



Australian Securities Exchange Limited Via e-lodgement ASX Code ICT

Linguaskill Partnership with Cambridge Assessment Progressing Well

- iCollege Ltd reported a three-year partnership with Cambridge Assessment English, part of the
 University of Cambridge, to sell and distribute its online English test Linguaskill in September 2019
- iCollege established TestEd English to distribute Linguaskill team has been trained in Linguaskill and Metrica, Cambridge Assessment's English Test Portal
- Negotiations underway with 50+ Universities, Government Departments, Education Agents, independent RTO's and English Language providers for Linguaskill deployment
- iCollege encouraged by Government and the higher education regulator's pursuit of standards for students to demonstrate sufficient English skills while working towards university enrolment

iCollege Limited (ASX: ICT) ('ICT' or 'the Company') is pleased to provide this update on the strong progress being made with the Cambridge Assessment English Linguaskill partnership announced in September.

iCollege's dedicated TestEd English division managing the partnership has participated in essential product training which included Cambridge Assessment English's online environment and learning management system.

The TestEd English team is negotiating with 50+ potential customers including universities, English language centres, Government Departments, Education Agents and large multi-nationals with a global workforce that communicate in English. Enquiries have been strong with multiple potential customers in the final stages of due diligence prior to purchasing the product in 2020. The strength of enquiry is a good indicator that TestEd English could exceed targets set for 2020 and make a meaningful financial contribution to ICT.

Last month, ICT hosted the Chief Operating Officer and Head of Assessments for Cambridge Assessment English in Australia with the meeting reaffirming the commitment of both parties to the Linguaskill partnership. An official launch of the product and partnership will occur in February 2020.

TestEd English's CEO attended the English Australia Conference earlier in the year. The conference was well supported by organisations with a requirement to ensure that suitable levels of English have been achieved by either students or staff. The announcement of TestEd English as the preferred partner for Cambridge Assessment English to roll out Linguaskill was extremely well received.

Regulation update

ICT is also pleased to confirm that the Federal Government is continuing to assess changes to improving standards in the international education sector. In response to growing scrutiny of the international education boom at Australian universities, Federal Minister for Education Dan Tehan has directed his department to work on a series of proposals to ensure standards are not suffering and that students are properly cared for.

The Tertiary Education Quality and Standards Agency (TEQSA), the independent regulator of universities, recommended in March to Minister Tehan that stricter English Language standards be applied to academic foundation courses that provide students with a pathway into enrolment at universities.

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From 2018, the Government toughened requirements for intensive English language courses that enable direct entry into universities. TEQSA has now suggested 'similar' provisions should apply to the standards for the foundation courses. The standards are currently being reviewed.

Responding to a request from Minister Tehan, the regulator also advised that monitoring of universities' compliance could be sharpened, including forcing them to "record, in detail, the basis on which a student met the required English language entry standard." Minister Tehan is said to be supportive of the changes and the Department of Education is now developing advice for him on how they would operate.

Because Linguaskill was developed by Cambridge Assessment English, which was responsible for the development of three of the five high stakes tests that are accepted by the Department of Home Affairs for students visa purposes (IELTS, OET and C1 Advanced), the Linguaskill test report produces a 'Cambridge Scale' score which can be converted into an IELTS score or a C1 Advanced score. The Cambridge Scale Score verifies the English proficiency of a student against an internationally accepted framework (Common European Framework of Reference for Languages).

Linguaskill clearly addresses many of the issues currently being investigated by the Government by providing a standardised measure developed by highly respected English language training and assessment specialists, Cambridge Assessment English.

Comment

ICT Managing Director Ashish Katta said: "The Linguaskill partnership is progressing well and we have made considerable progress since the partnership was announced in September. The fact that we have 50+ enquiries from a range of potential customers, many that are well-advanced with their due diligence, is an excellent bellwether for the product's broad appeal and the value the Cambridge brand brings to this market. We are confident this pipeline will build and sales will materialise progressively through 2020 and beyond.

"As well, we are encouraged and welcome the level of engagement and scrutiny from the Federal Department of Education and the industry regulator. A well-regulated sector underpins the success of this partnership and the underlying product."

ICT looks forward to keeping shareholders updated on the progress, rollout and anticipated successes of this exciting and important new initiative. Further updates on ICT's other operations are also pending.

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