

**Australian Securities Exchange Limited Via e-lodgement
ASX Code ICT**

New Convertible Notes and Cambridge Partnership Update

1.) New Convertible Notes:

iCollege Ltd (“ICT” or “the Company”) (ASX: ICT) confirms that it has today issued 10 new Convertible Notes (“Notes”) with a value totalling \$500,000 to sophisticated investors.

The new convertible notes have the following terms:

Issue price per note	\$50,000
Maturity Date	12 months from issue date
Interest Rate	10% per annum and will accrue daily until the conversion completion date or the redemption date
Conversion Price	\$0.05
Conversion terms	<p>The Notes may be converted following the provision of a conversion election notice by the noteholder, which must be received by the company in the period:</p> <ul style="list-style-type: none"> o Commencing 12 months following the issue date; and o Ending on the final conversion date (12 months and 1 day after issue date). o The note shall convert into Ordinary Fully Paid Shares. <ul style="list-style-type: none"> a.) at the discretion of the noteholder, subject to the Company having sufficient placement capacity under ASX Listing Rule 7.1 and 7.1A.; or b.) If the Company does not have the placement capacity then it must obtain all necessary shareholder and regulatory approvals. The note then converts on the date the company obtains the approval.
Redemption terms	<p>The Company can redeem the Notes at its election, subject to agreement with the noteholders at the following times:</p> <ul style="list-style-type: none"> o On the first business day following the date that is 3 months from the Issue date, where the Notes have not previously Converted; or o At any time between: <ul style="list-style-type: none"> ▪ The first business day following the date that is 6 months from the issue date; and ▪ The final redemption date, where the notes have not previously been converted. <p>and in any event, if the notes have not previously been converted, the company must redeem the notes on the final redemption date.</p>
Security	The convertible notes are unsecured

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Funds raised from the issue of the convertible notes shall be utilised to offset the investment needed to establish TestEd English. TestEd English is a new division within iCollege Ltd that has been developed to distribute Linguaskill throughout Australia as part of 3-year Preferred Partner Agreement between iCollege Ltd and Cambridge Assessment English, a division of the University of Cambridge. (Reference to ASX announcement dated 17 September 2019).

Linguaskill is an online, multilevel test developed by Cambridge Assessment English. It is used by Higher Education Institutions and employers who need a fast, accurate way to check the English language skills of students and employees.

\$250,000 of the funds will be utilised to launch the Linguaskill English Tests and will assist TestEd English to establish itself in the English testing market and execute upon the extensive Business and Marketing Plan that has been carefully developed by iCollege and Cambridge Assessment English.

An Appendix 3B will follow this announcement that includes the convertible securities within the Company's existing ASX Listing Rule 7.1 placement capacity.

2.) Cambridge Partnership Update

The Business unit is now well funded with members of our team having now participated in product training from Cambridge Assessment English in October.

The focus has now shifted towards sales and marketing initiatives to build long term partnerships with key stakeholders and the markets. This comes in alignment with the changes to the ESOS (Education Services for Overseas Students) Act in October 2019.

The new changes to the ESOS Act are as follows:

English language tests providers must now give more information on students' English language proficiency in relation to student visas, specifically:

- *If the student has undertaken an English language test as a requirement for the purposes of a student visa, providers are required to report the name of the English language test, the date the student took the test and the score the student received.*
- *If a student was exempt from taking an English language test under the Migration Regulations 1994, providers must report the relevant class of applicant the student is, (source: Department of Education, ESOS Regulations, 2019)*

The change will enable the Education regulator to monitor evidence and assessment methods of all English language providers and further use the data, in the process of compliance audits and re-accreditation. This provides a significant opportunity for TestEd, to provide a solution to the education providers in administering a neutral test which is benchmarked against international standards and carries the credibility of Cambridge Assessment English.

Ends –

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