Secretary

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Stay up to date with OpenLearning news as it happens:

Visit the Investor section of the OpenLearning website at: <https://investors.openlearning.com/> There you can download the Company's Prospectus and see recent ASX Announcements and press coverage.

In addition to signing up for OpenLearning news directly from the Company, we also encourage shareholders to register to receive electronic communications from our share registry, Automic. To sign up for e-communications from Automic, please visit <https://www.automicgroup.com.au/>.

Thanks for your ongoing support. We look forward to sharing OpenLearning news with you.

For further information, please contact:

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Company Secretary

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Investor Relations

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About OpenLearning

OpenLearning is an Artificial Intelligence (AI) powered SaaS platform for lifelong learning.

The platform enables education providers to manage all aspects of online learning, harnessing the power of Generative AI to streamline course design, content authoring and education delivery for short courses, micro-credentials and online degrees.

OpenLearning is a trusted partner to more than 220 leading education providers, who have delivered tens of thousands of courses to over 3.5 million learners through its platform.

With a strong position in the Australian and Malaysian higher education sectors, and a growing presence in Indonesia and India, OpenLearning is revolutionising the way education is accessed and delivered globally.

To learn more, please visit: <https://solutions.openlearning.com/>

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OpenLearning Limited

Notice of 2024 Annual General Meeting

Explanatory Statement | Proxy Form

Friday 31 May 2024

1.00PM AEST

Virtual Meeting & held at

Automic Group
Level 5
126 Phillip Street
Sydney
NSW 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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Important Information for Shareholders about the Company's 2024 AGM

This Notice is given based on circumstances as at 24 April 2024. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://solutions.openlearning.com/investor-center>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 1.00PM AEST on 31 May 2024 at Automic Group, Level 5, 126 Phillip Street, NSW 2000 and as a **virtual meeting**.

To be able to hold this Meeting at both a physical and virtual venue, the Company is relying upon s249R(b) of the Corporations Act.

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on **"register"** and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to investor.automic.com.au
2. Login with your username and password or click **"register"** if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on **"Register"** when this appears. Alternatively, click on **"Meetings"** on the left-hand menu bar to access registration.
4. Click on **"Register"** and follow the steps.
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting. Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the "Voting virtually at the Meeting" section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing by email to investors@openlearning.com at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting virtually at the Meeting

Shareholders who attend the Meeting remotely are encouraged to vote ahead of the meeting by completing and returning the proxy enclosed within.

Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" within the platform to be taken to the voting screen.

Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	<p>Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' - 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.</p> <p>For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/</p>
By post	Automic, GPO Box 5193, Sydney NSW 2001

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By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of OpenLearning Limited ACN 635 890 390 will be held at 1.00PM AEST on Friday, 31 May 2024 at Automic Group offices, Level 5, 126 Phillip Street, NSW 2000 and as a **virtual meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00PM AEST on Wednesday, 29 May 2024.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 31 December 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. **Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 31 December 2023.”

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

2. **Resolution 2 – Election of Matthew Reede as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That Matthew Reede, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”

3. **Resolution 3 – Re-Election of Spiro Pappas as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That Spiro Pappas, a Director who retires by rotation in accordance with clause 14.2 of the Company’s Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately.”

ASX Listing Rule 7.1A (Additional 10% Capacity)

4. Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Issue of Securities to Directors

5. Resolution 5 – Approval of Issue of Performance Rights to Adam Brimo, CEO and Director of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 4,000,000 Performance Rights to Adam Brimo (or his nominee), CEO and Director of the Company and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) Adam Brimo or his nominee;
- (b) a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

6. **Resolution 6** – Approval of Issue of Director Options to Adam Brimo, CEO and Director of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"That, for the purposes of ASX Listing Rule 10.11, for section 208 of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue and allotment of 2,000,000 Unlisted Options to Adam Brimo (or his nominee), CEO and Director of the Company and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) Adam Brimo or his nominee;
- (b) a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 6 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

7. **Resolution 7 – Approval of Issue of Director Options to Spiro Pappas, Chair and Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"That, for the purposes of ASX Listing Rule 10.11, for section 208 of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue and allotment of 1,000,00 Unlisted Options to Spiro Pappas (or his nominee), Chair and Director of the Company and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) Spiro Pappas or his nominee;
- (b) a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 7 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

8. **Resolution 8** – Approval of Issue of Director Options to Matthew Reede, Director of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of ASX Listing Rule 10.11, for section 208 of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue and allotment of 1,000,000 Unlisted Options to Matthew Reede (or his nominee), Director of the Company and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) Matthew Reede or his nominee;
- (b) a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

Related Party Transaction

9. Resolution 9 – Approval to Issue Shares to Related Party and Resulting Increase in Relevant Interest in Voting Shares of the Company.

"That, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, approval is given for the Company to issue up to a maximum of 155,199,684 Shares to ECA Investments Group Pty Ltd as trustee for the ECA Investments Group Trust (and/or its nominees) (ECA) on the terms and conditions set out in the Explanatory Statement, which will result in ECA's voting power in the Company increasing from 33.48% to 57.88%."

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on whether the proposed transaction is fair and reasonable to the non-associated Shareholders in the Company.

The opinion of the Independent Expert is Fair and Reasonable to the non-associated shareholders of the Company.

Voting Prohibition Statement: No votes may be cast in favour of this Resolution by:

- (a) ECA Investments Group Pty Ltd as trustee for the ECA Investments Group Trust, or its nominee; or
- (b) the persons (if any) from whom the acquisition is to be made and their associates.

Accordingly, the Company will disregard any votes cast in favour of this Resolution by ECA and any of their associates.

BY ORDER OF THE BOARD



Robyn Slaughter
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 1.00PM AEST on 31 May 2024 at Automic Group, Level 5, 126 Phillip Street, NSW 2000 and as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2023 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://solutions.openlearning.com/investor-center>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions about the content of the Auditor's Report or the conduct of

the audit of the Annual Financial Report of the Company's auditor must be received at least five business days before the Meeting, which is by Friday, 24 May 2024.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report.

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://solutions.openlearning.com/investor-center>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2025 Annual General Meeting (**2025 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2025 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2025 AGM. All of the Directors who were in office when the 2025 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Directors' Recommendation

The Board is not making a recommendation for recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Voting Exclusion Statement

Please refer to the voting exclusion statement for Resolution 1 as noted on page 6 of this Notice.

Election and Re-election of Directors

Resolution 2 – Election of Matthew Reede as Director

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Matthew Reede was appointed as an additional Director of the Company on 21 February 2024 and has since served as a Director of the Company.

Under this Resolution, Mr Reede seeks election as a Director of the Company at this AGM.

Mr Reede has over 20 years' experience in investment management, business management and early-stage finance. Mr Reede is managing partner at Dominion Partners having founded the company in 2021, Director of Caledonia Capital and Euphrates Capital in Australia and Director of Colville Capital in the United Kingdom. The Company confirms that Dominion Partners have been engaged since April 2023 to provide investor relationship services to the Company.

Mr Reede has a wealth of experience in the education sector having co-founded Performance Education Group in 2005, which grew to become Australia's largest Professional Year Provider in size and employment outcomes before exiting his stake in the business to EDU Holdings in 2018. Performance Education Group, now Gradability, was acquired by Online Education Services (OES) in 2021.

In 2018, Mr Reede founded BioScore, which is a software platform for health and fitness professionals to manage and report on performance tests and other health test results and Habitat Travel in 2013, an online channel management provider for accommodation operations and online travel agents.

In his early career, Mr Reede worked for KPMG and Macquarie Bank, based in Sydney, Australia.

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Mr Reede.

Matthew Reede has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

Matthew Reede has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected, the Board considers Mr Reede will be an independent Non-Executive Director.

Directors' Recommendation

The Directors (excluding Matthew Reede) recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Resolution 3 – Re-election of Spiro Pappas as Director.

The Company's Constitution requires that at the Company's Annual General Meeting, one third of the Directors shall retire from office. The retiring Directors must not be a Managing Director. The Directors to retire at the Annual General Meeting are those who have been in office the longest since their last election.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each Annual General Meeting.

Spiro Pappas was appointed a Director of the Company on 30 August 2019 and was last re-elected as a Director at the 2023 AGM and is therefore not due for re-election until the 2026 Annual General Meeting

However, in accordance with section 14.2 of the Constitution, Spiro Pappas has elected to retire by rotation to ensure one third of the Directors retire from office at each AGM and, being eligible, seeks re-election as a Director of the Company at this AGM.

Spiro Pappas is a business leader with over 30 years of experience predominantly in the financial services industry. Since leaving NAB in July 2018, Spiro has served on a number of boards. In addition to his role at OpenLearning, Spiro is currently the Chairman of Atlas Iron and OpenInvest (Wealthtech). Spiro is also a NED of DataMesh Group (Payment Fintech) and Cognian Technologies (IoT Proptech).

At NAB, Mr Pappas performed several leadership roles including Executive General Manager of Global Institutional Banking, CEO of Asia and Executive General Manager of International and Innovation.

Prior to NAB, Mr Pappas worked in Sydney, London and New York with Deutsche Bank and then over 11 years in London with ABN AMRO/RBS where he managed a number of global businesses including Debt Capital Markets, Client Coverage for Financial Institutions and Corporate Finance and Advisory.

Mr Pappas has also served on the Advisory Board of both the Australia China Business Council and the Australia Japan Business Cooperation Council and was a Board Member of the European Australian Business Council. Mr Pappas was also a member of a taskforce advising the Federal Government on how to enable the SME sector for the digital age.

If re-elected, noting that it has been greater than three years since Mr Pappas served in an Executive capacity for the Company (ceasing as an Executive Director on 17 April 2021), the Board considers that Spiro Pappas will be an independent director on re-election.

Directors' Recommendation

The Directors (excluding Spiro Pappas) recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

ASX Listing Rule 7.1A

Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$5.62 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the

Company and the recipient of the equity securities; and

- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for working capital, platform and product development, marketing or possibly as cash consideration for acquisition of new assets.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.0105 50% decrease in issue price	\$0.021 issue price ^(b)	\$0.042 100% increase in issue price
"A" is the number of shares on issue,^(a) being 267,869,075 Shares	10% voting dilution^(c)	26,786,907	26,786,907	26,786,907
	Funds raised	\$281,263	\$562,525	\$1,125,050
"A" is a 50% increase in shares on issue, being 401,803,613 Shares	10% voting dilution^(c)	40,180,361	40,180,361	40,180,361
	Funds raised	\$421,894	\$843,788	\$1,687,575
"A" is a 100% increase in shares on issue, being 535,738,150 Shares	10% voting dilution^(c)	53,573,815	53,573,815	53,573,815
	Funds raised	\$562,525	\$1,125,050	\$2,250,100

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at Thursday, 5 April 2024.
- (b) Based on the closing price of the Company's Shares on ASX as at Thursday, 5 April 2024.

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- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
 - (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
 - (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made.

Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The Company did not receive Shareholder approval under Listing Rule 7.1A at the 2023 Annual General Meeting and therefore has not issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

Directors' Recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Issue of Securities to Directors

Resolution 5 - Approval of Issue of Performance Rights to Mr Adam Brimo, CEO and Director of the Company

Background

This Resolution seeks Shareholder approval to issue and allot 4,000,000 Performance Rights (**Performance Rights**) to Adam Brimo, CEO and Director of the Company.

The Performance Rights are designed to further align the interests of the CEO with the Shareholders of the Company. The proposed issue of Performance Rights was originally considered by the Board at the time, and announced on 1 December 2023.

The Performance Rights are to be issued to Mr Brimo or his nominee in three tranches, with each tranche of Performance Rights subject to individual vesting hurdles.

A summary of the material terms of the Performance Rights are as follows:

Type of Security	Material Terms
Performance Rights	<p>Performance Rights to vest in three tranches, across a three-year vesting period, as outlined below and expire five years after the date of allotment.</p> <p>Performance Rights to vest into an equal number of fully paid shares on conversion for nil consideration.</p> <p><u>Tranche 1 (400,000 Performance Rights)</u></p> <p>a) Subject to continued employment:</p> <ol style="list-style-type: none">i. 133,334 Performance Rights to vest one year after the date of allotment;ii. 133,333 Performance Rights to vest two years after the date of allotment; andiii. 133,333 Performance Rights to vest three years after the date of allotment. <p><u>Tranche 2 (1,600,000 Performance Rights)</u></p> <p>a) Share price target: \$0.06; and</p> <p>b) Subject to continued employment:</p> <ol style="list-style-type: none">i. 533,334 Performance Rights to vest one year after the date of allotment;ii. 533,333 Performance Rights to vest two years after the date of allotment; andiii. 533,333 Performance Rights to vest three years after the date of allotment. <p><u>Tranche 3 (2,000,000 Performance Rights)</u></p> <p>a) Share price target: \$0.12; and</p> <p>b) Subject to continued employment:</p> <ol style="list-style-type: none">i. 666,667 Performance Rights to vest one year after the date of allotment;ii. 666,667 Performance Rights to vest two years after the date of allotment; and

	<p>iii. 666,666 Performance Rights to vest three years after the date of allotment.</p> <p>In the event of a change of control or change of ownership, any unvested Performance Rights will be cancelled.</p>
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Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr Brimo is the CEO and Managing Director of the Company, Mr Brimo is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, this Resolutions seeks the required Shareholder approval to issue the 4,000,000 Performance Rights to Mr Brimo under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the proposed issue to the Director as outlined in this Notice.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue and may have to consider other less cash-effective forms of compensation to remunerate Mr Brimo for his services.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of 4,000,000 Performance Rights (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an

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entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

The non-conflicted Director of the Company (being Rupesh Singh, Spiro Pappas and Matthew Reede) carefully considered the issue of these 4,000,000 Performance Rights to Mr Brimo and formed the view that the giving of this financial benefit is on arm’s length terms, as the Performance Rights are comparable with other listed companies of similar size and nature to the Company. The Performance Rights are also proposed to be issued on the same terms and conditions as those proposed to be issued to non-related parties, consisting of employees of the Company.

Accordingly, the non-conflicted Director of the Company believes that the issue of these 4,000,000 Performance Rights to Mr Brimo fall within the “arm’s length terms” exception as set out in section 210 of the Corporations Act, and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of 4,000,000 Performance Rights to Mr Brimo requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the 4,000,000 Performance Rights to Mr Brimo is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottee is Mr Brimo (or his nominee).
- (b) Mr Brimo is a Director of the Company, and he therefore falls under Listing Rule 10.11.1 as related party of the Company.
- (c) The maximum number of Performance Rights to be issued is 4,000,000 Performance rights to Mr Brimo (or his nominee).
- (d) The terms of the Performance Rights are set out above.
- (e) The Performance Rights will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (f) The Performance Rights will be offered for nil cash consideration, accordingly no funds will not be raised from the issue of these Performance Rights as the issue is proposed to be made to remunerate and incentivise Mr Brimo.
- (g) The current total remuneration package received by Mr Brimo is as follows:
 - (i) \$250,000 per annum (plus superannuation). Mr Brimo is also entitled to an incentive bonus of up to \$80,000 payable based on achieving selected and verified performance criteria.
- (h) The Performance Rights were not issued under an agreement.

Directors’ Recommendation

The Board of Directors (excluding Mr Brimo) recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Voting Exclusion Statement & Voting Prohibition Statement

Please refer to the voting exclusion statement and voting prohibition statement for Resolution 5 as noted on page 7 of this Notice.

Resolution 6, 7 and 8 - Approval of Issue of Director Options to Mr Adam Brimo, Mr Spiro Pappas and Mr Matthew Reede

Resolutions 6, 7 and 8 seek Shareholder approval to issue and allot a total of 4,000,000 Unlisted Options (**Director Options**) to Mr Brimo, CEO and Director of the Company, Mr Pappas, Director and Chair of the Company, and Mr Reede, Director of the Company (together **Directors**).

The Director Options are designed to remunerate the Directors and further align the interests of the Directors with the Shareholders of the Company. The proposed issue of Director Options was originally considered by the Board at the time, and announced on 1 December 2023.

Shareholder approval is sought under this Notice to issue:

- a) Resolution 6: 2,000,000 Director Options to Mr Brimo (or his nominee);
- b) Resolution 7: 1,000,000 Director Options to Mr Pappas (or his nominee); and
- c) Resolution 8: 1,000,000 Director Options to Mr Reede (or his nominee).

A summary of the material terms of the Director Options are as follows:

- Each Director Option will exercise into an equal number of fully paid ordinary share on conversion;
- Each Director Option is exercisable at \$0.05;
- There is no vesting period attached to the Director Options;
- Each Director Options will expire five years from the date of issue, if not previously exercised; and
- In the event of a change of control or change of ownership, any unexercised Options will be cancelled.

Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr Brimo, Mr Pappas and Mr Reede are Directors of the Company, the Directors are persons in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, Resolutions 6, 7 and 8 seek the required Shareholder approval to issue the Director Options to the Directors under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14),

separate approval is not required under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the proposed issue to the Director as outlined in this Notice.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue and may have to consider other less cash-effective forms of compensation to remunerate Directors for their services.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Director Options (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

Mr Brimo, Mr Pappas and Mr Reede are Directors and therefore are “related parties” of the Company. Therefore, the proposed issue of Director Options to the Directors requires Shareholder approval under both Chapter 2E of the Corporations Act and Listing Rule 10.11.

Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the 4,000,000 Director Options to the Directors is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottees are:
 - i. Resolution 6: 2,000,000 Director Options to Mr Brimo (or his nominee);
 - ii. Resolution 7: 1,000,000 Director Options to Mr Pappas (or his nominee); and
 - iii. Resolution 8: 1,000,000 Director Options to Mr Reede (or his nominee).
- (a) Mr Brimo, Mr Pappas and Mr Reede are current Directors of the Company and they therefore fall under Listing Rule 10.11.1 as related parties of the Company.
- (b) The maximum number of Director Options to be issued is:
 - i. Resolution 6: 2,000,000 Director Options to Mr Brimo (or his nominee);
 - ii. Resolution 7: 1,000,000 Director Options to Mr Pappas (or his nominee); and
 - iii. Resolution 8: 1,000,000 Director Options to Mr Reede (or his nominee).
- (c) A summary of the terms of the Director Options are set out above. The full terms of the Director Options are set out in Annexure A of this Notice.
- (d) The Director Options will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Director Options will be offered for nil cash consideration. Accordingly, no funds will be raised from the issue of these Director Options. However, if the Director Options are exercised, on conversion of the Director Options up to a maximum of \$200,000 (\$100,000 from Mr Brimo and \$50,000 each from Mr Pappas and Mr Reede) will be raised).

(f) The current total remuneration package received by the relevant Director is:

Name	Total Remuneration Package
Adam Brimo (Resolution 6)	\$250,000 per annum (plus superannuation). Mr Brimo is also entitled to an incentive bonus of up to \$80,000 payable based on achieving selected and verified performance criteria.
Spiro Pappas (Resolution 7)	\$49,000 annual salary, inclusive of superannuation
Matthew Reede (Resolution 8)	\$35,000 annual salary, inclusive of superannuation

(g) The Director Options were not issued under an agreement.

Information Required by Chapter 2E of the Corporations Act

Identity of the related party

(a) The related party is:

- (i) Resolution 6: Mr Brimo a Director of the Company;
- (ii) Resolution 7: Mr Pappas a Director of the Company; and
- (iii) Resolution 8: Mr Reede a Director of the Company.

Nature of the financial benefit and other remuneration to be received by the related party

(b) The nature of the financial benefit to be given is the issue:

- (i) Resolution 6: 2,000,000 Director Options which is an equity-related financial benefit.);
- (ii) Resolution 7: 1,000,000 Director Options which is an equity-related financial benefit.; and
- (iii) Resolution 8: 1,000,000 Director Options which is an equity-related financial benefit.

(c) The Director Options are proposed to be issued to remunerate the Directors and further align the interests of the Directors with the Shareholders of the Company.

(d) Other remuneration received by the Directors is summarised above.

Directors' recommendation and basis of financial benefit

- (a) Mr Brimo has a material personal interest in the outcome of this Resolution (as it concerns the proposed issue of Director Options to Mr Brimo) accordingly, Mr Brimo did not consider the matters set out in this Resolution, and does not provide a recommendation to Shareholders.
- (b) Mr Pappas has a material personal interest in the outcome of this Resolution (as it concerns the proposed issue of Director Options to Mr Pappas) accordingly, Mr Pappas did not consider the matters set out in this Resolution, and does not provide a recommendation to Shareholders.
- (c) Mr Reede has a material personal interest in the outcome of this Resolution (as it concerns the proposed issue of Director Options to Mr Reede) accordingly, Mr Reede did not consider

the matters set out in this Resolution, and does not provide a recommendation to Shareholders.

- (d) The non-conflicted Director of the Company (being Rupesh Singh) carefully considered the issue of these Director Options to the Directors and formed the view that in the interests of good governance, the non-conflicted Director of the Company refrains from making a recommendation in relation to this Resolution, as it concerns the proposed remuneration of the Directors.

Dilutionary effect to existing Shareholders' interests

- (a) If Shareholder approval is obtained for the Resolution, the issue of the Director Options will not have any immediate dilutionary effect to existing Shareholders' interests. There may be a dilutionary effect in the future if the Director Options exercised to Shares pursuant to its terms.

Existing and potential interest in the Company

- (a) As of the date of this Notice of Meeting, the Directors' existing interest in the Company are as follows:

Director Name	Holder	Securities	Existing combined interest (undiluted)
Adam Brimo	Adam Brimo	6,631,117 Fully Paid Ordinary Shares	2.60%
	Melissa Ran	126,358 Fully Paid Ordinary Shares	
	Strong Alliance Pty Ltd	210,000 Fully Paid Ordinary Shares	
Spiro Pappas	Spiro Pappas	958,333 Fully Paid Ordinary Shares	1.37%
	Nicolette Harper	2,720,758 Fully Paid Ordinary Shares	
Matthew Reede	Matthew Reede	30,000 Fully Paid Ordinary Shares	0.01%

- (b) The impact of the issue of Director Options to the Directors' potential interest in the Company can be summarised as follows.

Director Name	Holder	Securities (after Director Options issued)	Potential combined interest (undiluted) (%) ^(a)	Potential combined interest (fully diluted) (%) ^(b)
Adam Brimo	Adam Brimo	6,631,117 Fully Paid Ordinary Shares 2,000,000 Unlisted Options	2.60%	3.30% ^(c)
	Melissa Ran	126,358 Fully Paid Ordinary Shares		
	Strong Alliance Pty Ltd	210,000 Fully Paid Ordinary Shares		
Spiro Pappas	Spiro Pappas	958,333 Fully Paid Ordinary Shares 1,000,000 Unlisted Options	1.37%	1.72%

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	Nicolette Harper	2,720,758 Fully Paid Ordinary Shares		
Matthew Reede	Matthew Reede	30,000 Fully Paid Ordinary Shares 1,000,000 Unlisted Options	0.01%	0.38%

Notes:

- (a) This percentage has been calculated on the basis that the Company's share capital is 267,869,075 and does not consider the effect on capital following the issue of up to a maximum of 155,199,684 Shares that are the subject of Resolution 9.
 - (b) This percentage has been calculated on the basis that the Company's share capital is 271,869,075 and does not consider the effect on capital following the issue of up to a maximum of 155,199,684 Shares that are the subject of Resolution 9.
 - (c) This percentage has been calculated on the basis that the Company's share capital is 271,869,075 and does not consider the effect on capital prior to or following the issue of 4,000,000 Performance Rights to Mr Brimo that is the subject of Resolution 5.
- (c) The fully diluted potential interest calculation is based on the assumption that all convertible Securities on issue (including those proposed to be issued under this Notice of Meeting) have been converted and/or exercised. Accordingly, this percentage should be treated with caution as there is no certainty that this will occur.

Valuation of financial benefit

- (a) The Director Options are not proposed to be quoted on ASX, accordingly, they have no easily identifiable market value. However, as the Director Options could be exercised into Shares (subject to satisfaction of its terms), the Director Options may have a present value at the date of their issue.
- (b) The Company has sought an independent valuation of the Director Options from Stantons Corporate Finance Pty Ltd (**Valuations Expert**). A copy of the Valuations Expert report is attached to Annexure B. The method used to value the Director Options was the Black-Scholes Model, which is a commonly used and recognised model for valuing the Director Options. The value of a Director Options calculated by this model is a function of the relationship between a number of variables and inputs, which can be summarised as follows:

Valuation input	Assumption
Assumed grant date	21 March 2024
Assumed expiry date	21 March 2029
Market price of the Company's Shares	\$0.02
Exercise price	\$0.05
Interest rate (%)	3.691
Volatility measure (%)	100
Value for one Director Option (rounded)	\$0.0126

- (c) Based on the inputs, the Director Options have been valued as follows:

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Recipient	Number of Director Options	Total value
Mr Brimo (Resolution 6)	2,000,000 Director Options	\$25,258
Mr Pappas (Resolution 7)	1,000,000 Director Options	\$12,629
Mr Reede (Resolution 8)	1,000,000 Director Options	\$12,629

Directors' Recommendation

The Board of Directors is not making a recommendation to Shareholders for Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Voting Exclusion Statement & Voting Prohibition Statement

Please refer to the voting exclusion statement and voting prohibition statement for Resolutions 6, 7 and 8 as noted on pages 8-11 of this Notice.

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Related Party Transaction

Resolution 9 - Approval to Issue Shares to Related Party and Resulting Increase in Relevant Interest in Voting Shares of the Company.

Background

On 6 June 2023, the Company announced that it had entered into a loan agreement with Education Centre of Australia Pty Ltd (ACN 111 918 775) (**Loan Agreement**), an associated entity of ECA Investments Group Pty Limited as trustee for the ECA Investments Group Trust (**ECA**) and Mr Rupesh K. Singh, a Non-Executive Director of the Company, for a facility amount of \$3,000,000.

ECA is an education service provider that facilitates international students studying with Australian Universities. ECA is the Company's largest shareholder and currently holds 33.48% of the Company's Shares with a relevant interest in 89,685,875 Shares and has one representative Board member appointed by the Company, Mr Rupesh K. Singh. Mr Singh was appointed as a non-executive director of the Company on 14 October 2022 pursuant to a subscription agreement between the Company and ECA (**Subscription Agreement**). Refer to the Company's announcement dated 11 October 2022 for further information.

On 31 July 2023, the Company received Shareholder Approval at a general meeting to allow ECA to complete the acquisition of sale Shares in accordance with a conditional share sale agreement dated 1 May 2023 with Alchemy Tribridge Sapphire Pty Ltd (**Alchemy**) to acquire Alchemy's 13.58% shareholding in the Company (**Alchemy Agreement**). The Alchemy Agreement resulted in ECA's voting power in the Company's Shares increasing from 19.9% up to 33.48%. Refer to the Company's announcement dated 2 May 2023.

On 29 February 2024, the Company announced that it had amended the Loan Agreement to convert the existing debt into equity of the Company, as well as increasing the facility amount by an additional \$2 million.

The Company has elected to convert \$3.105 million in outstanding debt owing to ECA under the Loan Agreement (being the \$3 million principle together with interest accrued to the date of issue of the conversion notice) at a price of \$0.02 per Share, representing a 25% premium to the 30-day volume weighted average price of the Company's Shares (**VWAP**) trading prior to the date of the conversion notice provided to the Company (**Conversion**).

Accordingly, the Company is proposing to issue 155,199,684 Shares to ECA under the Conversion following which, ECA's voting power in the Company's Shares will increase from 33.48% to 57.88%.

Following the variation referenced above, the material terms of the Loan Agreement are as follows:

Date of Agreement	6 June 2023, as amended on 29 February 2024
Parties	ECA Investments Group Pty Limited (atf the ECA Investments Group Trust) (ACN 164 516 465) The Company
Election to convert	The Company can elect to convert all or part of the outstanding debt into equity at any time subject to Shareholders approving the conversion under Item 7 of Section 611 of the Corporations Act (to the extent required)
Facility	Following the Conversion, the loan facility will be \$2 million

Security	The loan is unsecured
Term	The loan is for a term of two-years from the draw down date
Interest	Interest rate is fixed at 7.35% and accrues daily on the drawn down portion of the loan and will be capitalised
Drawdown	The Company is permitted to draw down on the loan on a quarterly basis

Accordingly, this Resolution seeks Shareholder approval for the purpose of Item 7 of section 611 of the Corporations Act to allow ECA to complete the debt for equity conversion in accordance with the Loan Agreement, as amended. The issue of Shares to ECA under the Loan Agreement, when aggregated with the existing Shares held by ECA, will result in the ECA's voting power in the Company increasing from 33.48% up to 57.88% (as at the date of this Notice), effective on completion of the Conversion.

The Company and ECA

In addition to the Subscription Agreement, on 7 March 2023, the Company announced that it had entered into an exclusive Distribution and Reseller Agreement with ECA (**Distribution and Reseller Agreement**) for the use of the Company's online platform with the intention of growing the Company's platform into new markets in India and surrounding countries. Refer to the relevant announcement for further detail with respect to this arrangement.

The Distribution and Reseller Agreement does not contemplate the issue of any Shares in the Company to ECA or any of its associated entities or have an effect on ECA's control over the Company.

General

Resolution 9 seeks Shareholder approval for the purposes of Item 7 of section 611 of the Corporations Act to issue Shares in conversion of debt to ECA (or its nominee) under the terms of the Loan Agreement. The issue of Shares to ECA (or its nominee) will result in ECA's aggregate relevant interest in the Company increasing from 33.48% at the date of this Notice to a maximum of 57.88%, effective on completion of the issue of the Shares.

Independent Expert Report

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

The Independent Expert's Report is also available on the Company's website at <https://www.openlearning.com/>. If requested by a Shareholder, the Company will send to the Shareholder a hard copy of the Independent Expert's Report at no cost.

Item 7 of Section 611 of the Corporations Act

Section 606 of the Corporations Act – Statutory Prohibition

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%,

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(Prohibition).

Voting Power

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associates

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

- (c) (pursuant to section 12(2) of the Corporations Act) the first person is a body corporate and the second person is:
 - i. a body corporate the first-person controls;
 - ii. a body corporate that controls the first person; or
 - iii. a body corporate that is controlled by an entity that controls the person;
- (d) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's board or the conduct of the company's affairs; or
- (e) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example, where a person controls or influences the board or the conduct of a company's business affairs or acts in concert with a person in relation to the entity's business affairs.

Relevant Interests

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

- a) are the holder of the securities;
- b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

- a) a body corporate in which the person's voting power is above 20%;
- b) a body corporate that the person controls.

ECA's existing holdings in the Company

ECA, either directly or through its controlled entities, currently holds the following Shares and/or Options in the Company:

Shares	Options	Voting Power
89,685,875	Nil	33.48%

Associated Entities of ECA¹

For the purposes of the Corporations Act, the following persons are deemed to be associated entities of ECA and are taken to have a relevant interest in the Shares under section 608(8) of the Corporations Act (**Associated Entities**):

Rupesh Singh ²	ARC Land Holdings Pty Ltd (ACN 627 310 641)
Education Centre of Australia Pty Ltd (ACN 111 918 775)	ARC Projects Group Pty Ltd (ACN 648 652 331)
Aarushi Assets Pty Ltd (ACN 659 724 811) atf The Aarushi Family Trust	ARC Real Estate Group Pty Ltd (ACN 666 935 879)
ARC Holdings Group Pty Ltd (ACN 647 526 761)	Shesh Ki Aasha Limited (ACN 650 114 686)

Notes:

1. Refer to Annexure A of the Form 604, Notice of change of interests of substantial holder, dated 3 May 2023 for further details.
2. Mr Rupesh Singh is a Non-Executive Director of the Company, having been appointed on 14 October 2022 following the Company's entry into the Subscription Agreement which provided that ECA was to have a representative on the Company's Board of Directors.

Control

The Corporations Act defines "control", and "relevant agreement" very broadly as follows:

- a) Under section 50AA of the Corporations Act control means the capacity to determine the outcome of decisions about the financial and operating policies of the Company.
- b) Under section 9 of the Corporations Act, a relevant agreement includes an agreement, arrangement or understanding whether written or oral, formal or informal and whether or not having legal or equitable force.

Agreements and options in relation to shares

Section 608(8) of the Corporations Act states that if at a particular time all the following conditions are satisfied:

- a) a person has a relevant interest in issued securities;
- b) the person (whether before or after acquiring the relevant interest);
 - i. has entered or enters into an agreement with another person with respect to the securities; or
 - ii. has given or gives another person an enforceable right, or has been or is given an enforceable right by another person, in relation to the securities (whether the right is enforceable presently or in the future and whether or not on the fulfilment of a condition); or

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- iii. has granted or grants an option to, or has been or is granted an option by, another person with respect to the securities;
- c) the other person would have a relevant interest in the securities if the agreement were performed, the right enforced or the option exercised,
- the other person is taken to already have a relevant interest in the securities.

Effect of section 608(8) on the Conversion

The effect of section 608(8) on the Conversion is as follows:

- a) ECA will acquire a relevant interest in Shares the subject of the Conversion in the event Shareholder approval to Resolution 9 is granted; and
- b) Each Associated Entity will acquire a relevant interest in all Shares the subject of the Conversion when Shareholder approval is granted.

Note: The relevant interest will not occur until Shareholder approval has been given.

Reason Section 611 Approval is required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

Following the Conversion, ECA will have a relevant interest in 244,885,559 Shares in the Company, representing 57.88% voting power in the Company. This assumes that no other Shares are issued, or Options are exercised.

Accordingly, this Resolution seeks Shareholder approval for the purpose of section 611 (Item 7) of the Corporations Act and all other purposes to enable Conversion.

In addition, the Associated Entities identified above will have a relevant interest in any securities held by ECA.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed Conversion constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

Mr Singh is a Director and therefore is a "related party" of the Company. Therefore, the proposed Conversion requires Shareholder approval under Chapter 2E of the Corporations Act, unless an exception applies.

The Directors (other than Rupesh Singh, who is a conflicted Director by virtue of also being a director of ECA) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Conversion because the giving of the financial benefit by the issue of the Shares to ECA was negotiated on arm's length terms and the Directors (other than

Rupesh Singh) consider that the Conversion and the Loan Agreement are in the best interests of all Shareholders at this time.

Specific Information required by section 611 Item 7 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by Moore Australia (VIC) Pty Ltd (**Moore**) annexed to this Explanatory Statement at Annexure A.

a) Identity of the Acquirer and its Associates

As noted above, the Shares will be issued to ECA in accordance with the terms of the Loan Agreement. Background with respect to ECA and a list of its associates are set out above.

b) Relevant Interest and Voting Power

i. Relevant Interest

The relevant interests of ECA in voting shares of the Company (both current, and following the Conversion as contemplated by this Notice) are set out in the table below:

Party	Relevant Interest as at the date of this Notice	Relevant Interest after the Conversion ¹
ECA and each Associated Entity	89,685,875	244,885,559
TOTAL	89,685,875	244,885,559

Note:

1. Assumes that \$3.105 million of outstanding debt is converted into Shares at an issue price of \$0.02 per Share.

ii. Voting Power

The voting power of ECA (both current, and following the Conversion as contemplated by this Notice) is set out in the table below:

Party	Voting Power as at the date of this Notice	Voting Power after Shareholder approval of Resolution 9
ECA and each Associated Entity	33.48%	57.88%

Further details on the voting power of ECA are set out in the Independent Expert's Report prepared by Moore Australia (VIC) Pty Ltd.

iii. Summary of increases

From the above chart it can be seen that the maximum relevant interest that ECA will hold after completion of the Conversion is 244,885,559 Shares, and the maximum voting power that ECA will hold is 57.88%. This represents a maximum increase in voting power of 24.40% (being the difference between 33.48% and 57.88%).

iv. Assumptions

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Note that the following assumptions have been made in calculating the above:

- a) the Company has 267,869,075 Shares on issue as at the date of this Notice;
- b) the Company issues 155,199,684 Shares to ECA resulting from the Conversion;
- c) the Company does not issue any additional Shares;
- d) no existing Options are exercised, and no other convertible securities are converted into Shares; and
- e) ECA does not acquire any additional Shares other than pursuant to the Conversion.

a) Reasons for the Conversion

As set out in this Explanatory Statement, the reason for the Conversion is pursuant to the terms of the Loan Agreement.

b) Date of Conversion

The issue of the Shares the subject of the Conversion will take place five Business Days after the Meeting and Shareholder approval has been obtained unless the parties otherwise agree.

c) Material terms of the proposed issue of Shares

The Company is proposing to convert its outstanding debt owing to ECA by issuing Shares in accordance with the terms of the Loan Agreement. A summary of the material terms of the Loan Agreement is set out above in this Explanatory Statement.

d) ECA's Intentions

Other than as disclosed elsewhere in this Explanatory Statement, the Company understands that ECA:

- i. has no present intention of making any significant changes to the business of the Company;
- ii. has no present intention to inject further capital into the Company;
- iii. has no present intention regarding the future employment of the present employees of the Company;
- iv. does not intend to redeploy any fixed assets of the Company; does not intend to transfer any property between the Company and ECA;
- v. has no intention to change the Company's existing policies in relation to financial matters or dividends; and
- vi. intends that Mr Singh will continue to act as a Director of the Company.

These intentions are based on information concerning the Company, its business and the business environment which is known to ECA at the date of this document.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts, and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

e) Interests and Recommendations of Directors

Other than Mr Singh, who was appointed as a non-executive Director pursuant to the Subscription Agreement, none of the current Board members have a material personal interest in the outcome of Resolution 9.

All of the Directors, other than Mr Singh who does not express an opinion due to his potential conflict, are of the opinion that the Debt Conversion Agreement is in the best interests of Shareholders and, accordingly, the Directors, other than Mr Singh, recommend that Shareholders vote in favour of Resolution 9. The Director's recommendations are based on the reasons outlined below.

The Directors are not aware of any information other than as set out in this Notice that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 9.

f) Capital Structure

The effect on the Company's capital structure resulting from the Conversion will be to increase the Company's existing Shares from 267,869,075 to 423,068,759 based on the assumptions set out above.

Advantages of Conversion

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 9:

- (a) ECA is a strong institutional shareholder partner who will add value to the Company's strategic goals and will further the strategic alignment of interests, particularly to assist the Company to grow its platform into new markets in India and the surrounding countries; and
- (b) The potential increase in market capitalisation of the Company following completion of the Conversion may lead to access to improved equity capital markets opportunities and increased liquidity.

Disadvantages of Conversion

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 9:

- (a) ECA will become a more significant shareholder in the Company after the Conversion and may be able to influence the Company's business, operations and financial performance.
- (b) The interests of ECA may not always be consistent with the interests of all other Shareholders in the Company.
- (c) The issue of Shares to ECA under the Conversion will have a dilutionary impact on the holdings of other Shareholders.
- (d) The Company's future capital requirements may require that additional funds are raised through equity, debt or a combination thereof, which could further dilute Shareholders that do not participate in such capital raisings.

Independent Expert's Report

The Independent Expert's Report prepared by Moore Australia (VIC) Pty Ltd (a copy of which is attached as Annexure C to this Explanatory Statement) assesses whether the Conversion as contemplated by Resolution 9 is fair and reasonable to the non-associated Shareholders of the Company. The Independent Expert's Report concludes that the Conversion contemplated by Resolution 9 is fair and reasonable to non-associated Shareholders.

The Independent Expert notes that the key advantages of the proposal raised in Resolution 9 to the Company and existing Shareholders, or the non-associated Shareholders of the Company are as follows:

- (a) The proposal is Fair. This indicates that a control premium is being paid, notwithstanding that ECA already has a > 20% interest pre-proposal.
- (b) The debt conversion price of 2.0 cents was at a premium to the 30-day VWAP price of 1.6 cents before the announcement of the proposal.
- (c) The conversion of the ECA debt to equity will likely result in changing the current net deficiency of assets to positive net assets reported on the balance sheet.
- (d) The elimination of debt owed to ECA may make further equity funding rounds relatively more attractive to investors.
- (e) ECA has offered a revised debt facility of up to \$2.0m should it be required to sustain operations.
- (f) Post the 29 February 2024 announcement of the proposal (but prior to the issue of Shares to ECA) OLL share trading exhibited improved levels of liquidity.

The key disadvantages noted by the Independent Expert are as follows:

- (a) ECA will be overwhelmingly the largest shareholder of OLL at 57.9% and hold significant sway on board (unchanged at 1/4th) and shareholder decisions.
- (b) If OLL draw down on the revised ECA \$2.0m debt facility, then this will counter some of the advantages from the current debt conversion noted above. ECA could increase their interest further if that debt is also subsequently converted to equity.
- (c) The increased ECA interest is likely to reduce relative share liquidity.

The Independent Expert also noted the following other considerations in respect of the proposal:

- (a) Board positions remains identical pre and post proposal.
- (b) The debt conversion is a tangible confirmation of ECA's continued support for OLL. This includes ECA's support for OLL under the existing Distribution and Reseller Agreement.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

Directors' Recommendation

The Board of Directors (excluding Mr Singh) recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Voting Exclusion Statement & Voting Prohibition Statement

Please refer to the voting prohibition statement for Resolution 9 as noted on page 12 of this Notice.

Glossary

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2024 Annual Report to Shareholders for the period ended 31 December 2023 as lodged by the Company with ASX on 28 March 2024.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

Associated Entities means the entities set out in the Explanatory Statement of Resolution 9.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of OpenLearning Limited dated 28 March 2024 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means OpenLearning Limited ACN 635 890 390.

Constitution means the Company's constitution.

Conversion means the conversion of debt to equity by the issue of Shares to ECA in accordance with the terms of the Loan Agreement.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Director Options means the options to be issued to the Directors of the Company as outlined in Resolutions 6, 7 and 8.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or "\$" means Australian dollars.

ECA means ECA Investments Group Pty Limited as trustee for the ECA Investments Group Trust.

Existing Option means an Option which has been issued by the Company prior to the date of this Notice.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Independent Expert means Moore Australia (VIC) Pty Ltd.

Independent Expert Report means the Independent Experts Report prepared by Moore Australia (VIC) Pty Ltd which is attached to this Notice as Annexure C.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Listing Rules means the Listing Rules of ASX.

Loan Agreement means the loan agreement, as amended from time to time, between ECA and the Company dated 6 June 2023.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 24 April 2024 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Performance Right means a performance right which, subject to its terms, could convert to a Share and the subject of Resolution 5.

Prohibition is defined in the Explanatory Statement of Resolution 9.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Automic, Level 5, 126 Philip Street, NSW 2000.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting.

Spill Resolution means the resolution required to be put to Shareholders at the 2025 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

Valuations Expert means Stantons Corporate Finance Pty Ltd.

Valuations Expert Report means the Valuations Experts Report prepared by Stantons Corporate Finance Pty Ltd which is attached to this Notice as Annexure B.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Annexure A – Terms of Director Options

1. Each Options gives the holder (**Holder**) the right to subscribe for one Share for each Option they hold. To obtain the right given by the Option, the Holder must exercise the vested Option in accordance with these terms and conditions.
2. An exercise price of \$0.05 per Option (**Exercise Price**) will be payable by the Holder in order to exercise the Options.
3. The Options will be exercisable on or before five years from the date of allotment (**Exercise Period**).
4. The Holder must exercise any Options during the Exercise Period by delivering to the Company a notice (**Exercise Notice**) stating the number of Options to be exercised together with payment of the Exercise Price for each Option being exercised.
5. Until the end of the Exercise Period, the Holder may make a single request to the Company that it be provided with the weighted average sale price of Shares on ASX over the five trading days immediately preceding the date of the request (**Market Price**). The Company will provide the Holder with the Market Price within five business days of such request.
6. The grant of the Options and the Holder's continued rights in relation to them are subject to the Company obtaining any necessary shareholder approvals and the Holder remaining engaged by the Company at the time the Options are granted and (subject to a number of exceptions), exercised and converted into Shares.
7. The Holder's rights in respect of any Options and any Shares issued upon their exercise may vary if the Holder ceases to be engaged by the Company. Specifically:
 - (i) if the Holder's engagement with the Company is terminated due to:
 - (A) serious, negligent, gross or wilful misconduct (including, without limitation, fraud, theft or dishonesty);
 - (B) the Holder's material breach of the terms of its engagement with the Company; or
 - (C) any other conduct justifying termination of the Holder's engagement with the Company without notice either under any relevant contractual agreement or at common law,then, at the Board's absolute discretion, any unexercised Options may be forfeited and the Holder may be required to transfer, sell or forfeit any Shares issued to the Holder as a result of the exercise of Options.
 - (ii) if the Holder's engagement with the Company is terminated due to reasons not outlined in paragraph 7(i) above, then the Holder will retain all Options.
8. There are no participation rights or entitlements inherent in the Options other than in relation to Options which have been validly exercised into Shares. The Holder will not merely as a result of holding Options be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options, nor will it have rights to dividends or to participate in any return on a winding up of the Company.
9. If the Company makes an issue of Shares pro rata to existing Shareholders, there will be no adjustment to the number of Shares which must be allocated to the Holder on the exercise of an Option.
10. If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend

reinvestment), the number of Shares which must be allocated to the Holder on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Option had been exercised before the record date for the bonus issue.

11. If there is any reorganisation of the issued share capital of the Company, the Holder's rights with respect to the Options will (to the extent required) be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
12. In the event of a change of control or change of ownership, any unexercised Options will be cancelled.
13. The Board may determine that for taxation, legal, regulatory, compliance or any other reasons it is not appropriate to issue or transfer Shares and may in lieu and in final satisfaction of its obligations to issue or transfer Shares as required upon exercise of Options by the Holder, make a cash payment to the Holder equivalent to the fair market value as at the date of exercise of the Options (less any unpaid exercise price applicable to the exercise of the Options), multiplied by the number of Shares required to be issued or transferred to the Holder upon exercise of the Options.
14. The Holder will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on Shares issued to it in respect of exercised Options, which at the books closing date for determining entitlement to those dividends are standing to the credit of the Holder's account.
15. Where the Company must account for any tax or social security contributions (in any jurisdiction) for which the Holder is liable because of the issue or transfer of Shares, payment of cash to the Holder or the vesting or exercise of an Option, the Company may withhold that amount in its discretion or the Holder must, prior to its Shares being issued or transferred or cash being paid to it, or the Options being exercised (as applicable), either:
 - (i) pay the amount to the Company; or
 - (ii) make arrangements acceptable to the Company for the amount to be made available to the Company.
16. The Options will not be listed or quoted on the ASX.
17. The Options are transferrable.



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22 March 2024

The Directors
OpenLearning Limited
Suite 9, Level 2, The Cooperage
56 Bowman St
Pyrmont NSW 2009

Dear Directors,

Options Valuation

1 Introduction

- 1.1 At the request of OpenLearning Limited (“**OpenLearning**” or the “**Company**”), Stantons Corporate Finance Pty Ltd (“**Stantons**”) hereby sets out our technical valuation for the following options (“**Options**”) to be issued to directors subject to obtaining shareholder approval at the upcoming general meeting (the “**Meeting**”).

Table 1. Options Details

Security	Recipient	Number	Details	Exercise price	Expiry date
Options	Adam Brimo	2,000,000	Unlisted Options to be issued for nil consideration each exercisable into one ordinary share at any time up to and including the expiry date	\$0.05	5 years from the date of issue
	Spiro Pappas	1,000,000			
	Matthew Reede	1,000,000			

- 1.2 We note the Options are not subject to any vesting conditions besides the holder remaining in continuous service to the Company.
- 1.3 The valuation has been prepared in accordance with *AASB2: Share Based Payments* (“**AASB 2**”) to support the Company’s inclusion of a value of the Options in a Notice of Meeting to be distributed prior to the Meeting.
- 1.4 This report has been prepared for the internal purposes of the Company and is not to be publicly distributed without the express prior written consent of Stantons.

2 Valuation

Valuation Methodology

- 2.1 As per AASB 2, paragraph 10:

“For equity settled share-based payment transactions, the entity shall measure the goods and services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.”



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- 2.2 Where the fair value of goods and services received cannot be estimated reliably, including for transactions with employees and others providing similar services, the entity should measure the value based on the fair value of the equity instruments at the grant date. To achieve this, a valuation technique that indicates what the price of those equity instruments would have been on the grant date in an arm's length transaction between knowledgeable, willing parties is used. The valuation technique must be consistent with generally accepted valuation methodologies for pricing financial instruments.
- 2.3 The Black Scholes option valuation methodology was used to value the Options¹. This methodology was used with the expectation that the majority of the Options will be exercised towards the end of their term, and therefore a European option pricing model is appropriate.

Valuation Inputs

Grant Date

- 2.4 Under AASB 2, share-based payments should be measured at their grant date, being the date at which there is a mutual understanding of the terms and a legally enforceable agreement. Where shareholder approval is required, the date on which approval is obtained is considered the grant date for financial reporting purposes.
- 2.5 Accordingly, for financial reporting purposes the grant date will be the date of the Meeting. For the valuation purpose, we assumed a grant date of 21 March 2024.

Expiry Date

- 2.6 The expiry date of the Options will be 5 years from the issue date. For the valuation purpose we assumed an expiry date of 21 March 2029, based on our assumed grant date.

Spot Price

- 2.7 The closing price of OpenLearning shares traded on the Australian Securities Exchange ("ASX") as at 21 March 2024 was \$0.020, and this price is the deemed spot price for the valuation purpose.

Exercise Price

- 2.8 The exercise price of the Options is \$0.050.

Risk-Free Rate

- 2.9 We used the five-year Australian government bond rate as a proxy for the risk-free rate, being approximately 3.760% as at 19 March 2024. We note that under the assumptions of the Black Scholes model, the risk-free rate should be on a continuously compounded basis and accordingly we converted the quoted bond rate to 3.691%.

Volatility

- 2.10 In determining the expected volatility of returns on OpenLearning shares, we note the Company commenced trading on ASX on 12 December 2019, and therefore has insufficient trading history to calculate a historical volatility for the period commensurate with the term of the Options.
- 2.11 With reference to AASB 2, we considered the historical volatility of returns on Orexplore shares for the period from commencement of trading. The volatility of Orexplore shares for the period from 12 December 2019 to 21 March 2024, based on daily closing prices, was 101.47%. We assumed an expected volatility factor of 100% for our valuation.

Dividends

- 2.12 We assumed that no dividends will be declared or paid by the Company during the term of the Options.

¹ We note the Options are written by the Company and on exercise new shares will be issued, as opposed to being transferred by an existing shareholder. Accordingly, the Options are considered to be "warrants" as typically defined internationally (we note conventional use of the terms "options" and "warrants" differs in Australia) and will have a dilutive effect if exercised.

Capital Structure Effects

- 2.13 Exercise of the Options will result in new shares being issued, which will have a dilutionary impact on the Company's capital structure. As the new issue of Options had not been publicly announced at the assumed grant date, the spot price used in our valuation does not incorporate the potential dilutionary impact of the Options.
- 2.14 The Company had 267,869,075 ordinary shares on issue at the assumed grant date and accordingly, conversion of the Options into up to 4,000,000 ordinary shares would have a dilutionary impact of approximately 1.49%.
- 2.15 In consideration of the above, as we consider the potential dilutionary impact of exercising the Options to be immaterial to the share price, we have not adjusted our valuations for a dilution factor.

Valuation

- 2.16 Based on the above, our assessed value of the Options as at 21 March 2024 is as follows.

Table 2. Options Valuation

	Options		
Methodology	Black Scholes		
Assumed grant date	21 March 2024		
Assumed expiry date	21 March 2029		
Share price at assumed grant date (\$)	0.020		
Exercise price (\$)	0.050		
Risk-free rate (%)	3.691		
Volatility (%)	100		
Fair value per Option (\$) (rounded)	0.0126		
Recipient	Adam Brimo	Spiro Pappas	Matthew Reede
Number	2,000,000	1,000,000	1,000,000
Total fair value (\$)	25,258	12,629	12,629

3 Conclusion

- 3.1 The valuations noted above are not necessarily the market prices that the Options could be traded at and are not necessarily the appropriate values for taxation purposes. Recipients of the Options should seek their own advice as to the tax treatments of receiving the Options.
- 3.2 Should you wish to discuss the above, do not hesitate to contact the undersigned.

Yours faithfully,

STANTONS CORPORATE FINANCE PTY LTD



James Turnbull, CFA
Authorised Representative

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OPEN LEARNING LIMITED

Independent Expert's Report and Financial Service
Guide for distribution to Shareholders.

Proposed issue of shares to a related party requiring
Shareholder approval under s.611(7) of the
Corporations Act 2001.

15 APRIL 2024

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15 April 2024

The Directors
Open Learning Limited
227 Elizabeth Street,
Sydney NSW 2000

Dear Directors

INDEPENDENT EXPERT'S REPORT FOR SHAREHOLDERS**PROPOSED ISSUE OF SHARES TO A RELATED PARTY REQUIRING
SHAREHOLDER APPROVAL**

We refer to our engagement letter dated 11 March 2024 and are pleased to submit our Independent Expert opinion on the above Proposal.

This summary should be read with the body of our Report, which sets out our scope of work, reasoning, and findings. It should also be read with the Notice of Meeting (**NoM**) provided to Shareholders.

1.1. Introduction*Background*

Open Learning Limited (**OLL** or **Company**) is an Australian company listed on the ASX. The Company is an education technology company that provides a scalable online learning platform to education providers and a global marketplace of short courses and online degrees for learners. Its main activities are in Australia and Malaysia with a growing presence in India.

The nature of the business activity is mainly as a software-as-a-service (**SaaS**) revenue model.

In CY23 it reported revenue of \$2.3m and an operating loss of \$4.4m. A net deficiency was reported as -\$2.0m at 31 Dec 23. The current share price of OLL is 1.6 cents¹ per share and a market capitalisation of \$4.3m.

ECA Investments Group Pty Ltd (**ECA**) is an education service provider that facilitates international students studying with mainly Australian Universities. ECA currently holds 33.5% of the OLL shares and is associated with OLL board member (Mr. Rupesh **Singh**).

On 29 February 2024 it was announced that ECA had reached an agreement with OLL to extinguish outstanding debt of \$3.1m and convert this debt to OLL equity. ECA also agreed to provide a revised loan facility.

As a result of the Proposal, ECA will increase its shareholding in OLL.

Summary of the Proposal

The NoM sets out the proposed acquisition of shares by ECA. In summary:

¹ 12 April 2024

- The proposed transaction is for OLL to issue 155.2 million shares for ECA converting \$3.1m of debt at a price of 2.0 cents per Share. As a result of the issue, ECA will increase its interest in OLL from 33.5% to 57.9%.
- A revised loan facility provided by ECA to the Company of \$2.0m.

10. We understand that ECA (including Singh) are persons excluded from voting on the Proposal.

11. We consider the ordinary shareholders other than ECA or their associates as the non-associated shareholders (**Shareholders**).

12. The issue of shares to ECA on the debt to equity conversion and the provision of further funding facilities is the **Proposal** for the purposes of our analysis.

1.2. Purpose of this Report

13. As set out in the NoM, OLL have received advice that our Report is required for the purposes of Shareholder approval of the Proposal for under s.611(7) of the Act. Under the Proposal, ECA's interest in OLL is already above 20% will increase further and is therefore considered a control transaction, occurring by means other than takeover bid

14. Therefore, the Directors have engaged Moore to prepare this Independent Experts Report. The scope of the Report is to assess whether the Proposal is fair and reasonable to OLL Non-Associated Shareholders in accordance with the Act and any related ASIC Regulatory Guides.

1.3. Basis of evaluation

15. "Fairness" is a quantitative assessment. "Reasonableness" is a qualitative assessment. In order to assess if the Proposal is fair and reasonable, we have:

- Undertaken a quantitative assessment. The risk to Non-Associated Shareholders is if OLL under-prices the Shares issued to ECA upon conversion of the debt.
 - In this context, the Proposal is fair if the conversion issue Share price is equal to or exceeds the control value of a OLL share before the Proposal.
 - We also assessed it as fair if the minority value of a OLL Share after the Proposal is greater than or equal to the control value of a OLL Share before the Proposal.
- Assessed the qualitative merits as reasonable if it is fair, or despite not being fair, if the advantages to Shareholders outweigh the disadvantages.

1.4. Summary of quantitative assessment

16. The table below sets out the debt conversion price compared to our estimated values of the Shares Pre Proposal on a control basis. It also compares this Pre Proposal Share value to the Post Proposal value on minority basis.

Table 1

\$ per share				
Quantitative assessment		Low	Mid	High
Debt conversion price per share	\$	0.020	\$	0.020
Pre Proposal share value \$ whole (control value)	\$	0.003	\$	0.012
Higher / (Lower) per share	\$	0.017	\$	0.008
Quantitative evaluation		Fair		Fair

Comparison of the position of shareholders Pre and Post Proposal

Pre Proposal FMV share value on a control basis	\$	0.003	\$	0.008	\$	0.012
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\$ per share				
Quantitative assessment		Low	Mid	High
Post Proposal FMV share value on a minority basis	\$	0.007	\$ 0.010	\$ 0.012
Higher = Fair / (Lower = not fair)	\$	0.004	\$ 0.002	-\$ 0.000
Evaluation		Fair	Fair	Neutral

17. The debt conversion price per Share under the Proposal is 2.0 cents.

OLL value Pre Proposal

18. We estimate that the Pre Proposal value ranges from 0.3 cents to 1.2 cents per Share on a control basis.

19. The Pre Proposal Share values were estimated using capitalised maintainable revenue (**CFMR**) approach. We selected this methodology as alternate methods were not in our view suitable. For example, we think that the preannouncement Share value does not reflect a deeply liquid and active market price.

20. For the CFMR methods, the main influences of value are:

- Our estimate of normalised maintainable revenue ~ \$2.0m based upon recent trading results, excluding revenue from the discontinued Program Delivery operations.
- Our estimate of a revenue multiple, informed by research, ranging from 1.9x to 3.1x, inclusive of an estimated control premium.

21. We compared the debt conversion price per Share of 2.0 cents offered by ECA to our fair value assessment of Shares shown in Table 1 above. This ranges from positive 0.8 cents to positive 1.7 cents per Share.

OLL value Post Proposal

22. We also estimated the Post Proposal Share value on a minority basis. This was estimated from the Pre Proposal equity value on a control basis, adjusted for the debt conversion, unavoidable transaction costs, less a minority discount. We then divided this by the total number of Post Proposal shares following the expected issue of the Shares to ECA.

23. The Post Proposal Share value on a minority basis is 0.2 to 0.4 cents higher than the Pre Proposal Share value on a control basis at the Mid and Low ranges. It is materially the same at the high range.

Fairness opinion

24. As the debt conversion price is greater than the Pre Proposal control Share value at all ranges, we think the Proposal is **Fair** to Non-Associated Shareholders. Our opinion is also supported by the Post Proposal minority Share value being greater than or equal to the Pre Proposal control Share value at all ranges.

1.5. Summary of qualitative assessment

25. We summarise the advantages and disadvantages of the Proposal and any alternatives to the Proposal if it is not approved:

Advantages of the Proposal

- The Proposal is Fair. This indicates that a control premium is being paid, notwithstanding that ECA already has a > 20% interest Pre Proposal.
- The debt conversion price of 2.0 cents was at a premium to a 30-day VWAP price of 1.6 cents before the announcement of the Proposal. Whilst we do not think that VWAP price represents a deeply liquid and active market price, we think it is reasonable that ECA offered the higher price.

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- The conversion of the ECA debt to equity will likely result in changing the current net deficiency of assets to positive net assets reported on the balance sheet.
- The elimination of debt owed to ECA may make further equity funding rounds relatively more attractive to investors.
- ECA has offered a revised debt facility of up to \$2.0m should it be required to sustain operations.
- Post the 29 February 2024 announcement of the Proposal, (but prior to the issue of Shares to ECA) OLL share trading exhibited improved levels of liquidity.

Other considerations including no change in circumstances

- Board positions remains identical Pre and Post Proposal.
- The debt conversion is a tangible confirmation of ECA’s continued support for OLL. This includes ECA’s support for OLL under the existing Distribution and Reseller Agreement.

Disadvantages of the Proposal

- ECA will be overwhelmingly the largest shareholder of OLL at 57.9% and hold significant sway on board (unchanged at 1/4th) and shareholder decisions.
- If OLL draw down on the revised ECA \$2.0m debt facility, then this will counter some of the advantages from the current debt conversion noted above. ECA could increase their interest further if that debt is also subsequently converted to equity.
- The increased ECA interest is likely to reduce relative share liquidity.

If the Proposal is NOT approved

- Directors state there are no other funding mechanisms as readily available as the Proposal.
- There is an increased risk that OLL will not be able to meet its funding needs and continue to operate as a going concern. Alternatives to raise additional equity funds or divest assets are likely to be at terms less favourable than the current Proposal.

26. In our opinion the position of OLL Shareholders is more advantageous Post Proposal than Pre Proposal and therefore **the Proposal is reasonable** to OLL Non-Associated Shareholders. We are mostly persuaded by the better overall prospects for OLL if the debt conversion proceeds than what may occur if it does not.

1.6. Summary of Opinion

27. On the balance of the above matters considered, we think that the Proposal is **Fair and Reasonable** to the Non-Associated shareholders of OLL.

1.7. Summary of disclosures and limitations

28. Our opinion is subject to the limitations and disclaimers set out in the body of this Report.

Changes in market conditions

29. Our analysis and conclusions are based on market conditions existing at the date of this Report which is also the valuation date. A limitation of our conclusion is that market conditions may change between the date of this Report and when the various aspects of the Proposal are concluded.

Individual Shareholder circumstances

30. Acceptance or rejection of the Proposal is a matter for individual Shareholders based upon their own views of value, risk, and portfolio strategy. Shareholders who are in doubt as to the action that they should take in relation to the Proposal should consult their professional advisor.

Financial Services Guide

31. Our Financial Services Guide is attached in **Appendix 4**. This includes the contact details of whom to address any concerns with this Report.

We thank you for the opportunity to assist you in this important matter.

Yours faithfully

Moore Australia (VIC) Pty Ltd

Holder of Australian Financial Services License No.247362



Colin Prasad
Director – Corporate Finance
CAANZ Business Valuation Specialist

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GLOSSARY

Term	Meaning
ACT	Corporations Act 2001.
APES	Accounting Professional and Ethical Standard.
ASIC	Australian Securities and Investments Commission.
ASX (GN)	Australian Stock Exchange. (Guidance Note).
CFME / CFMR	Capitalised future maintainable earnings / revenue.
Company	Open Learning Limited.
CY	Calendar year ending 31 December.
DCF	Discounted cash flow.
Directors	Directors of OLL.
ECA	ECA Investments Group Pty Ltd.
FMV	Fair Market Value.
MAV	Moore Australia (Vic) Pty Ltd – the authors of this Report.
NoM	Notice of Meeting including explanatory memorandum.
OLL	Open Learning Limited.
Proposal	The acquisition of shares by ECA upon conversion of debt.

Term	Meaning
QMP	Quoted market price.
RG	ASIC Regulatory Guide.
SaaS	Software as a Service.
Shares	Shares in the Company.
Shareholders	The non-associated shareholders of the Company, being ordinary shareholders other than ECA, Alchemy or associates.
Singh	Mr. Rupesh Singh, a Director of OLL and also an associate of ECA.
TEV	Total Enterprise Value.
VWAP	Volume weighted average price.

2.0 THE PROPOSAL

2.1. Share issue to ECA & loan facility

32. OLL is planning to issue shares to ECA for conversion of a debt to equity.

33. Details of the Proposal are set out in the NoM provided by the Company. In summary:

- The proposed transaction is for OLL to issue 155.2 million shares for ECA converting \$3.1m of debt at a price of 2.0 cents per Share. As a result of the issue, ECA will increase its interest in OLL from 33.5% to 57.9%. This is viewed as a control transaction.
- A revised loan facility provided by ECA to the Company of \$2.0m with quarterly drawdowns. The loan is unsecured and has a term of two years from draw down date. The interest rate is 7.35%. OLL can elect to convert any portion of the outstanding debt into equity at a 25% premium to the 30-day VWAP of OLL Shares.
- The Proposal is subject to non-associated shareholder approval.

2.2. Shareholders resolution in the NoM

34. The NoM sets out the resolutions (**Resolution**) relevant to this Report which we summarise:

- **Resolution 9: “Approval to issue Shares to Related Party and resulting increase in relevant interest in Voting Shares of the Company”** – to vote on approving the issue of shares to ECA as described above.

35. We understand that ECA (including its associate Singh) are persons excluded from voting on the Proposal for the purposes of the s.611(7) of the Corporations Act 2001 (Cth.) (**Act**).

36. We consider the ordinary shareholders other than ECA or their associates as the non-associated shareholders (**Shareholders**).

37. We consider the issue of Shares to ECA described above the subject or Resolution 9 as, as well as the revised loan facility as the **Proposal** for the purposes of our analysis.

3.0 SCOPE OF THIS REPORT

3.1. Purpose

38. OLL is a public company incorporated in Australia and accordingly is subject to the takeover provisions of the Act.
39. Under the Act, a shareholder's interest may only increase when beyond 20% (considered a control transaction) by means other than takeover bid if it falls within one of the allowable exceptions. An exception includes where Non-Associated Shareholders approve the transaction under s.611(7) of the Act.
40. The requirements for an independent expert's report are also set out in ASIC RG 111 Table 1 which includes the above circumstance.
41. Therefore, the Directors of OLL have engaged MAV to prepare this Independent Experts Report for the purpose of assisting Non-Associated Shareholders to evaluate the Proposal. The scope of the Report is to assess whether the Proposal is fair and reasonable to OLL Non-Associated Shareholders.
42. The Report will accompany the NoM to be sent to Shareholders.

3.2. Basis of evaluation

43. The Proposal represents an issue of shares to ECA where their interest will exceed 20% and is therefore considered a control transaction.
44. RG 111 guide states that 'fair and reasonable' is not a compound phrase and each element has to be assessed. 'Fair' is an assessment of the consideration against the value of the securities to be issued. 'Reasonable' is an assessment of the merits of the Proposal and if there are sufficient reasons for the Proposal to proceed.
45. Therefore, "Fairness" is a quantitative assessment. "Reasonableness" is a qualitative assessment. In order to assess if the Proposal is fair and reasonable, we have:
- Undertaken a quantitative assessment of the Shares issued to ECA upon conversion of the debt.
 - In this context, the Proposal is fair if the Conversion price offered is equal to or exceeds the control value of a OLL share before the Proposal.
 - We also assessed it as fair if the minority value of a OLL Share after the Proposal is greater than or equal to the control value of a OLL Share before the Proposal
 - Assessed the qualitative merits as reasonable if it is fair, or despite not being fair, if the advantages to Shareholders outweigh the disadvantages.
46. In accordance with RG 111 the Proposal is reasonable if it is fair. If despite not being fair, it may be reasonable if we think that the advantages to shareholders outweigh the disadvantages.
47. In accordance with RG 111, those assessments of fair value include an analysis of value employing accepted valuation methodologies (DCF, CFME/R, Asset based and Market Comparable transactions) which are most applicable.
48. We have undertaken our valuations assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. This is a standard of fair value.
49. We have also assumed premise of value as a going concern.
- ### 3.3. Limitations
50. We have only considered the effects of the Proposal.

51. We are not aware of any other significant limitations on scope. Had our work not been limited in scope, then our opinion could differ, perhaps materially.

3.4. Other terms of reference

52. We have conducted our Services according to the guidelines contained in APES 110 "*Code of Ethics for Professional Accountants*" and the principals of APES 225 "*Valuation Services*".

53. We confirm MAV are the holder of AFSL licence 247 262, which authorises us to provide reports and advice in respect of securities. A copy of our Financial Services Guide is included in **Appendix 4**.

54. Regulatory guidance from ASIC includes:

- RG 112 "Independence of Experts March 2011". We confirm our qualifications and independence in **Appendix 3**.
- RG 111 "Content of Experts Reports – October 2020". Relevant guidance is given on the basis of evaluation including the standard of fair market value on a control basis and the use of prospective financial information only where there is a 'reasonable' (and not hypothetical – per RG 170) basis to do so.
- RG 170 "Prospective Financial Information – April 2011" – factors that indicate 'reasonable grounds' for prospective financial information.
- RG 74 "Acquisitions approved by members – December 2011".
- RG 76 "Related party transactions" – March 2011.
- ASX LR 10 "Transactions with persons of influence" and the associated Guidance Note 24 – December 2019.

4.0 PROFILE

4.1. Background²

55. OLL is an Australian company listed on the ASX. The Company is an education technology company that provides a scalable online learning platform to education providers, and a global marketplace of short courses and online degrees for learners. Its main activities are in Australia and Malaysia with a growing presence in India with customers including major Universities and other education providers. For example:

- The University of New England.
- The Malaysian Credit Counselling and Debt Management Agency.
- Australian Catholic University, School of Nursing, Midwifery & Paramedicine (VIC).
- Charles Sturt University.
- University of Wollongong; University of Wollongong Malaysia KDU.
- University of New South Wales.
- Universitas Muhammadiyah Surakarta (UMS Indonesia).

56. The nature of the business activity is mainly as a software-as-a-service (**SaaS**) revenue model. OLL reported it had ~ 228 customers at the end of CY23 and more than ~ 3.0m learners.

57. Directors of OLL are presently:

- Rupesh Singh – Non-Executive, appointed 14 October 2022. Also associated with ECA.
- Adam Brimo – also CEO, appointed 30 August 2019.
- Mathew Reede – Non-Executive, appointed 21 February 2024.
- Spiro Pappas – Non-Executive appointed 17 April 2021 and Chair.

58. Recent highlights announced by OLL on 31 Jan 2024 include:

- Platform SaaS annual recurring revenue (**ARR**) increases 11% YoY to \$1.903 million as at the end of Q4 CY23.
- Adoption of OLL's AI Assistant is growing with over 60% of customers now utilising the features; additional high impact AI features have been rolled out in January 2024.
- In Q4 CY23, improved cash receipts from customers.
- This growth occurred despite a decrease in enrolments from program delivery and the strategic decision by the Company to discontinue offering Program Delivery / learning design services. The discontinuance of learning design services has meant that revenue has declined relative to prior periods.

² Source: Directors / management, previous announcements.

- Improved operating efficiencies drove cost savings and saw net operating cash outflows decrease.
- Signed an agreement to acquire three leading Australian higher education marketplaces, (websites) expanding OLL's student acquisition capabilities for education providers.

59. ECA is an education service provider that facilitates international students studying with mainly Australian Universities. ECA currently holds 33.5% of the OLL shares and has one representative board member (Singh) appointed to OLL. OLL also has an exclusive Distribution Reseller Agreement with ECA signed 7 March 2023. That agreement pays ECA commercial fees to utilise the OLL platform to grow into markets in India and the sub-continent.

4.2. Capital structure and Shareholders

60. The table below sets out Shareholders in the Company as of 14 March 2024 and the expected position if the Proposal proceeds:

Table 2 Company Shareholders

Top 10 shareholders	Pre Proposal	%	Post Proposal	%
1 ECA Investments Group Pty Ltd	89,685,875	33.5%	244,885,559	57.9%
2 MAGNA Intelligent SDN BHD	12,295,058	4.6%	12,295,058	2.9%
3 MR Adam Brimo	6,631,117	2.5%	6,631,117	1.6%
4 RICHARD BUCKLAND	5,094,288	1.9%	5,094,288	1.2%
5 Australian Catholic University Ltd	5,000,000	1.9%	5,000,000	1.2%
6 HSBC Custody Nominees (Australia) Ltd	4,627,084	1.7%	4,627,084	1.1%
7 Narron Pty Ltd (Yandell Super Fund A/c)	3,981,809	1.5%	3,981,809	0.9%
8 Spiro Pappas & Nicolette Harper	3,679,091	1.4%	3,679,091	0.9%
9 David Andrew Collien	3,556,743	1.3%	3,556,743	0.8%
10 Clive Mayhew-Begg & Eriko Kinoshita	3,412,871	1.3%	3,412,871	0.8%
Total top 10	137,963,936	51.5%	293,163,620	69.3%
All other shareholders	129,905,139	48.5%	129,905,139	30.7%
Total Shares	267,869,075	100.0%	423,068,759	100.0%

Source: Company and MAV analysis

61. There are 267.9m shares on issue. All shares carry equal voting rights with one fully paid Share entitled to one vote at a meeting of the Shareholders. The 31 Dec 2024 Annual Report states that there are 1,437 Shareholders in total with 817 holding an unmarketable parcel of shares totalling 5.5m shares.

62. We observe that the capital structure of OLL is concentrated both Pre and Post Proposal. The largest shareholder by some margin is ECA, whose interest increases from 33.5% to 57.9% Pre and Post Proposal. The top 10 shareholders comprise 51% of total shares, increasing to 69.3%. Outside the top 10, no shareholder individually has more than 1.5%.

63. We highlight that (non-associated) Shareholders interests will fall from 66.5% to 42.1% Post Proposal (being 100% less ECA's interests).

64. The contributed equity to the Company to 31 December 2022 was \$36.3 million arising from previous capital raisings.

65. Not shown in the above table are 1.6m unquoted options and performance rights held by executives and Directors which continue to exist (if approved) whether the Proposal proceeds or not. The NoM

sets out a further 8.0m in unquoted options and performance rights to be issued if approved, which are unrelated to the Proposal. Therefore, we have excluded these from our analysis.

4.3. Financial Performance of Company

66. The historical financial information in this Section was extracted from the audited financial reports for 31 December **CY21 to CY23**).

67. The Auditor, Hall Chadwick Sydney issued an unqualified audit opinion dated 28 March 2024 on the CY23 financial report. Without modifying their opinion, their report contained a paragraph highlighting a material uncertainty related to going concern.

68. We set out below the recent historic performance for the Company as:

Table 3: Profit and Loss.

\$ '000s		CY21	CY22	CY23
OLL consolidated	Note	Audit extract	Audit extract	Audit extract
Platform SaaS revenue	a	1,433	1,644	1,846
Program delivery	b	1,611	1,036	287
Marketplace sales	c	69	92	102
Services sales	b	394	396	59
Total Revenue		3,508	3,167	2,294
Other income		158	104	89
Web hosting and direct costs	d	(1,855)	(1,105)	(664)
Employee benefits expense	e	(5,846)	(5,137)	(3,349)
Promotional and advertising	f	(497)	(235)	(187)
Professional services		(1,135)	(1,248)	(910)
General and administrative costs		(791)	(764)	(712)
Management underlying EBITDA	g	(6,459)	(5,218)	(3,438)
Depreciation and amortisation		(288)	(367)	(393)
Capital loss		-	(58)	-
Impairment loss	b	-	-	(458)
Retrenchment costs	b,e	-	-	(74)
Net finance costs		20	(4)	(57)
Tax expense		-	-	-
Net loss		(6,727)	(5,648)	(4,422)

Key Performance Indicators

Annualised Platform SaaS revenue growth YoY	a	ns	14.7%	12.3%
ARR SaaS revenue reported	a	1,48n	1,715	1,903
SaaS customer numbers (whole)	a	205	245	228
Annualised total revenue growth YoY		ns	-9.7%	-27.6%
Web hosting and direct costs / revenue	d	-52.9%	-34.9%	-28.9%
Employee benefits expense / revenue	e	-166.7%	-162.2%	-146.0%
Promotional and advertising / revenue	f	-14.2%	-7.4%	-8.1%
Management underlying EBITDA / revenue	g	-184.1%	-164.8%	-149.9%

\$ '000s		CY21	CY22	CY23
OLL consolidated	Note	Audit extract	Audit extract	Audit extract
Cash flow from operations	<i>h</i>	(6,009)	(5,409)	(3,317)
Total Revenue excluding Program Delivery	<i>i</i>	1,896	2,131	2,006

Source: Financial Reports and MAV analysis. Classifications may differ from the financial reports. NS means not stated.

69. Table notes are as follows:

- a) The Company grew SaaS subscription revenue YoY partly due to higher average prices per customer. Customer numbers declined marginally to 228. On an annualised recurring revenue basis, SaaS revenue also grew.
- b) OLL made a strategic decision to discontinue the Program Delivery (learning design) business which related to developing course content. OLL is focussing on the SaaS education platform business only. A below EBITDA impairment loss of \$0.5m was recorded for the write-off of intangible assets related to Program Delivery.
- c) Market place sales relates to education websites, which OLL expect to grow further given recently announced website acquisitions. We have shown this as net of revenue shared with external content course creators (CY23: \$0.7m, CY22: \$0.5m).
- d) Web hosting and direct costs have declined in \$ and % to revenue amounts YoY due to improvements in the architecture of OLL's platform, optimisation of cloud resource usage and a shift towards higher value usage-based SaaS customers.
- e) Employee benefits are the most significant operating costs. Costs have decreased, partly related to non-cash share based expenses as well as core savings resulting from the discontinuance of the Program Delivery business. Some non-recurring retrenchment costs have been recorded below EBITDA. Some costs have also been capitalised into Platform Development intangible assets.
- f) Promotional & Advertising costs have declined as the Company has sought to preserve funds and seek alternate means of sales and distribution (e.g. with ECA).
- g) The Company is below commercial scale and therefore incurs heavy operating losses, albeit halved in CY23 compared to CY21.
- h) Cash flow from operations is also negative and aligns with EBITDA losses.
- i) We also show Total Revenue excluding Program Delivery revenue (due to that operation being discontinued). We use this adjusted revenue total later in our calculations.

70. In our view the historical financial performance of the Company reflects an earlier stage business that is yet to achieve commercial scale revenues. It is likely that the Company will require additional funds to continue operations.

4.5. Financial Position of Company

71. We set out below a summary of the financial position for the Company as at, 31 December 2022 and 2023 extracted from the audited financial reports noted above. We also show how we classify items used in our later calculations.

Table 4: Statement of Financial Position

\$ '000s		31-Dec-22	31-Dec-23	
OLL consolidated	Notes	Audit extract	Audit extract	Classification
ASSETS				
Current assets				
Cash and cash equivalents	a	2,205	1,103	Working Capital
Trade and other receivables	b	534	478	Working Capital
Prepayments and other assets		171	164	Working Capital
Total current assets		2,909	1,746	
Non-current assets				
Furniture, fittings equipment		35	33	P&E
Intangible assets	c	1,637	1,558	Other
Total non-current assets		1,672	1,590	
TOTAL ASSETS		4,581	3,336	
LIABILITIES				
Trade and other payables	d	(691)	(767)	Working Capital
Provisions		(364)	(436)	Other
Deferred revenue	e	(1,109)	(1,093)	Working Capital
Total current liabilities		(2,164)	(2,296)	
Non-current liabilities				
Borrowings	f	-	(3,051)	Debt
Total non-current liabilities		-	(3,051)	
TOTAL LIABILITIES		(2,164)	(5,347)	
NET ASSETS		2,417	(2,011)	
<i>Net operating assets (NWC+P&E)</i>		<i>1,145</i>	<i>(81)</i>	
<i>Debt</i>		<i>na</i>	<i>(3,051)</i>	
<i>Net debt</i>		<i>na</i>	<i>(1,947)</i>	

Source: Financial Reports and MAV analysis. Classifications may differ from the Financial Reports.

72. Table notes are:

- We regard the whole of the 31 December 2023 cash balance as part of working capital due to a monthly operating loss run rate of approximately \$0.3m. In our view funds are not a surplus asset available for distribution to Shareholders or to pay down debt.
- Trade and other receivables we assume are in good order and realisable.
- Intangible assets include capitalised development costs at cost, post write off of the Program Delivery operation. We think that this is unlikely to represent the current fair value of these assets.

- d) Trade payables appear to be at elevated levels given the expenses of the business. They exceed trade receivables.
- e) Deferred revenue mostly relates to the SaaS revenue pattern of billing vs. the subscription period. We regard this as part of working capital which is offset by the cash balance and debtors also included in working capital. We observe that negative management EBITDA and cash flow from operations are closely aligned.
- f) Borrowings are the ECA debt facility, the subject of this Proposal for the conversion to equity. Since 31 Dec 2023, interest has accrued such that the amount at the Proposed conversion is \$3.1m.

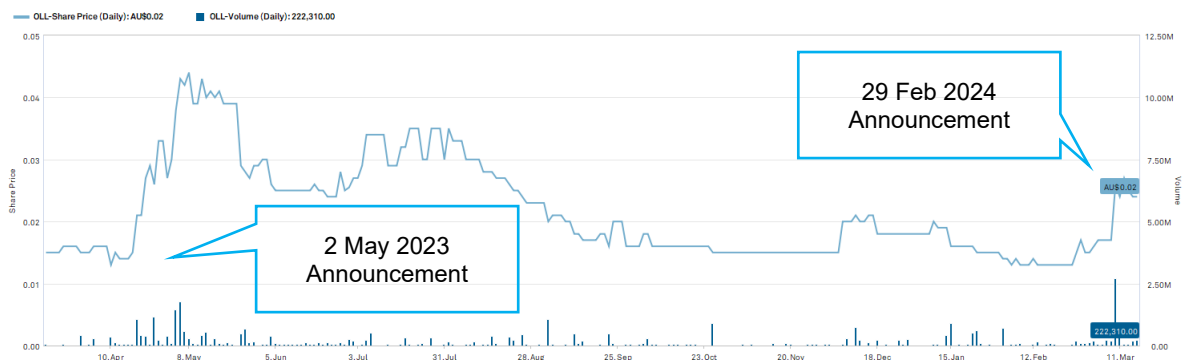
73. At 31 Dec 2023 the Company exhibits negative net operating assets and has a net deficiency due to operating losses and borrowings. The change in net assets from 31 Dec 2022 to 2023 largely reflects losses.

74. As noted, it is likely that the Company will have to raise additional funds to continue operations and can only continue to trade as a going concern with the forbearance of ECA as its lender.

4.6. Share trading performance of the Company

75. We set out below the recent share trading performance of the Company from March 2023 to March 2024:

Chart 1 – share price & volume



Source: S&PCapIQ

76. The chart shows a Share price increase and trading activity around May 2023 when the announcement of ECA's 2023 acquisition was made. From mid-2023 the Share price declined and entered a period of flat prices and trading activity.

77. The Share price and trading activity increased again following the 29 February 2024 announcement of the current Proposal for the debt conversion and issue of shares to ECA.

78. The implied market capitalisation of the Company at the current share price of 1.6³ cents is \$4.3m which is more than the book net deficiency of assets of -\$2.0m taken from Table 4.

79. We summarise recent share trading in the following table:

Table 5 recent share trading summary

Share trading summary	20 days (post announcement)	Last 12 months overall	30 days* (pre announcement)	3 months pre announcement	6 months pre announcement
\$whole Value	\$163,092	\$895,092	\$58,939	\$113,119	\$384,113
Number of shares	7,453,380	35,980,574	3,794,355	6,714,809	17,902,355
VWAP \$ whole	\$0.022	\$0.025	\$0.016	\$0.017	\$0.021
Number of shares % to total issued	2.78%	13.43%	1.42%	2.51%	6.68%
Annualised % shares traded in period	35.06%	13.43%	11.90%	9.72%	8.59%

Source: S&PCapIQ and MAV analysis

* Note: The 30-Day VWAP was calculated 15 Jan to 26 Feb inclusive to align with the basis for the conversion notice before the 29 Feb announcement.

80. We calculated the VWAP for the periods shown in Table 5 as well as the annualised number of shares traded in the periods.
81. This results in a price of 3 cents per Share (rounded) over the last 12 months, and 2 cents (rounded) for 3 and 6 months preceding announcement of the Proposal.
82. As noted, the price increased in the 20 days following the announcement to around 2.2 cents but has now since declined to 1.6 cents. As we think the Share price may have been influenced by the announcement of the Proposal, we also calculated the VWAP of 1.6 cents for 30 days prior to the announcement of the Proposal.
83. The table shows that the number of shares traded over the past year was 13% of the total shares on issue, or \$0.9m vs a market capitalisation of \$4.3m.
84. In the flat trading period 30 days and 3 months prior to the announcement of the Proposal, the annualised trading was less than 10% of the total shares. We generally consider there is an active and deeply liquid market when there is more than 15% of security turnover in a year, refer **Appendix 5**.
85. For this reason, we place low reliance on the VWAP prices calculated and do not think they can be used as a reasonable guide to Company value.

5.0 INDUSTRY OVERVIEW

5.1. Overview

86. We think that OLL operates within the Online Education and Software Publishing industries.

87. IBISWorld also publish data on both industries⁴.

IBISWorld Summary of industry performance.

Industry	Historical growth 5 years 2018-2023	2023 Industry Total Revenue	Profit margin	Outlook growth 5 years 2023-2028
Online Education in Australia	Revenue growth 8.9%	\$9.5 billion	3.3%	Revenue growth 7.2%
	Profit growth 0.0%			
Software Publishing in Australia	Revenue growth 7.7%	\$5.4 billion	3.8%	Revenue growth 15.2%
	Profit growth 6.4%			

88. Industry key trends and participants:

Online Education

Key Takeaways

- Australia's borders during the COVID-19 pandemic sank demand from international students. Following the reopening, students are trickling back and online education providers are looking to continue their surge.
- Online learning courses will continue to improve their software. The increasingly flexible and convenient online courses will attract more enrolment over the next few years.
- Online courses have become a crucially important feature of a growing tertiary education sector.
- Changes to the unemployment rate affects online educators. On the back of record low migration, a dropping unemployment rate has hindered the demand for people looking expand their skillsets. Fewer workers have returned to study in recent years.

Software publishing

Key Takeaways

- More consumers and businesses have been taking up cloud computing. Software publishers have benefitted significantly from an expanding user base.
- The COVID-19 pandemic gave software publishers the opportunity to expand. This is largely because of increased demand for software related to remote working.
- An expanding financial services sector is set to enhance operations like trade finance. This will generate interest from major banks and financial services institutions.
- The General Data Protection Regulation (GDPR) regulates consumers' control over use of their personal data. The GDPR applies to any companies that operate or have customers in the European Union.

⁴ IBISWORLD Industry Report X0008 Online Education in Australia – August 2023. Industry Report J5420 Software Publishing in Australia – August 2023.

- The industry is subject to a high level of regulation, similar to traditional education providers. Non-formal education attracts the least amount of regulation, avoiding the monitoring by organisations like TEQSA and ASQA.
- Tax offsets are available for software publishers that engage in research and development activities. The Research and Development Tax Incentive (RTDI) offers these offsets.

There were no major participants identified with greater than 5% market share. Other participants include:

- Charles Sturt University.
- Swinburne University of Technology (as Open Universities Australia / Online Education Services).
- Kaplan Education Pty Limited.

Major participants:

- Atlassian
- Wisetech Global
- MYOB
- Xero

89. We acknowledge that much of the IBISWorld reporting relates to either education course providers (as opposed to an education platform) or large mature SaaS businesses outside of the education sector.

5.2. Industry remarks

90. Given the above, we observe that the macro conditions for SaaS online education are positive. However, OLL's early stage of development may lead to above or below industry average performance depending upon specific critical success factors.

91. Our valuation and assessment of the Proposal does not greatly depend on any further industry analysis.

6.0 VALUATION METHODOLOGIES

6.1. Available methodologies

92. The following summarises the various methodologies we have considered:

- **Market Based:** Business value or equity or an asset is determined by reference to comparable market buy/sell transactions or quoted market prices (**QMP**) if it is listed on an exchange or recent transactions.
- **Income Based:** Value is determined by reference to capitalised future maintainable earnings or revenue (**CFME / CFMR**) or discounted cash flows (**DCF**) derived by the business or asset.
- **Asset Based:** Value is determined by reference to the sale or realisable proceeds of individual assets or groups of assets in an entity.

93. We provide more details of the available valuation methodologies in **Appendix 2** of this Report.

6.2. Selected methodology for Company

Market Based Value

94. The Company is publicly listed with a current share price of ~ 1.6⁵ cents and a market capitalisation of \$4.3m. For the reasons set out in Section 4.6, we think there is not a deeply liquid and active market for the Shares. Therefore, we think it is not appropriate to use a market-based value for OLL.

95. We have considered other market comparables (if possible) in our other valuation techniques. The presence of both comparable company and comparable deal evidence suggests that there is a takeover market for companies engaged in similar activities to OLL.

Income Based Value

96. OLL is an operating business with positive revenue, but negative EBITDA and cash flows.

97. Given a lack of positive earnings historically or in the near term a CFME method is not possible. We therefore adopted a CFMR technique.

98. Whilst our preference is often for a DCF, in our view there are no reliable forecasts available from management on which to reasonably determine a value. Management provided a CY24 budget, however that shows that operating losses are expected to continue. A forecast for CY25 was also provided that shows losses continuing but at a lower rate. We think CY25 and any projection beyond would contain assumptions that are considered hypothetical in the context of RG 170. We do not mean this as a pejorative statement on the prospects of the business, but simply a reflection of the regulatory guidance we are obliged to follow.

Asset Based Value

99. OLL's book value of net operating assets is largely comprised of cash, NWC and capitalised development at cost. We think the value of OLL is more likely to be based upon the revenue, income and cashflows it generates, rather than the historical values of its assets. Therefore, we do not think a net assets approach is appropriate.

100. For the above reasons, we adopted the CFMR income based method.

7.0 PRE PROPOSAL VALUE

7.1. CFMR method

101. We have assessed the equity value of OLL using CFMR income method including a control premium as set out in the following table:

Table 6: CFMR control value Pre Proposal

\$'000s		CY21	CY22	CY23
CFMR	Ref	Reported	Reported	Reported
Total revenue (excluding Program revenue)	Tbl.2	1,896	2,132	2,006
Estimated weighting		10%	40%	50%
Simple Average normalised revenue				2,012
Weighted average normalised revenue				2,046
			Low	High
Adopted normalised maintainable revenue			2,012	2,046
Multiple	App.6		1.9x	3.1x
Equals estimated CFMR TEV			3,853	6,377
+/- equity adjustments			(3,104)	(3,104)
CFMR Equity value (100% control value)			749	3,273

Total Revenue

102. This is taken from Table 2, being total revenue excluding the discontinued Program Delivery operation revenue. We adopt historical adjusted total revenue (as opposed to just annualised recurring revenue) to be consistent with available comparable market multiples.

Normalised maintainable revenue

103. We have estimated this based upon:

- A simple average, which produces a lower range value.
- A weighted average which produces a slightly higher range value. Our weightings are biased towards CY23 to better reflect the current business strategy.

104. This results in a future maintainable revenue range of ~ \$2.0m.

Market multiples

105. Our estimate of the revenue multiple is taken from our comparable company and comparable deal data set out in **Appendix 6**.

- The comparable company data sourced from S&PCapIQ is based on major exchange public listed companies that provide online education services or software related to the education sector. Where possible we filtered to exclude course content providers as opposed to platform providers (like OLL). The liquid minority revenue multiple ranges 0.5x to 9.0x with an average of 3.1x.
- Comparable company deals sourced from Mergermarket. We assume the deal data is based upon control transactions. Revenue multiple ranges are from 2.2x to 22.3x with an average of 6.2x. The high value was for "A Cloud Guru" and was a large transaction in mid-2021. Whilst there have been more recent transactions in the sector, no publicly available data was disclosed to give a meaningful guide to value. We think the presence of more recent deals supports that there is an ongoing market for education platform businesses, even if current deal valuation metrics are unclear.

Premium for control

106. A premium for control can be defined as an amount or a percentage by which the pro-rata value of a controlling interest exceeds the pro-rata value of a non-controlling interest in a business enterprise, to reflect the power of control. The requirement for an explicit valuation adjustment for a control premium depends on the valuation purpose, methodology and approach adopted.
107. An Australian empirical study⁶ calculated observed premiums paid in takeovers to be in the order of 22%-35% over the long run. However takeover premiums in any period were volatile depending on the sectors involved and the economic cycle. This is based upon successful takeover offers and schemes of arrangement completed between 2005 and 2020 for companies listed on the ASX. We have also considered other empirical control premium studies and authorities⁷ that take into account international markets. KPMG's 2019 valuation practices survey (not an empirical study) notes premiums for control adopted in the range of 14-34%.
108. Given the circumstances of partial rather than absolute control, we adjust the average comparable company multiple above for a 25% control premium. No control premium adjustment is required for deal comparables as we assume the deals were control transactions.

Specific risk discount

109. Many of the comparable companies and comparable deals are larger or more diversified than OLL. We also think the near term losses and likelihood of the Company requiring further funding is a significant specific risk. We have therefore applied a specific risk discount of 50%.

Multiple conclusion

110. This results in an estimated revenue multiple applicable to OLL range of 1.9x to 3.1x.

Equity adjustments

111. As set out in Section 4.5, we deduct the current level (including accrued interest) of borrowings payable to ECA to calculate equity value. We do not add-back cash as given the current operating losses we do not regard cash as a surplus asset available for distribution to Shareholders or to repay debt.
112. Our equity value ranges from a low of \$0.7m to \$3.3m equity value on a control basis.

7.2. Pre Proposal control equity values per Share

113. The following table sets out the above control equity values and the conversion to per share values. The Mid-range value is the simple average between the Low and the High values.

Table 7 Control equity values

\$'000s		Low	Mid	High
Equity value Pre Proposal (Control)	Ref	CFMR	CFMR	CFMR
Equals estimated equity fair value (control basis)	Tbl.6	749	2,011	3,273
Number of Shares #'000's Pre Proposal	Tbl.2	267,869	267,869	267,869
Pre Proposal share value \$ whole (control value)		\$0.003	\$0.008	\$0.012

114. We use the current number of 267.9m shares to determine the per share values above based upon the CFMR valuation of equity methods on a control basis. This results in a range of 0.3 to 1.2 cents per Share on a control basis.

⁶ <https://www.rsm.global/australia/report/control-premium-study-2021>

⁷ Mergerstat, & Pratt "Discounts & Premiums, 2nd edition

8.0 POST PROPOSAL VALUE

115. We have assessed the equity value of OLL on a Post Proposal minority basis as set out in the following table:

Table 8: Post Proposal

\$ '000s or \$ per share				
Post Proposal	Ref	Low	Mid	High
Pre Proposal FMV on a control basis	Tbl.6	749	2,011	3,273
Add debt converted	Sec.2	3,104	3,104	3,104
Less avoidable transaction costs		(50)	(50)	(50)
Equals Post Proposal FMV on a control basis		3,803	5,065	6,327
Less discount for minority interest		(761)	(1,013)	(1,265)
Equals Post Proposal FMV on a minority basis		3,043	4,052	5,062
Pre Proposal shares outstanding ('000's)	Tbl.2	267,869	267,869	267,869
Shares issued for debt conversion ('000's)	Tbl.2	155,200	155,200	155,200
Post Proposal shares outstanding ('000's)		423,069	423,069	423,069
Equals Post Proposal FMV share value on a minority basis		\$0.007	\$0.010	\$0.012

Pre Proposal value

116. The Pre Proposal value on a control basis is taken from Table 6 above.

Debt conversion & costs

117. We add back to equity the current amount including accrued interest of \$3.1m of the ECA debt to be converted under the Proposal taken from Section 2.
118. We have deducted a modest estimate of 'avoidable' transaction costs that may be incurred only if the Proposal proceeds. We disregard costs that are incurred regardless of whether the Proposal proceeds or not.
119. This results in the Post Proposal equity value on a control basis.

Minority discount

120. We then deduct a minority discount based upon the inverse of the control premium applied above per paragraph 108.
121. This results in the Post Proposal equity value on a minority basis ranging from \$3.0m to \$5.1m. We observe that the range is somewhat aligned with the current market capitalisation of \$4.3m, (per paragraph 78, but noting our reservations on the illiquidity of the share price).

Per Share values

122. We divide the Post Proposal equity value on a minority basis by the total number of 423.0m Shares Post Proposal taken from Table 2. This is based upon the current number of Shares of 267.9m plus the 155.2m shares to be issued to ECA under the Proposal debt conversion.
123. This results in a range of 0.7 to 1.2 cents per Share on a minority basis.

9.0 EVALUATION

9.1. Quantitative assessment

124. The table below sets out the debt conversion price compared to our estimated Pre Proposal Share value on a control basis. It also compares this Pre Proposal Share value to the Post Proposal value on minority basis.

Table 9

\$ per share				
Quantitative assessment	Ref	Low	Mid	High
Debt conversion price per share	Sec.2	\$ 0.020	\$ 0.020	\$ 0.020
Pre Proposal share value \$ whole (control value)	Tbl.7	\$ 0.003	\$ 0.008	0.012
Higher / (Lower) per share		\$ 0.017	\$ 0.012	0.008
Quantitative evaluation		Fair	Fair	Fair
Comparison of the position of shareholders Pre and Post Proposal				
Pre Proposal FMV share value on a control basis	Tbl.7	\$ 0.003	\$ 0.008	0.012
Post Proposal FMV share value on a minority basis	Tbl.8	\$ 0.007	\$ 0.010	0.012
Higher = Fair / (Lower = not fair)		\$ 0.004	\$ 0.002	-\$ 0.000
Evaluation		Fair	Fair	Neutral

125. Table 9 shows the debt conversion price per Share of 2.0 cents offered by ECA is higher than our Pre Proposal fair value assessment of Shares on a control basis. This ranges from positive 0.8 cents to positive 1.7 cents per Share.

126. Table 9 also shows the Post Proposal Share value on a minority basis is 0.2 to 0.4 cents higher than the Pre Proposal Share value on a control basis at the Mid and Low ranges. It is materially the same at the high range.

Fairness opinion

127. As the debt conversion price is greater than the Pre Proposal control Share value at all ranges, we think the Proposal is **Fair** to Non-Associated Shareholders. Our opinion is also supported by the Post Proposal minority Share value being greater than or equal to the Pre Proposal control Share value at all ranges.

9.2. Qualitative assessment

128. We set out the advantages and disadvantages of the Proposal and any alternatives to the Proposal if it is not approved:

Advantages of the Proposal

- The Proposal is Fair. This indicates that a control premium is being paid, notwithstanding that ECA already has a > 20% interest Pre Proposal.
- The debt conversion price of 2.0 cents was at a premium to a 30-day VWAP price of 1.6 cents before the announcement of the Proposal. Whilst we do not think that VWAP price represents a deeply liquid and active market price, we think it is reasonable that ECA offered the higher price.
- The conversion of the ECA debt to equity will likely result in changing the current net deficiency of assets to positive net assets reported on the balance sheet, at least for the near term.

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- The elimination of debt owed to ECA may make further equity funding rounds relatively more attractive to investors. This is because external investors typically prefer invested funds to be deployed to grow the business than to pay down existing debt holders (see below).
- ECA has offered a revised debt facility of up to \$2.0m should it be required to sustain operations. In our view the terms of that debt facility, including the interest rate of 7.35% and the ability to convert at a 25% premium to VWAP are not unreasonable.
- Post the 29 February 2024 announcement of the Proposal, (but prior to the issue of Shares to ECA) OLL share trading exhibited improved levels of liquidity.
- Board positions remains identical Pre and Post Proposal.
- The debt conversion is a tangible confirmation of ECA’s continued support for OLL. This includes ECA’s support for OLL under the existing Distribution and Reseller Agreement.
- ECA will be overwhelmingly the largest shareholder of OLL at 57.9% and hold significant sway on board (unchanged at 1/4th) and shareholder decisions.
- If OLL draw down on the revised ECA \$2.0m debt facility, then this will counter some of the advantages from the current debt conversion noted above. If the Share price does not improve, then at the current price of ~ 2.0 cents per share ECA could also convert to another 100m shares and increase their interest to 65.9%, assuming no other equity changes.
- The increased ECA interest is likely to reduce relative share liquidity.
- Directors state there are no other funding mechanisms as readily available as the Proposal. Directors conducted an investment roadshow in late 2023 in Sydney and Melbourne. Feedback from those meetings was that it was a difficult time to raise funds, made more difficult by presence of the ECA borrowings.
- There is an increased risk that OLL will not be able to meet its funding needs and continue to operate as a going concern. Alternatives to raise additional equity funds or divest assets are likely to be at terms less favourable than the current Proposal, including at a likely discount to the market Share price based upon feedback from the above roadshow.

Other considerations including no change in circumstances

Disadvantages of the Proposal

If the Proposal is NOT approved

129. In our opinion the position of OLL Shareholders is more advantageous Post Proposal than Pre Proposal and therefore **the Proposal is reasonable** to OLL Non-Associated Shareholders. We are mostly persuaded by the better overall prospects for OLL if the debt conversion proceeds than what may occur if it does not.

9.3. Summary of Opinion

130. On the balance of the above matters considered, we think that the Proposal is **Fair and Reasonable** to the Non-Associated shareholders of OLL.

APPENDIX 1 – SOURCES OF INFORMATION

- Draft Notice of Meeting.
- CY23 Financial Report.
- Management accounts / Budget for CY24.
- ECA Loan agreement documentation.
- Company announcements, including 29 Feb 2024 announcement of the Proposal.
- Emails and discussion with Directors or management.
- Other sources listed throughout the Report.

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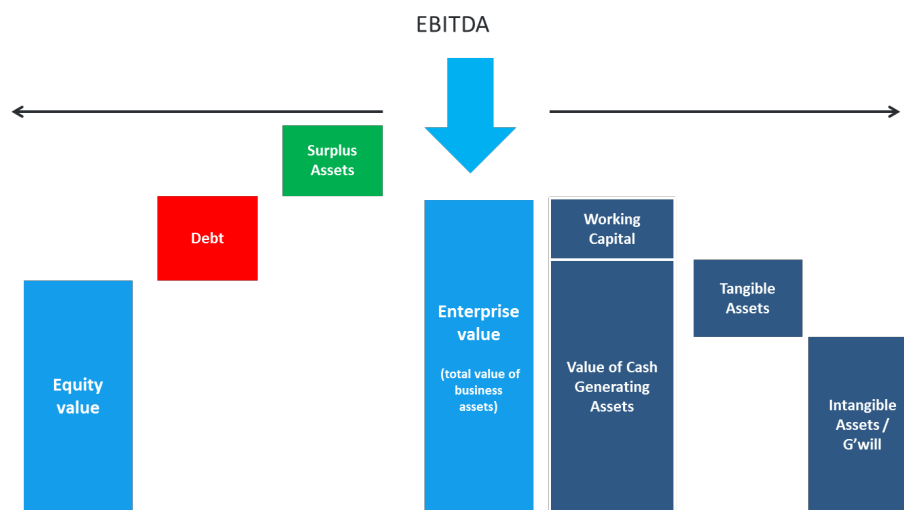
APPENDIX 2 – OVERVIEW OF VALUATION METHODOLOGIES AND PRINCIPLES

Type	Method	Description	When method used
Income Approaches	Discounted Cash Flow	<p>The Discounted Cash Flow (DCF) method derives the value of a business on a controlling basis based on the future cash flows of the business discounted back to a present value at an appropriate discount rate (cost of capital). The discount rate used will reflect the time value of money and the risks associated with the cash flows.</p> <p>The DCF Method requires:</p> <ul style="list-style-type: none"> • Forecasting cash flows over a sufficient long period (at least 5 years and usually 10 years) • Assessing an appropriate discount rate (typically derived using judgment and aids such as the Capital Asset Pricing Model (CAPM)). The cost of equity (Ke) can be built up from first principles or benchmarked against comparable companies (“Co-Co”) or transactions (“Co-Tran”), and • Estimation of the terminal value (value of the business into perpetuity) at the end of the period (typically derived using the capitalisation of earnings method). 	<p>Reasonably accurate forecast cash flows (minimum 5 years).</p> <p>Earnings or cash flows expected to fluctuate from year to year.</p> <p>Business is in start-up or turn around phase.</p> <p>Specific projects that have a finite or infinite life, for example, mining projects.</p>
	Capitalisation of Maintainable Earnings	<p>The Capitalisation of Maintainable Earnings (CME) method is the most used valuation method. It involves the application of a capitalisation multiple to an estimate of the Future Maintainable Earnings (FME) of the business. The FME must be maintainable by the business and must not include one-off gains or losses. The capitalisation multiple will reflect the risk, time value of money and future growth prospects of the business.</p> <p>The appropriate capitalisation multiple is determined with reference to the observed multiples of entities whose businesses are comparable (“Co-Co”) to that of the business being considered and/or comparable transactions, (“Co-Tran”).</p>	<p>The business has a history of profits with a reasonably consistent trend and that trend is expected to continue.</p> <p>The business has an indefinite life.</p> <p>Cash flow forecasts are not available.</p>

Type	Method	Description	When method used
	Capitalisation of Dividends	This method involves the capitalisation of forecast future maintainable dividends. The maintainable level of dividends is estimated by assessing the expected level of future maintainable earnings and the dividend policy of the entity. The appropriate capitalisation rate reflects the investor's required rate of return.	Valuation is for a minority interest. Stable business. High payout ratios.
	Yield Based	This method is primarily used for property assets and involves capitalising forecast distributions by an estimated future maintainable yield. The yield or rate is determined based on analysis of comparable entities.	Commercial or investment properties including retail, industrial and commercial.
Market Approach	Market	<p>This method values a Group bases on the traded prices of its equity on a public market/exchange. The approach can adopt the prevailing spot rate of the entity's securities at valuation date or the Volume Weighted Average Price (VWAP over a set trading period i.e., the preceding 30, 60 or 90 trading days to the valuation date).</p> <p>In the absence of market data specific to the entity, the market approach can also be used by examining market values for comparable companies ("Co-Co") or comparable transactions ("Co-trans").</p> <p>Comparable transactions may be observed as being based upon a widely used industry practice such as a multiple of revenue instead of earnings.</p>	<p>Group's equity is listed on public market/exchange i.e., ASX.</p> <p>Securities in the entity are actively traded on the market/exchange.</p> <p>As above for comparable companies or transactions</p>
Asset Approach	Asset Based	<p>Asset based valuation involve separating the business into components that can be readily sold, such as individual business Shares or items of plant and equipment and ascribing a value of each component based on the amount that could be obtained if sold.</p> <p>The asset value can be determined based on:</p> <ul style="list-style-type: none"> • Orderly realisation • Liquidation • Going concern 	<p>Asset rich entities</p> <p>For wind-up or realisation value</p>

Type	Method	Description	When method used
Asset Approach	Cost approach	The value of an asset determined by: <ul style="list-style-type: none"> • Reproduction cost less depreciation (in basic terms, the cost of replicating functionality). • Reproduction cost (in basic terms, the cost of recreating the asset). 	The cost-based approach can be used to derive market value where market or income factors are difficult to obtain or estimate with reliability (for example, for some intangible assets).

Valuation Principles



In adopting an income approach, a multiple of EBITDA or a DCF of cash flows is typically used to determine Total Enterprise Value (TEV), which represents the total value of the net business assets. Any excess over tangible and identified intangible assets (moving right in the diagram above) represents goodwill.

Moving left in the diagram, adjustments are made to TEV to add surplus assets (e.g., cash) and deduct debt so as to determine equity value. Surplus assets are any assets that are not required to generate the business's earnings or cash flows.

Further discounts may be applied to equity to determine a minority or illiquid value.

APPENDIX 3 – QUALIFICATIONS, INDEPENDENCE, DECLARATIONS AND CONSENTS

Statement of Qualifications, Independence, Declarations and Consents

Qualifications

Moore Australia (Vic) Pty Ltd (ABN 17 386 983 833) (**Moore**) is a Melbourne based accounting, audit and business advisory practice and is a licensed investment adviser within the terms of the Corporations Act 2001. Moore is an independent practice and a member of Moore International. Moore International is a national and international association of separate accountant and advisor entities represented in major capital cities of Australia and with 266 member firms operating in 112 countries worldwide.

The AFSL licence (No 247262) allows Moore to act for clients only in the capacity of providing reports in relation to certain corporate transactions or to provide general financial product advice on certain classes of financial products. Senior directors at Moore Stephens specialise in such advice and regularly perform corporate and asset valuations and advice on company restructures, acquisitions, and Proposals. Moore Stephens Audit (Vic) is affiliated with Moore Stephens and, acting through different directors, also performs audits on the accounts of Australian companies.

The primary persons responsible for preparing this Report on behalf of Moore are Mr Colin Prasad (B. Com ACA and BVS) (with the assistance of staff), who has a significant number of years of experience in relevant corporate matters including valuations, independent expert reports and investigating accountant engagements.

Independence

Moore considers itself to be independent in terms of Regulatory Guide 112 issued by ASIC relating to independence of experts and has developed and issued an opinion and report on an unbiased basis.

We disclose we have previously written an IER for OLL that was issued on 21 June 2023.

Other than as disclosed, Moore and its related entities or any of its Directors have not had within the previous two years, any Shareholding in the Company. During the 2 years period to this report Moore and its related entities have not provided any professional services to the Company or any related parties to the Company.

None of Moore, Mr Colin Prasad, nor any other member, director, partner or employee of any of Moore has any interest in the opinion reached by Moore except that we are entitled to receive professional fees for the completion of this Report based on time incurred at normal professional rates. Our fee for the preparation of this report is \$29,000. Except for these fees no parties will receive any other benefits, whether directly or indirectly, for or in connection with issuing this Report.

Disclaimers

This Report has been prepared at the request of the Directors of the Directors and was not prepared for any other purpose than stated in this Report in Section 3. This Report has been prepared for the sole benefit of the Directors and the Shareholders of the Company. This Report should not be used or relied upon for any purpose other than as set out in Section 3. Accordingly, Moore expressly disclaims any liability to any person (other than the Directors or Shareholders of the Company) who relies on our Report, or to any person at all who seeks to rely on the Report for any other purpose not set out in Section 3.

Appendix 1 identifies the sources of information upon which this Report has been based. To the extent we have used historical information we are entitled to rely upon the information. Any forecast information which has been referred to in this Report has been prepared by the relevant entity and is generally based upon best estimate assumptions about events and management actions that may or may not occur. Accordingly, Moore cannot provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. Whilst (unless stated otherwise in the Report) Moore has no reason to believe that such information is not reliable and accurate, it has not caused such information to be independently verified or audited in any way. Inquiry, analysis and review have brought nothing to our attention to indicate a material misstatement, omission or lack of reasonable grounds upon which to base our opinion.

The opinions given by Moore in this Report are given in good faith, based upon our consideration and assessment of information provided to us by the Directors and executives of the parties to the Proposal; and in the belief on reasonable grounds that such statements and opinions are correct and not misleading, (unless otherwise stated in the Report). This Report has been prepared with care and diligence.

Advanced drafts of this Report were provided to the Directors of the Directors. Minor changes for factual content were made to this Report. There was no alteration to the methodology or conclusions reached because of discussions related to drafts of the Report.

Moore's opinion is based on prevailing conditions at the date of this Report including market, economic and other relevant circumstances. These can change over relatively short time period and any subsequent changes in these conditions in the value either positively or negatively.

Indemnity

The Company has agreed that it will indemnify Moore and its employees and officers in respect to any or all losses, claims, damages and liabilities arising as a result of or in connection with the preparation of this Report, except where the claim has arisen as a result of wilful misconduct or negligence by Moore.

Consent

This Report has been prepared at the request of the Company and may accompany materials to be given to shareholders.

Moore consents to the issuing of this Report and the form and context to which it is to be included with the materials. Other than the Report, Moore has not been involved in the preparation of the documents or other aspects of the Proposal or the materials to which this Report may be attached. Accordingly, we take no responsibility for the content of those materials or the Proposal as a whole. Neither the whole nor any part of this Report nor any reference thereto may be included in any other document without prior written consent of Moore as to the form and context to which it appears.

APPENDIX 4 – MOORE AUSTRALIA (VIC) PTY LTD FINANCIAL SERVICES GUIDE

This Financial Services Guide forms part of the Independent Expert Report.

Moore Australia (Vic) Pty Ltd (ABN 17 386 983 833) (**Moore**) holds Australian Financial Services Licence no 247262 authorising it to provide general financial product advice in relation to various financial products such as securities, interests in managed investment schemes, and superannuation to wholesale and retail clients. Moore has been engaged by the Company to provide an Independent Experts Report (the **Report**) for inclusion with materials to be sent Shareholders.

The Corporations Act, 2001 requires Moore to provide this Financial Services Guide (**FSG**) in connection with its provision of this Report. Moore does not accept instructions from retail clients. Moore provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Moore does not provide any personal retail financial product advice to retail investors nor does it provide market-related advice to retail investors.

Moore is only responsible for this Report and this FSG. Moore is not responsible for any material publicly released by the Company in conjunction with this Report. Moore will not respond in any way that might involve any provision of financial product advice to any retail investor.

This Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of this Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

When providing reports in the form of this Report, Moore's client is the Company to which it provides the report. Moore receives its remuneration from the Company. For this Report and other services, Moore will receive a fee based upon normal professional rates plus reimbursement of out-of-pocket expenses from the Company. Directors or employees of Moore or other associated entities may receive partnership distributions, salary or wages from Moore. Moore and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products.

Moore has professional indemnity insurance cover for reports of this nature under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of Section 912B of the Corporations Act 2001.

Moore has internal complaints-handling mechanisms. If you have concerns regarding this Report, please contact us in writing to Mr. Kevin Mullen, Moore Australia (Vic) Pty Ltd, Level 44, 600 Bourke Street, Melbourne, Vic, 3000. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

APPENDIX 5 – ARTICLE ON SHARE TURNOVER



WHEN IS SHARE TRADING LIQUID ENOUGH FOR IER VALUATION

By Colin Prasad

Independent Expert Reports (IERs), or "fair & reasonableness" reports require a valuation of the subject Company. When we write an IER we consider if we can use a listed company's share price as a valuation method. But there needs to be an "active and deep liquid market" for it to be a meaningful guide to value.

In deciding this we examine share turnover ratios. A share turnover ratio is the volume of a company's shares traded over a period, as a proportion of the number of total shares on issue. We look at this for a subject Company on both a share trading volume and weighted by value basis.

But what is usually considered a reasonable level of share volume turnover liquidity in a listed company?

For this example, we calculated the annual share turnover ratio of every ASX-listed stock in FY23. The market cap weighted average turnover of the whole market was 81%. This means that 81% of the total shares on issue was turned over in a single year.

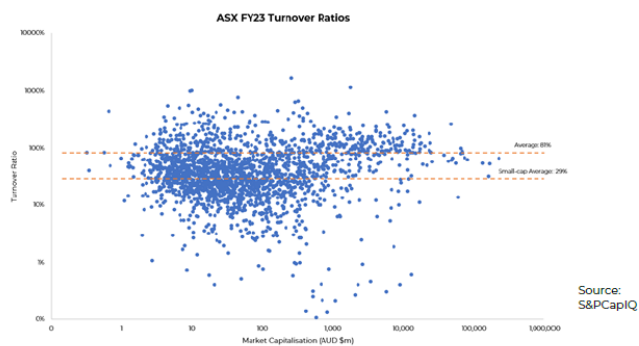
We expected this to be less than 100% given that superannuation funds and other institutional investors tend to hold a significant portion of listed shares for the longer term. For example, FY23 stock turnover by large but popular stocks was:

- BHP 67%
- CBA 53%
- CSL 55%
- WES 55%
- TLS 67%

Companies with very high (> 100% turnover) tend to be funds (e.g. "BetaShares") and resources companies with (presently) exposure to critical metals or batteries (e.g. ASX:PMT Patriot Battery Metals). Companies with less than 20% share volume turnover consisted of a mix of resources companies and industrials of varying market capitalisation. They shared no obvious characteristics, other than perhaps being closely held or unattractive. Macquarie Technology Group (ASX:MAQ) had just 18.2% turnover with a market cap of \$1.6 billion and is an example of a closely held company.

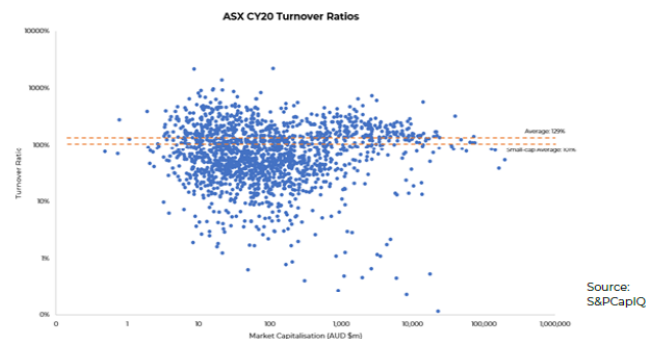
We also calculated the same for small-cap shares with <\$100m market capitalisation. The share volume turnover ratio dropped significantly to just 29% for FY23 for these companies.

FY23 Chart – Share turnover % vs Market capitalisation. Note a Log scale is used due to the breadth of data.



Interestingly, we calculated the same for the 2020 calendar year, which experienced heightened economic (COVID-19) instability. The annual share turnover was much higher, both for all ASX-listed companies at 129%, and for small-cap stocks at 101%. This demonstrates how much large scale market selloffs and rallies can skew the apparent turnover of shares.

CY2020 Chart – Share turnover % vs Market capitalisation (log scale).



At Moore Australia, we tend to write IER's on companies with smaller market capitalisations. I view CY2020 data of 101% as abnormal and FY23 data of 29% as more usual.

Therefore, on balance, I think that share trading turnover volumes below 15% would indicate some concern on the reliability of using the share price as a guide to value.

Of course, there are other factors to consider when determining whether a stock is liquid, including:

- Buy/sell spreads (market depth)
- Ownership and the level of free float,
- Size or pattern of trades in the period. For example if trading activity was isolated to a few big trades or was spread throughout the year.

Whilst a share with a trading turnover volume of below 15% means that we probably can not use the share price as a guide to value, we still should not ignore it outright. It just means that we would likely adopt another valuation approach as our primary approach, (e.g. an income or asset based method). If that approach was significantly different from the implied market capitalisation, it may cause us to consider whether our primary approach is plausible, or if there are other reasons for the difference.

Therefore, our expertise and judgement as the valuer is required for the circumstances. There may not always be a firm answer on where the 'cut-off' on share turnover liquidity sits.

If you would like to discuss this further, Moore Australia has valuation experts across the network. Please contact us today to find out more.



An independent member of Moore Global Network Limited – members in principal cities all throughout the world. Liability limited by a scheme approved under Professional Standards Legislation.

The information provided in this document is for general advice only and does not represent, nor intend to be advice. We recommend that prior to taking any action or making any decision, that you consult with an advisor to ensure that individual circumstances are taken into account.

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APPENDIX 6 – COMPARABLE DATA

Public company comparable data:

Company Name	Ticker	Industry	Country	Enterprise Value	Total Revenues	Revenue (AUDmm)	Short Business Description
Blackbaud, Inc.	NasdaqGS:BLKB	Application Service Providers (ASPs) ; Application Software	USA	6,784.7	3.99x	1,621.7	Provides cloud software solutions to higher education institutions, K-12 schools, healthcare organizations, faith communities, arts and cultural organizations, foundations, companies, and individual change agents in the United States and internationally.
Cengage Learning Holdings II, Inc.	OTCPK:CNGO	Online Education Courses	USA	4,160.2	1.83x	2,169.7	Operates as an education technology company for higher education, workforce skills, secondary education, English language teaching, and research markets worldwide.
Coursera, Inc.	NYSE:COUR	Online Education Courses	USA	2,778.1	2.84x	932.7	Operates an online educational content platform that connects learners, educators, organizations, and institutions.
Docebo Inc.	TSX:DCBO	Application Service Providers (ASPs) ; Application Software	Canada	2,442.2	9.03x	265.3	Operates as a learning management software company that provides artificial intelligence (AI)-powered learning platform in North America, Europe, and the Asia-Pacific region.
Instructure Holdings, Inc.	NYSE:INST	Application Service Providers (ASPs) ; Application Software	USA	5,367.0	6.58x	777.8	Provides cloud-based learning, assessment, development, and engagement systems worldwide.
Janison Education Group Limited	ASX:JAN	Application Software	Australia	78.1	1.90x	41.1	Provides online assessment software, assessment products, and assessment services in Australia and internationally.
Learning Technologies Group plc	AIM:LTG	Application Service Providers (ASPs) ; Application Software	United Kingdom	1,505.7	1.28x	1,152.6	Provides a range of talent and learning solutions, content, services, and digital platforms to corporate and government clients.
Nerdy, Inc.	NYSE:NRDY	Online Education Courses	USA	420.5	1.41x	283.7	Operates platform for live online learning.
PowerSchool Holdings, Inc.	NYSE:PWSC	Application Service Providers (ASPs) ; Application Software	USA	7,222.6	6.73x	1,023.5	Offers cloud-based software to the K-12 education market.
ReadCloud Limited	ASX:RCL	Application Software	Australia	4.8	0.46x	10.4	Provision of software solutions to secondary schools in Australia.
ReadyTech Holdings Limited	ASX:RDY	Application Service Providers (ASPs) ; Application Software	Australia	446.6	4.05x	110.2	Provides SaaS technology for education and workforce solutions, and government and justice markets in Australia.
RM plc	LSE:RM	Application Software	United Kingdom	228.1	0.58x	372.9	Supplies products, services, and solutions to educational markets in the United Kingdom, Europe, North America, Asia, the Middle East, and internationally.
Schrole Group Ltd	ASX:SCL	Application Service Providers (ASPs) ; Application Software	Australia	5.8	0.90x	6.4	Provision of software solutions and training services primarily to the education sector in Australia and internationally.
Stride, Inc.	NYSE:LRN	Online Education Courses ; Online Training Services	USA	3,906.8	1.31x	2,844.3	A technology-based education service company, provides proprietary and third-party online curriculum, software systems, and educational services to facilitate individualized learning for students primarily in kindergarten through 12th grade (K-12) in the United States and internationally.
<i>All Comps</i>							
Average				2,525.1	3.1x	829.4	
Median				1,973.9	1.9x	575.4	
Control premium	25%				3.8x		
Size discount	-50%				1.9x		

*Source: S&P Capital IQ

Deal comparable data

Announced Date	Target Company	Target Country/Territory	Deal Value AUD(m)	Enterprise Value (m)	Reported Revenue Multiple	Reported Revenue (m)	Target Description
07/02/24	ThinkSmart Software Pty Ltd (100% Stake)	Australia	ns	ns	ns	ns	Company specializes in the development of software solutions for businesses in the education sector. The software solutions are designed to manage class scheduling, invoicing, enrolments, and other administrative tasks.
08/11/23	StudyLink (100% Stake)	Australia	60.00	60.00	ns	ns	International student application software business.
30/05/23	Essential Assessment Pty Ltd (100% Stake)	Australia	40.00	40.00	ns	ns	Education technology company.
23/05/23	Ambassador Platform Ltd (100% Stake)	United Kingdom	16.86	16.86	ns	ns	Software-Computer, Traditional & Other. Software company engaged with a SaaS platform for higher education institutions.
07/03/23	Teach Starter Pty Ltd (100% Stake)	Australia	ns	ns	ns	ns	Software-Computer, Traditional & Other. Software company engaged with operating an online educational resources platform providing subscription service to access teaching materials for educators.
05/08/21	Smoothwall Limited	United Kingdom	142.00	142.00	ns	ns	UK-based provider of K-12 digital safety solutions
22/06/21	Education Perfect Limited	New Zealand	422.87	422.87	ns	ns	New Zealand-based company that provides an online teaching and learning platform
02/06/21	A Cloud Guru Ltd	Australia	2,582.31	2,582.31	22.60	116.00	Software-E-Commerce company engaged with developing on-demand cloud developing online education software and services.
12/04/21	Blake eLearning Pty Ltd.	Australia	185.00	185.00	4.58	40.40	Australia-based publisher of online educational products for children
14/08/20	3P Learning Limited	Australia	166.07	166.07	3.02	54.96	Australia-based ASX-listed company engaged in online education business
15/07/20	Kydon Holdings Pte Ltd.	Singapore	12.30	12.30	2.18	5.64	Singapore-based company engaged in providing learning technologies in Singapore and Asia to promote technology-enhanced learning and training
25/03/19	Language & Testing Consultants Pty Ltd.	Australia	14.60	14.60	2.86	5.10	Australia-based provider of examination and testing management services for educational institutions, professional bodies and individual candidates
21/03/19	Navitas Limited (81.99% Stake)	Australia	1,918.35	2,294.25	2.46	930.98	Australia-based ASX-listed company headquartered in Perth, WA, is engaged in development and providing of educational services and learning solutions
<i>All Comps</i>							
Average			505.5	539.7	6.3x	192.2	
Median			142.0	142.0	2.9x	47.7	

Control premium	0%	6.3x
Size discount	-50%	3.1x

*Source: MergerMarket

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2024 Annual General Meeting Letter of Access

Sydney, Australia, 1 May 2024: OpenLearning Limited (ASX: OLL), the AI powered SaaS platform for lifelong learning ('OpenLearning' or 'Company'), advises that the 2024 Annual General Meeting of Shareholders will be held at 1.00pm (AEST) on Friday, 31 May 2023 as a virtual meeting and physically at Automic Group, Level 5, 126 Phillip Street, Sydney, NSW 2000 (**Meeting**).

In accordance with Part 1.2AA of the Corporations Act 2001, the Company will only be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders who have elected to receive the Notice in physical form.

Shareholders who have provided an email address and have elected to receive electronic communications from the Company, will receive an email to their nominated email address with a link to an electronic copy of the Notice and the proxy voting form.

Otherwise, a personalized proxy voting form will be printed and dispatched to Shareholders.

Notice of Annual General Meeting

The full Notice is available at:

1. https://staff-web.automicgroup.com.au/er/public/api/documents/OLL?fileName=OpenLearning_Limited_2024_AGM_Notice_of_Meeting.pdf
2. <https://www2.asx.com.au/markets/company/oll>
3. by contacting the Company Secretary at robyn.slaughter@automicgroup.com.au or +612 8072 1435

Business of Annual General Meeting

The business and resolutions of the AGM, as outlined in the Notice are:

1. Resolution 1 – Adoption of Remuneration Report;
2. Resolution 2 - Election of Matthew Reede as Director;
3. Resolution 3 - Re-Election of Spiro Pappas as Director;
4. Resolution 4 - ASX Listing Rule 7.1A Approval of Future Issue of Securities;
5. Resolution 5 - Approval of Issue of Performance Rights to Adam Brimo, CEO and Director of the Company;
6. Resolution 6 - Approval of Issue of Director Options to Adam Brimo, CEO and Director of the Company;
7. Resolution 7 - Approval of Issue of Director Options to Spiro Pappas, Chair and Director of the Company;
8. Resolution 8 - Approval of Issue of Director Options to Matthew Reede, Director of the Company; and
9. Resolution 9 - Approval to Issue Shares to Related Party and Resulting increase in Relevant Interest in Voting Shares of the Company.

Virtual Meeting

The Company is pleased to provide shareholders with the opportunity to attend and participate in the Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “register” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

Your Vote is Important

The business of the Meeting affects your shareholding and your vote is important.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting.

Shareholders attending the Meeting virtually and wishing to vote on the day of the Meeting can find further instructions on how to do so in the Notice of Meeting. Alternatively, shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on ‘View Meetings’ – ‘Vote’. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

The Chair intends to vote all open proxies in favour of the resolution, where permitted.

Ends.

Authorised by:

The Board of Directors

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Stay up to date with OpenLearning news as it happens:

Visit the Investor section of the OpenLearning website at: <https://investors.openlearning.com/> There you can download the Company's Prospectus and see recent ASX Announcements and press coverage.

In addition to signing up for OpenLearning news directly from the Company, we also encourage shareholders to register to receive electronic communications from our share registry, Automic. To sign up for e-communications from Automic, please visit <https://www.automicgroup.com.au/>.

Thanks for your ongoing support. We look forward to sharing OpenLearning news with you.

For further information, please contact:

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Company Secretary

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E: investors@openlearning.com

Investor Relations

Matthew Reede

Dominion Partners

P: +61 414 483 054

E: matt@dominion.partners

About OpenLearning

OpenLearning is an Artificial Intelligence (AI) powered SaaS platform for lifelong learning.

The platform enables education providers to manage all aspects of online learning, harnessing the power of Generative AI to streamline course design, content authoring and education delivery for short courses, micro-credentials and online degrees.

OpenLearning is a trusted partner to more than 220 leading education providers, who have delivered tens of thousands of courses to over 3.5 million learners through its platform.

With a strong position in the Australian and Malaysian higher education sectors, and a growing presence in Indonesia and India, OpenLearning is revolutionising the way education is accessed and delivered globally.

To learn more, please visit: <https://solutions.openlearning.com/>

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Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Your proxy voting instruction must be received by **01.00pm (AEST) on Wednesday, 29 May 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of OpenLearning Limited, to be held virtually at **01.00pm (AEST) on Friday, 31 May 2024 and physically at Automic Group Level 5 126 Phillip Street Sydney NSW 2000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

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The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

VIRTUAL PARTICIPATION AT THE MEETING:

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to **investor.automic.com.au**
2. Login with your username and password or click "register" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

STEP 2 - Your voting direction

Resolutions	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Matthew Reede as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Spiro Pappas as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 ASX Listing Rule 7.1A Approval of Future Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Issue of Performance Rights to Adam Brimo, CEO and Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Issue of Director Options to Adam Brimo, CEO and Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Issue of Director Options to Spiro Pappas, Chair and Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of Issue of Director Options to Matthew Reede, Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to Issue Shares to Related Party and Resulting Increase in Relevant Interest in Voting Shares of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
<input type="text"/>		
Email Address:		
<input type="text"/>		
Contact Daytime Telephone	Date (DD/MM/YY)	
<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).