

ASX / MEDIA RELEASE

12 AUGUST 2021

## **ICOLLEGE AND REDHILL AGREE TERMS TO CREATE A LEADING ASX-LISTED EDUCATION PROVIDER**

### Highlights

- iCollege and RedHill jointly announce a transaction following the completion of a collaborative and broad due diligence process
- RedHill Board unanimously recommend RedHill shareholders accept the revised offer of 9.5 iCollege shares for each RedHill share, subject to no superior proposal
- Compelling rationale for the consolidation of iCollege and RedHill ("MergeCo") includes:
  - increased geographic footprint with presence in all major States and Territories
  - greater diversity of course offerings across domestic and international student markets
  - broader global student recruitment network
  - pro-forma annual revenues of \$59.8 million at 30 June 2021<sup>1</sup>
  - robust balance sheet positioned to pursue growth (both organic and inorganic) with combined cash at bank at 30 June 2021 of \$30.9 million<sup>2</sup>
  - immediate and longer-term revenue (through extension of student life-cycle) and cost synergy opportunities
  - increased scale - on completion, MergeCo will become one of the largest ASX listed education companies by market capitalisation in Australia
  - improved liquidity for RedHill shareholders
- Well credentialled MergeCo Board and management team leveraging strengths and experience from both companies ensuring business stability and continuity
- Bid Implementation Agreement ("BIA") executed to complete the transaction by existing off-market takeover
- In the event the takeover does not successfully complete, a Scheme Implementation Deed is proposed to be executed on terms similar to the BIA

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<sup>1</sup> Includes approximately \$650,000 of revenues recognised by ICT in FY21 associated with the completion of practical components of student courses which were unable to be completed in Q4 FY20 due to COVID-19 lockdowns. The expenses associated with this revenue were largely incurred in FY20. Figures are subject to audit.

<sup>2</sup> RedHill's cash on hand at 30 June 2021 includes term deposits. Figures are subject to audit.

## Overview of Transaction

On 28 June 2021 RedHill Education Limited ("RedHill") (ASX:RDH) announced that it had entered into an indicative and non-binding term sheet with iCollege Ltd ("ICT"), which contemplated an increased offer consideration of 9.5 shares in ICT for every one share in RedHill ("ICT Indicative Proposal").

Both ICT and RedHill are pleased to announce that a Bid Implementation Agreement ("BIA") has been formally executed, and that ICT intends to formally amend its off-market takeover bid and increase its offer consideration for RedHill shares as noted above ("Revised ICT Offer").

The proposed transaction has the unanimous support of both the RedHill and ICT Boards. The RedHill Directors have considered the transaction and unanimously recommend RedHill shareholders accept the Revised ICT Offer and intend to accept the Revised ICT Offer for all the shares they own or control, both in the absence of a superior proposal.

## Revised Offer

Under the Revised ICT Offer, RedHill shareholders will receive 9.5 ICT shares for every 1 RedHill share held. Based on ICT's closing share price of \$0.130 per share on 11 August 2021<sup>3</sup>, this implies a value of \$1.235 per RedHill share, which represents:

- A 60.4% premium to the last close on 25 June 2021<sup>4</sup>
- A 55.9% premium to the 1-month VWAP to 25 June 2021<sup>4</sup>
- A 53.5% premium to the 3-month VWAP to 25 June 2021<sup>4</sup>
- A 61.4% premium to the undisturbed price on 11 December 2020<sup>5</sup>
- A 25.0% premium to ICT's original offer of 7.6x ICT shares for every 1 RedHill share

ICT has declared its offer consideration of 9.5x ICT shares for every 1 RedHill share "final", in the absence of a superior proposal.

Under the Revised ICT Offer, ICT shareholders will own 54.6% and RedHill shareholders will own 45.4% of the MergeCo, respectively.<sup>6</sup>

## Transaction rationale

The combination of ICT and RedHill is expected to create a leading independent Australian education provider with the following benefits:

- ✓ Significantly diversified campus footprint, course offerings and customer mix:
  - Minimal geographic overlap with RedHill sourcing approx. 90% of revenues from VIC / NSW and ICT sourcing approx. 70% of revenues from QLD / WA
  - Greater diversity of course offerings, combining RedHill's leadership in ELICOS, Management, Technology and Design, and ICT's strengths in Business, Hospitality, Health, Community Services, Building & Construction and Technology
  - RedHill and ICT's overseas agent networks are complementary with each company currently recruiting students from largely different geographic regions

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<sup>3</sup> The last trading day prior to the date of this announcement

<sup>4</sup> Last close prior to RedHill and ICT announcing that they had entered into a non-binding term sheet which contemplated an increased exchange ratio of 9.5x ICT shares for every 1 RedHill share

<sup>5</sup> Last close prior to the announcement of the UCW offer

<sup>6</sup> Calculated using current basic number of ordinary shares outstanding of 50.8 million for RedHill and 581.6 million for ICT

- ✓ Greater scale and strengthened balance sheet ensuring that MergeCo is better placed to facilitate future growth opportunities and to weather ongoing uncertainties posed by COVID-19:
  - Pro forma FY2021 MergeCo revenues of \$59.8m<sup>7</sup>
  - Pro forma MergeCo cash balance (as at 30 June 2021) of \$30.9m<sup>8</sup>
  - Better positioned to pursue both organic and inorganic growth opportunities
  - MergeCo FY21 revenue split of approx. 34.2% / 65.8% between domestic and international students
- ✓ Immediate and longer-term cost and revenue synergy opportunities, not otherwise available to the stand-alone entities:
  - Synergies of \$1.0m - \$1.35m targeted within 1-year, comprised largely of expected savings in corporate costs and group services, and benefits in commissions
  - In the medium term, there will be additional opportunities for cost savings, particularly in property and admin as each respective business seeks to expand the geographical delivery locations of current course offerings using existing facilities
  - Meaningful scope for revenue synergies in the medium term, particularly when the international student market recovers, as the combined offerings will provide significant opportunity to extend student life cycle
- ✓ Well credentialled Board and management team drawn from both existing ICT and RedHill teams, with a demonstrated record of success in the education sector

### **Proposed Board and management**

The Board of MergeCo is proposed to consist of Simon Tolhurst (Chair), Will Deane (Non-Executive Director), Ashish Katta (Non-Executive Director), Sandra Hook (Non-Executive Director) and Badri Gosavi (Executive Director). The Company Secretary will be Lisa Jones.

Key management of MergeCo will include Glenn Elith (CEO), Michael Fahey (CFO) and Badri Gosavi (Head of Growth).

**Non-Executive Chair of ICT and proposed Chair of MergeCo Simon Tolhurst said:** *“We are delighted to confirm that following a broad and collaborative due diligence process, the iCollege and RedHill respective Boards have agreed terms to create a leading Australian Vocational and Higher Education and Training company backed by great talent, a diverse geographical footprint, established training infrastructure, and a strong balance sheet to pursue growth opportunities. The merged group will be better positioned to mitigate risk across student markets through a broader domestic and international student base and to capture growth once international borders reopen.*

*We look forward to sharing the details and agreed structure of the transaction with our respective shareholders, before working to pursue significant growth opportunities available to the merged group to create value for all shareholders. In the near term, compelling organic growth, cross-selling and cost saving opportunities will be the focus of the MergeCo board as we work to recognise the potential synergies and opportunities.”*

**Stephen Heath, Chairman of RedHill said:** *“The proposed transaction significantly expands RedHill’s exposure to the domestic education market and uniquely positions MergeCo to invest in growth opportunities, while maintaining meaningful exposure to future upside as borders are opened for international students. Importantly,*

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<sup>7</sup> Includes approximately \$650,000 of revenues recognised by ICT in FY21 associated with the completion of practical components of student courses which were unable to be completed in Q4 FY20 due to COVID-19 lockdowns. The expenses associated with this revenue were largely incurred in FY20. Figures are subject to audit.

<sup>8</sup> RedHill’s cash on hand includes term deposits. Figures are subject to audit.

*the proposed transaction is not expected to have an impact on the day-to-day operations of the existing businesses with the proposed Board and management comprising individuals from both ICT and RedHill.”*

### **Transaction Structuring**

ICT will revise its existing off-market takeover bid to give effect to the transaction. Key conditions to the Revised ICT Offer are expected to include:

- Minimum acceptance condition of 90%;
- Receipt of regulatory approvals;
- No prescribed occurrences; and
- No material adverse change.

The parties have formally executed a BIA (attached to this announcement), which also includes customary deal protection for ICT including a break fee, no shop, no talk, exclusivity and a right to match competing proposals (subject to usual fiduciary carve-outs).

To the extent the Revised ICT Offer closes prior to the offer being declared unconditional, RedHill and ICT will seek to effect the transaction via a Scheme of Arrangement. The BIA requires the parties to, in good faith, negotiate a Scheme Implementation Deed on terms drawn directly from the BIA.

### **Timetable and Next Steps**

ICT expects to lodge its Supplementary Bidder's Statement by 18 August 2021, and the Revised ICT Offer is expected to remain open until 20 September 2021 (unless extended). RedHill expects to lodge its Supplementary Target's Statement within seven days from the lodgment of ICT's Supplementary Bidder's Statement.

Further details on the terms of the Revised ICT Offer and the timetable will be provided in the Supplementary Bidder's and Target's Statements.

### **Advisors to the Transaction**

ICT is being advised by Ord Minnett (Lead Financial Advisor), Veritas (Advisor), Thomson Geer (Legal Counsel) and KPMG (Accounting Advisor).

RedHill is being advised by E&P Corporate Advisory (Sole Financial Advisor), Minter Ellison (Legal Counsel) and Pitcher Partners (Accounting Advisor).

### **RedHill Shareholder Information Line**

Should RedHill shareholders have any queries in relation to this announcement, please contact the RedHill shareholder information helpline on 1300 148 799 or +61 3 9415 4265.

*Authorised for release to ASX by the Board of Directors of ICT and RedHill.*

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**About iCOLLEGE**

iCollege Limited is a leading vocational training provider comprised of businesses delivering accredited and non-accredited vocational education and training solutions across Australia. iCollege currently operates four Registered Training Organisations (RTOs) based in Australia and an English language testing business partnered with Cambridge Assessment English.

**About REDHILL**

RedHill has a portfolio of quality education businesses at the premium end of the private education market to capitalise on the demand for higher education, vocational training and English language programmes. For further information refer to our website [www.redhilleducation.com](http://www.redhilleducation.com).

## Bid Implementation Agreement

between

**RedHill Education Limited**  
ACN 119 952 493  
(RedHill)

and

**iCollege Limited**  
ACN 105 012 066  
(iCollege)

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**This agreement** is made on 12 August 2021

between **iCollege Limited** ACN 105 012 066 , 205 North Quay, Brisbane QLD 4000  
(iCollege)

and **RedHill Education Limited** ACN 119 952 493, Level 2 7 Kelly Street, Ultimo NSW  
2007 (RedHill)

## **Recitals**

- A iCollege made a takeover bid dated 25 March 2021 and on 28 June 2021 iCollege and RedHill announced they had entered into a binding arrangement under which each may carry out diligence on the other.
- B iCollege and RedHill have completed their respective diligence on the other and have agreed that the iCollege takeover bid will be varied to increase the consideration and RedHill will recommend the acceptance of iCollege's varied takeover bid on the terms set out in this document.
- C All of the RedHill Directors have indicated that they intend to recommend the Offers and accept the Offer for the Shares they own or Control in the absence of a Superior Proposal.
- D The parties have agreed to implement the Takeover Bid on the terms set out in this document.

**Now it is agreed** as follows:

## **1 Definitions**

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In this document these terms have the following meanings:

**Adviser** means in relation to an entity, its legal, financial and other expert advisers and agents;

**Agreed Announcement** means the announcement in the terms set out in schedule 4;

**Agreed Form** means in respect of a document means that document in the form, or substantially in the form, agreed by the parties prior to execution of this agreement;

**Agreed Terms** means the terms and conditions set out in schedule 1;

**Announcement Date** means the date on which iCollege and RedHill have agreed in the Agreed Terms to announce publicly on the ASX the Agreed Announcement;

**ASIC** means the Australian Securities and Investments Commission;

**Associate** means the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) included a reference to this document;

**ASX** means ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it;

**ASX Listing Rules** means the official listing rules of ASX;

**Bidder's Statement** means ICT's bidder's statement originally dated 25 March 2021 and as amended by its subsequent supplementary and replacement bidder's statements;

**Break Fee** means \$515,830.00 (exclusive of GST);

**Business Day** means the meaning given in the ASX Listing Rules;

**Claim** means in relation to a person, a demand, claim, action or proceeding made or brought by or against the person, however arising and whether present, unascertained, immediate, future or contingent;

**Change of Control Right** means a right to:

- (a) terminate the relevant contract;
- (b) vary, amend or modify the relevant contract;
- (c) exercise or enforce any right under the relevant contract; or
- (d) benefit from the operation of a provision which automatically terminates, varies, amends or modifies the relevant contract,

(each a **Change of Control Right**) as a direct or indirect result of:

- (e) iCollege obtaining a Relevant Interest in 50% or more of the Shares then on issue; or
- (f) iCollege acquiring control of RedHill;

**Conditions** means the conditions set out in the Bidder's Statement;

**Confidentiality Deed** means the confidentiality deed executed on or about 2 June 2021 between iCollege and RedHill;

**Control** means the meaning given to that term in the Corporations Act;

**Corporations Act** means the *Corporations Act 2001* (Cth);

**Encumbrance** means any of:

- (a) a mortgage, charge, pledge, lien, hypothecation or a title retention arrangement;
- (b) a notice under section 255 of the *Income Tax Assessment Act 1936* (Cth), subdivision 260-A in schedule 1 to the *Taxation Administration Act 1953* (Cth) or any similar legislation;
- (c) any other interest in or right over property (including a right to set off or withhold payment of a deposit or other money);
- (d) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; or
- (e) an agreement to create anything referred to above or to allow any of them to exist;

**End Date** means the earlier of:

- (a) two calendar months after the date of this document, or any earlier date on which the Offers otherwise lapses or are withdrawn; and
- (b) the termination of this document in accordance with clause 11;

**Fairly Disclosed** means sufficient information has been disclosed so as to enable a sophisticated investor with experience in transactions of the nature of the Takeover Bid and familiar with the business of providing tertiary education, would be aware of the substance and significance of the relevant information;

**Foreign RedHill Holder** means a holder of Shares whose address in the register of members is a place outside of Australia and its external territories or New Zealand, unless iCollege determines (in its absolute discretion) that it is lawful, not unduly onerous and not unduly impracticable to make the Offers to a holder of Shares in the relevant jurisdiction and to issue to that holder of Shares with iCollege Shares on the completion of the Offers and that it is

lawful for that holder of Shares to participate in the Offers by the law of the relevant jurisdiction;

**iCollege Disclosure Material** means the information disclosed to RedHill and its Representatives prior to the date of this document in the data room established for the due diligence by RedHill at the following URL address:  
<https://dataroom.ansarada.com/bx5mxh68ab0>;

**iCollege Group** means iCollege and each of its Related Entities;

**iCollege Information** means information relating to the iCollege Group, including the iCollege Group's assets or liabilities, financial or trading position, profitability or prospects;

**iCollege Material Adverse Change** means an act, omission, event, change, condition, matter, thing or circumstance (either individually or aggregated with other acts, omissions, events, changes, conditions, matters, things or circumstances) which:

- (a) has diminished, or could reasonably be expected to diminish, the net assets of the iCollege Group by \$580,000.00 or more;
- (b) has resulted, or could reasonably be expected to result, in any material rights under any of the material agreements in which a member of the iCollege Group has an interest being suspended, revoked, invalidated, varied, terminated, or otherwise coming to an end;
- (c) has resulted, or could reasonably be expected to result, in a material restraint on or hindrance to the feasibility, development, timely completion, operation, or profitability of the material projects in which a member of the iCollege Group has an interest;
- (d) has resulted, or could reasonably be expected to result, in any member of the iCollege Group incurring any obligations, liabilities, costs or expenses (whether contingent or otherwise) where the quantum (whether individually or when aggregated) exceeds \$500,000.00, except in the ordinary course of business; or
- (e) results in a third party acquiring or proposing to acquire a Relevant Interest in iCollege Shares of at least 20%;
- (f) results in a regulator taking action against iCollege which is or is likely to have a materially adverse impact on iCollege's business or financial performance;

but does not include any of the following, which are taken not to constitute a material adverse effect:

- (g) matters that are Fairly Disclosed:
  - (i) in the iCollege Disclosure Materials or otherwise widely known publicly on or before the Announcement Date; or
  - (ii) in iCollege's public filings with the ASX and ASIC prior to the Announcement Date;
- (h) any event, occurrence, circumstance or matter affecting the tertiary education sector generally;
- (i) changes in general economic conditions, currency exchange rates, securities markets;
- (j) changes occurring as a result of any matter, event or circumstance required by this document, the Offers or the transactions contemplated by them or is otherwise consented to in writing by RedHill;
- (k) arising as a result of any generally applicable change in accounting standards required by law or government policy in Australia;

**iCollege Prescribed Occurrence** means any of the following:

- (a) iCollege converts all or any of its shares into a larger or smaller number of shares;
- (b) iCollege or a subsidiary of iCollege resolves to reduce its share capital in any way;
- (c) iCollege or a subsidiary of iCollege:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) iCollege or a subsidiary of iCollege:
  - (i) issues shares or agrees to issue shares; or
  - (ii) grants an option over its shares or agrees to grant an option over its shares;
- (e) iCollege or a subsidiary of iCollege issues, or agrees to issue, convertible notes;
- (f) iCollege or a subsidiary of iCollege disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) iCollege or a subsidiary of iCollege charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) iCollege or a subsidiary of iCollege resolves to be wound up;
- (i) a liquidator or provisional liquidator of iCollege or of a subsidiary of iCollege is appointed;
- (j) a court makes an order for the winding up of iCollege or of a subsidiary of iCollege;
- (k) an administrator of iCollege, or of a subsidiary of iCollege, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) iCollege or a subsidiary of iCollege executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of iCollege or of a subsidiary of iCollege;

**iCollege Shares** means an ordinary fully paid share in the capital of iCollege;

**iCollege's Nominee** means the entity nominated by iCollege pursuant to clause **Error!**  
**Reference source not found.**;

**Losses** means all Claims, actions, proceedings, liabilities, obligations, damages, loss, charges, costs, expenses and duties or other outgoings;

**Material Contract** means any agreement, contract, deed or other arrangement or instrument which:

- (a) involves the provision of financial accommodation to either party or any member of either party of a value greater than;
  - (i) in the case of RedHill, \$500,000.00; and
  - (ii) in the case of iCollege, \$250,000.00;
- (b) imposes obligations or liabilities on any party over the life of the agreement, contract, deed or other arrangement or instrument of at least;
  - (i) in the case of RedHill, \$500,000.00; and
  - (ii) in the case of iCollege, \$250,000.00.

**Offers** means offers by iCollege to Shareholders by way of the Takeover Bid on terms no less favourable than the Agreed Terms in respect to the Shares on issue as at the date of the Offers and those Shares that are issued during the Offer Period as a result of the exercise of the other securities (subject always to any necessary ASIC modifications being obtained and to the extent they are permitted to vest in accordance with this document) that are on Issue as at the date of this document.

**Offer Period** means the period during which the Offers will remain open for acceptance as specified in the Supplementary Bidder's Statement, as extended in accordance with the Corporations Act and with the written agreement of RedHill;

**Officer** in relation to an entity, means its directors and senior executives;

**Performance Rights** means any entitlement to a Share issued as a 'performance right' under the rules of the RedHill Rights Plan, details of which are set out in Schedule 2;

**Public Authority** means any government or any governmental, semi-governmental, administrative, statutory or judicial entity (including a court), commission, tribunal, agency or authority, or any minister, department, office or delegate of any government, whether in Australia or elsewhere, including any self-regulating organisation established under statute or otherwise discharging substantially public or regulatory functions, and ASX or any other stock exchange and the Takeovers Panel, the Foreign Investment Review Board, ASIC and any other securities regulator;

**RedHill Board** means the board of directors of RedHill;

**RedHill Director** means a director of RedHill;

**RedHill Disclosure Material** means the information disclosed to iCollege and its Representatives prior to the date of this document in the data room established for the due diligence by iCollege at the following URL address:  
<https://services.intralinks.com/web/index.html?brandId=1#workspace/10275225/documents> ;

**RedHill Group** means RedHill and each of its Related Entities;

**RedHill Information** means information relating to the RedHill Group, including the RedHill Group's assets or liabilities, financial or trading position, profitability or prospects;

**RedHill Material Adverse Change** means an act, omission, event, change, condition, matter, thing or circumstance (either individually or aggregated with other acts, omissions, events, changes, conditions, matters, things or circumstances) which has had, or could reasonably be expected to:

- (a) has diminished, or could reasonably be expected to diminish, the net assets of the RedHill Group by \$1,400,000.00 or more;
- (b) has resulted, or could reasonably be expected to result, in any material rights under any of the material agreements in which a member of the RedHill Group has an interest being suspended, revoked, invalidated, varied, terminated, or otherwise coming to an end;
- (c) has resulted, or could reasonably be expected to result, in a material restraint on or hindrance to the business or operations, or of the RedHill Group;
- (d) has resulted, or could reasonably be expected to result, in any member of the RedHill Group incurring any obligations, liabilities, costs or expenses (whether contingent or otherwise) where the quantum (whether individually or when aggregated) exceeds \$1,000,000.00, except in the ordinary course of business; or
- (e) a regulator takes action against RedHill which is or is likely to have a materially adverse impact on RedHill's business or financial performance,

but does not include any of the following, which are taken not to constitute a material adverse effect:

- (f) matters that are Fairly Disclosed:
  - (i) in the RedHill Disclosure Materials or otherwise widely known publicly on or before the Announcement Date; or
  - (ii) in RedHill's public filings with the ASX and ASIC prior to the Announcement Date;
- (g) any event, occurrence, circumstance or matter affecting the tertiary education sector generally;
- (h) changes in general economic conditions, currency exchange rates, securities markets;
- (i) changes occurring as a result of any matter, event or circumstance required by this document, the Offers or the transactions contemplated by them or is otherwise consented to in writing by iCollege;
- (j) arising as a result of any generally applicable change in accounting standards required by law or government policy in Australia;

**RedHill Prescribed Occurrence** means any of the following:

- (a) RedHill converts all or any of its shares into a larger or smaller number of shares;
- (b) RedHill or a subsidiary of RedHill resolves to reduce its share capital in any way;
- (c) RedHill or a subsidiary of RedHill:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) RedHill or a subsidiary of RedHill:
  - (i) issues shares or agrees to issue shares; or
  - (ii) grants an option over its shares or agrees to grant an option over its shares;
- (e) RedHill or a subsidiary of RedHill issues, or agrees to issue, convertible notes;
- (f) RedHill or a subsidiary of RedHill disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) RedHill or a subsidiary of RedHill charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) RedHill or a subsidiary of RedHill resolves to be wound up;
- (i) a liquidator or provisional liquidator of RedHill or of a subsidiary of RedHill is appointed;
- (j) a court makes an order for the winding up of RedHill or of a subsidiary of RedHill;
- (k) an administrator of RedHill, or of a subsidiary of RedHill, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) RedHill or a subsidiary of RedHill executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of RedHill or of a subsidiary of RedHill;

**Register** means the register of members of RedHill maintained by or on behalf of RedHill in accordance with the Corporations Act;

**Related Body Corporate** has the meaning given to that term in the Corporations Act;

**Related Entity** of a party means another entity which:

- (a) is a Related Body Corporate of the first party;
- (b) is in any consolidated entity (as defined in section 9 of the Corporations Act) which contains the party; or
- (c) the party Controls;

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act;

**Representative** means in relation to a party:

- (a) each of the party's Related Entities; and
- (b) each of the Officers, employees and Advisers of the party or of any of its Adviser's Related Entities;

**Scheme** means a scheme of arrangement under Part 5.1 of the Corporations Act between RedHill and its Shareholders in respect of the acquisition of all the Shares by iCollege.

**Share** means a fully paid ordinary share in the capital of RedHill;

**Shareholder** means each person who is registered in the Register as the holder of Shares;

**Superior Proposal** means a bona fide Third Party Proposal received after the date of this document which the RedHill Board:

- (a) acting in good faith and reasonably; and
- (b) in order to satisfy what the RedHill Board reasonably considers to be its fiduciary or statutory duties after consultation with and receipt of written advice from its external legal and financial advisers who have relevant expertise to provide advice in this area, determines is or is likely to become more favourable to Shareholders (as a whole) than the Offers (taking into account, among other things, all legal, financial, regulatory, conditionality, certainty, timing and other aspects of the Third Party Proposal and the identity of the offeror);

**Supplementary Bidder's Statement** means the supplementary bidder's statement proposed to be issued by iCollege reflecting the terms set out in this document in relation to the Offers in accordance with the Corporations Act and other applicable requirements;

**Supplementary Target's Statement** means the target's statement to be issued in response to the Supplementary Bidder's Statement in accordance with the Corporations Act and other applicable requirements;

**Takeover Bid** means the takeover bid made by iCollege for all of the issued Shares under Chapter 6 of the Corporations Act under the Bidder's Statement;

**Takeovers Panel** means the body of that name continued in existence under section 261 of the *Australian Securities and Investments Commission Act 2001* as the primary forum for resolving disputes about takeovers;

**Third Party Proposal** means:

- (a) A transaction which, if completed, would mean a person (other than iCollege or iCollege's Nominee) would, directly or indirectly:
  - (i) acquire all or a substantial part of the assets or business of the RedHill Group;

- (ii) acquire a Relevant Interest (or a right to acquire a Relevant Interest) in 20% or more of RedHill's voting shares or of the share capital of any of its Related Bodies Corporate or enter into or acquire any option, cash settled equity swap or other derivative contract arrangement in respect of (when aggregated with any shareholding) 20% or more of the relevant company's share capital; or
- (iii) acquire Control of RedHill;
- (b) a takeover bid, scheme of arrangement, amalgamation, merger, capital reconstruction, consolidation, purchase of main undertaking or other business combination involving RedHill and/or its Related Bodies Corporate;
- (c) a transaction involving the formation of a dual listed company structure, stapled security structure or other form of synthetic merger having the same or substantially the same effect as a takeover bid for, or scheme of arrangement in respect of RedHill and/or its Related Bodies Corporate; or
- (d) any agreement, arrangement or understanding requiring RedHill to abandon, or otherwise fail to proceed with, the Offers or which is otherwise materially prejudicial to the Offers;

**Unlisted Option** means an unlisted option issued by RedHill prior to the date of this document to acquire a Share, details of which are set out in Schedule 2;

**Unlisted Optionholder** means each registered holder of an Unlisted Option.

## 2 The Offers

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### 2.1 iCollege agrees to make Offers

iCollege agrees to:

- (a) vary the Offers on the Agreed Terms; and
- (b) make the Agreed Announcement to the ASX as soon as practicable after the parties have executed this document.

### 2.2 Variation, waiver of conditions and extension

- (a) Subject to the Corporations Act, iCollege may:
  - (i) vary the terms of the Offers made in the Agreed Terms in any manner permitted by the Corporations Act provided the varied terms are no less favourable to Shareholders than the Agreed Terms; and
  - (ii) declare the Offers to be free from any Condition or extend the Offers at any time, with the written consent of RedHill (such consent not to be unreasonably withheld or delayed), unless that variation is required under the Corporations Act.
- (b) Despite anything else in this document or the Corporations Act, iCollege must not:
  - (i) extend the Offer Period beyond the date that is 2 calendar months after the date of this document unless:
    - (A) iCollege has obtained a Relevant Interest in at least 90% of the RedHill Shares prior to that time; or
    - (B) the prior written consent of RedHill has been obtained (such consent not to be unreasonably withheld or delayed).



### **3 Obligations in respect of the Conditions**

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#### **3.1 Conditions**

- (a) Each party must:
  - (i) use its best endeavours to satisfy the Conditions which the party is capable of satisfying as soon as practicable after the date of this agreement or to ensure that those Conditions continue to be satisfied at all times until the last time they are to be satisfied (as the case may require); and
  - (ii) not do or omit to do anything within its control which will, or is likely to, result in any of the Conditions being breached, or not being capable of being satisfied.
- (b) Nothing in clause 3.1(a) prevents RedHill or the RedHill Board from taking, or failing to take, action where to do otherwise would, in the opinion of the RedHill Board (determined in good faith and acting reasonably after receiving written legal advice from external lawyers), constitute a breach of any of the duties of the RedHill Directors or of the law or agreed in writing with iCollege or set out or contemplated by this document.

#### **3.2 Notification of certain events**

Each party must:

- (a) on request from the other party at reasonable intervals, promptly inform the other party of the steps it has taken and of its progress towards satisfaction of the Conditions which it is capable of or primarily responsible for satisfying;
- (b) promptly notify the other if it becomes aware that any Condition has been satisfied; and
- (c) if any event occurs or becomes apparent which would cause any of the Conditions to be breached or prevent them from being able to be satisfied or cause satisfaction of them to be materially delayed, to the extent the party is aware of such information, promptly notify the other party in writing of the event.

#### **3.3 Failure of Conditions and change to a Scheme**

If:

- (a) there is a breach or non-fulfilment of a Condition that is not validly waived by iCollege; or
- (b) it is reasonably determined that a Condition is incapable of satisfaction, having regard to the obligations of the parties under clause 3.1(a) and 3.2(c) (and the breach or non-fulfilment of the Condition that would otherwise occur has not already been waived),

either party give notice to the other party, and the parties must then negotiate in good faith with a view to determining whether:

- (c) the Offer may proceed by way of alternative means or methods and, if so, to agree on the terms of such alternative means or methods; and
- (d) in particular, if on or before the End Date it appears reasonably likely that the Offer will not result in iCollege acquiring a Relevant Interest in at least 90% of the Shares, the parties must consult promptly and in good faith to negotiate and execute a scheme implementation agreement for the Scheme on terms as reasonably practicable similar to this document but in respect of a Scheme and terminate this document.

## **4 Facilitating the Offer**

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### **4.1 RedHill Board recommendation and acceptances**

RedHill represents and warrants that:

- (a) the RedHill Board have met and considered the possibility of iCollege agreeing to vary the Offers on the Agreed Terms; and
- (b) all of the RedHill Directors have informed RedHill that, if iCollege varies the Offer on the Agreed Terms and makes the Agreed Announcement, they will:
  - (i) on the Announcement Date, unanimously and promptly recommend that Shareholders accept the Offers made to them; and
  - (ii) within 10 Business Days of the date of the Supplementary Bidder's Statement accept, or procure the acceptance of the Offers, in respect of any Shares controlled or held by them, or on behalf of them,

in each case in the absence of a Superior Proposal, and subject to this agreement not being terminated by RedHill in accordance with clause 11.

### **4.2 Bidder's Statement**

- (a) iCollege must prepare the Supplementary Bidder's Statement and acceptance form for the Offers that are consistent with this document and in accordance with the Corporations Act, relevant ASIC regulatory guides and the Agreed Terms.
- (b) iCollege must, to the extent practicable, give RedHill a reasonable opportunity to review an advanced draft of the Supplementary Bidder's Statement and will consult in good faith with RedHill with respect to any comments of RedHill or its Representatives. RedHill must provide iCollege with its comments on the RedHill Information contained in the advanced draft of the Supplementary Bidder's Statement provided to RedHill in accordance with this clause (or otherwise confirm that it has no comments) by marking up any required changes in that document as soon as reasonably practicable, and in any event no later than 3 Business Days, after receipt of that advanced draft from iCollege.
- (c) RedHill must provide any assistance or information reasonably requested by iCollege in connection with the preparation of the Supplementary Bidder's Statement and any other document to be sent by iCollege to Shareholders in connection with the Offers.
- (d) RedHill takes responsibility for the RedHill Information set out in the Supplementary Bidder's Statement provided by RedHill to iCollege in accordance with clause 4.2(b). RedHill acknowledges that the Supplementary Bidder's Statement will include a statement to that effect.
- (e) On and from the date that the Supplementary Bidder's Statement is lodged with ASIC until the end of the Offer Period, RedHill must provide iCollege with any further or new information which may arise which is necessary to ensure that the Supplementary Bidder's Statement, insofar as it discloses RedHill Information, is not misleading or deceptive in any material respect (whether by omission or otherwise).

### **4.3 Target's Statement**

- (a) RedHill must prepare a Supplementary Target's Statement in response to the Offers in the Supplementary Bidder's Statement in accordance with the Corporations Act and relevant ASIC regulatory guides and the Agreed Terms.
- (b) RedHill must, to the extent practicable, give iCollege a reasonable opportunity to review an advanced draft of the Supplementary Target's Statement and consult in good faith with iCollege with respect to any comments of iCollege or its Representatives. iCollege must provide RedHill with its comments on the iCollege

Information contained in the advanced draft of the Supplementary Target's Statement provided to iCollege in accordance with this clause (or otherwise confirm that it has no comments) by marking up any required changes in that document as soon as reasonably practicable, and in any event no later than 3 Business Days, after receipt of that advanced draft from RedHill.

- (c) RedHill must ensure that, in the absence of a Superior Proposal, the Supplementary Target's Statement includes:
  - (i) a recommendation from the RedHill Directors unanimously recommending that Shareholders accept the Offers made to them; and
  - (ii) a statement by each RedHill Director that that director will accept or procure the acceptance of the Offers in respect of all Shares controlled or held by, or on behalf of, that Director within 10 Business Days of the date of the Supplementary Bidder's Statement.
- (d) iCollege must provide any assistance or information reasonably requested by RedHill in connection with the preparation of the Supplementary Target's Statement and any other document to be sent by RedHill to Shareholders in connection with the Offers.
- (e) iCollege takes responsibility for the iCollege Information set out in the Supplementary Target's Statement provided by iCollege to RedHill in accordance with clause 4.3(b). iCollege acknowledges that the Supplementary Target's Statement will include a statement to that effect.
- (f) On and from the date that the Supplementary Target's Statement is lodged with ASIC until the end of the Offer Period, iCollege must provide RedHill with any further or new information which may arise which is necessary to ensure that the Supplementary Target's Statement, insofar as it discloses iCollege Information, is not misleading or deceptive in any material respect (whether by omission or otherwise).

#### 4.4 Despatch of documents

- (a) RedHill agrees that the Supplementary Bidder's Statement in respect of the Offers and accompanying documents to be sent by iCollege under section 643 of the Corporations Act may be sent on or before the date set out in the Agreed Terms so long as iCollege observes the requirements of the Corporations Act and this document;
- (b) RedHill agrees to direct its share registry to:
  - (i) co-operate with iCollege for the purposes of satisfying its obligations under the Corporations Act and allowing it to dispatch the Supplementary Bidder's Statement in accordance with clause 4.4(a); and
  - (ii) provide iCollege (at iCollege's cost) with:
    - (A) a copy of the register of Shareholders of RedHill as at the date nominated by iCollege in the electronic form requested by iCollege within two Business Days after such request; and
    - (B) during the Offer Period, a copy of the register of Shareholders in the electronic form reasonably requested by iCollege as soon as reasonably practicable but not later than two Business Days after receipt of a written request by iCollege to provide a copy of such register(s).
- (c) RedHill agrees to use its best endeavours to arrange despatch of the Supplementary Target's Statement in accordance with the requirements of the Corporations Act together with or as soon as practicable (and in any event within 5 Business Days) following the despatch of the Supplementary Bidder's Statement.

#### 4.5 Indicative timetable

- (a) Without prejudice to the remainder of the obligations contained in this clause 4 each party agrees to use their best endeavours to implement the Takeover Bid as quickly as is reasonably permitted in the circumstances, having regard to the following indicative timetable:

Date	Action
12 August 2021	Sign Bid Implementation Agreement
12 August 2021	Release of Agreed Announcement
18 August 2021	iCollege lodges Supplementary Bidder's Statement with ASIC and ASX, and serves it on RedHill. RedHill lodges Supplementary Target's Statement with ASIC and ASX, and serves it on iCollege.
18 August 2021	Supplementary Bidder's Statement despatched to Shareholders by iCollege
20 September 2021	Offer Period closes (unless extended)

#### 4.6 Promoting the takeover bid

- (a) During the Offer Period, in the absence of a Superior Proposal, the RedHill Board will support the Offers and will use its best endeavours to participate in efforts reasonably required by iCollege to promote the merits of the Offers (at iCollege's cost), including attending meetings with key Shareholders, analysts, management, customers and press if requested to do so by iCollege.
- (b) RedHill must;
- (i) include in all material public statements relating to the Offers following the execution of this agreement (including the Supplementary Target's Statement), a statement to the effect that:
    - (A) the RedHill Directors unanimously recommend that Shareholders accept the Offers made to them;
    - (B) each RedHill Director intends to accept, or procure the acceptances of, the Offers in respect of all Shares controlled or held by, or on behalf of, them within 10 Business Days of the date of the Supplementary Bidder's Statement,
 in each case in the absence of a Superior Proposal;
  - (ii) not make any public statement or take any other public action which would suggest that the Offers are not unanimously recommended by the RedHill Directors unless a Superior Proposal emerges; and
  - (iii) procure that no RedHill Director subsequently withdraws their recommendation unless a Superior Proposal emerges.

#### 4.7 Conduct of RedHill Group during Offer Period

- (a) Until the End Date:
- (i) RedHill must, and must procure that each member of the RedHill Group, carries on its business in the usual and ordinary course and on a basis consistent with the manner in which it was conducted prior to the date of this document;

- (ii) RedHill must, and must procure that each member of the RedHill Group, keep iCollege reasonably informed of any material changes to the conduct of its business and must consult with iCollege on material matters concerning the financial affairs and operations of the RedHill Group;
  - (iii) RedHill must, and must procure that each member of the RedHill Group, take reasonable steps to preserve and maintain the value of their business;
  - (iv) RedHill must not, and must ensure each member of the RedHill Group does not, enter into, vary, amend, modify or terminate any Material Contract;
  - (v) RedHill must not, and must ensure each member of the RedHill Group does not, borrow or agree to borrow (whether or not subject to conditions) any money from any new person other than iCollege after the date of this document;
  - (vi) RedHill must not, and must ensure each member of the RedHill Group does not, enter into or agree to enter into, or materially amend or agree to materially amend, any material employment, consulting, severance or similar agreement or arrangement with any director, officer, other executive or employee of any member of the RedHill Group or otherwise materially increase the compensation or benefits, or accelerate the compensation or benefits, in respect of any director, officer, other executive or employee of any member of the RedHill Group;
  - (vii) RedHill must not, and must ensure each member of the RedHill Group does not, declare, agree to pay or become liable to pay a material bonus (or similar remuneration based incentive payment) to any director, officer, employee, consultant or contractor of any member of the RedHill Group, other than as agreed by the parties in writing;
  - (viii) RedHill must not appoint any person as a Director (other than as contemplated in this document);
  - (ix) as soon as practicable after the date of this document, RedHill must notify the relevant regulatory authorities which oversee its business of the transaction proposed under this document; and
  - (x) RedHill must, and must procure that each member of the RedHill Group, comply with all applicable laws.
- (b) Without limiting clause 4.7(a), until the End Date, RedHill must inform and consult in good faith with iCollege in relation to all material business decisions of RedHill (other than RedHill's consideration of the Offer or any Third Party Proposal in accordance with RedHill's obligations under this document).
- (c) The obligations of RedHill under this clause 4.7 do not apply in respect of:
- (i) any matter required to be done or procured by RedHill pursuant to, or which is otherwise contemplated by, this document or the Offers;
  - (ii) any matter which is required to be done by law or by an order of a court or a Public Authority;
  - (iii) any matter which is consistent with the activities and expenditure reflected in the RedHill Disclosure Materials;
  - (iv) any matter which has been disclosed to ASX prior to the date of this document;
  - (v) any matter or thing which is undertaken in the usual and ordinary course of the business of RedHill including annual performance and salary reviews; or

- (vi) any matter the undertaking of which iCollege has approved in writing (such consent not to be unreasonably withheld).

#### 4.8 Conduct of iCollege during Offer Period

- (a) Until the End Date:
  - (i) iCollege must, and must procure that each member of the iCollege Group, carries on its business in the usual and ordinary course and on a basis consistent with the manner in which it was conducted prior to the date of this document;
  - (ii) iCollege must, and must procure that each member of the iCollege Group, keep RedHill reasonably informed of any material changes to the conduct of its business and must consult with RedHill on material matters concerning the financial affairs and operations of the iCollege Group;
  - (iii) iCollege must, and must procure that each member of the iCollege Group, take reasonable steps to preserve and maintain the value of their business;
  - (iv) iCollege must not, and must ensure each member of the iCollege Group does not, enter into, vary, amend, modify or terminate any Material Contract;
  - (v) iCollege must not, and must ensure each member of the iCollege group of companies does not, borrow or agree to borrow (whether or not subject to conditions) any money from any new person after the date of this document;
  - (vi) iCollege must not, and must ensure each member of the iCollege Group does not, enter into or agree to enter into, or materially amend or agree to materially amend, any material employment, consulting, severance or similar agreement or arrangement with any director, officer, other executive or employee of any member of the iCollege Group or otherwise materially increase the compensation or benefits, or accelerate the compensation or benefits, in respect of any director, officer, other executive or employee of any member of the iCollege Group except as agreed by the parties in writing;
  - (vii) iCollege must not, and must ensure each member of the iCollege Group does not, declare, agree to pay or become liable to pay a material bonus (or similar remuneration based incentive payment) to any director, officer, employee, consultant or contractor of any member of the iCollege Group, other than as agreed by the parties in writing;
  - (viii) iCollege must not appoint any person as a Director (other than as contemplated in this document);  
  
as soon as practicable after the date of this document, iCollege must notify the relevant regulatory authorities which oversee its business of the transaction proposed under this document; and
  - (ix) iCollege must, and must procure that each member of the iCollege Group, comply with all applicable laws.
- (b) Without limiting clause 4.7(a), until the End Date, iCollege must inform and consult in good faith with RedHill in relation to all material business decisions of iCollege (other than iCollege's consideration of its Offer).
- (c) The obligations of iCollege under this clause 4.78 do not apply in respect of:
  - (i) any matter required to be done or procured by iCollege pursuant to, or which is otherwise contemplated by, this document or the Offers;
  - (ii) any matter which is required to be done by law or by an order of a court or a Public Authority;

- (iii) any matter which is consistent with the activities and expenditure reflected in the iCollege Disclosure Materials;
- (iv) any matter which has been disclosed to ASX prior to the date of this document;
- (v) any matter or thing which is undertaken in the usual and ordinary course of the business of iCollege including annual performance and salary reviews; or
- (vi) any matter the undertaking of which RedHill has approved in writing (such consent not to be unreasonably withheld).

#### 4.9 Access to information

- (a) On and from the date of this document:
  - (i) RedHill must, and must cause each member of the RedHill Group to afford to iCollege and its Representatives reasonable access to such documents, records and other information (subject to any existing confidentiality obligations owed to third parties), premises, personnel and advisers of RedHill and the records, premises or personnel of any member of the RedHill Group and such reasonable co-operation as iCollege reasonably requires for the purpose of obtaining an understanding of the operations of RedHill's business in order to allow and facilitate the smooth transition of the business of RedHill following the acquisition by iCollege of the Shares under the Offers; and
  - (ii) iCollege must, and must cause each member of the iCollege Group to afford to RedHill and its Representatives reasonable access to such documents, records and other information (subject to any existing confidentiality obligations owed to third parties), premises, personnel and advisers of iCollege and the records, premises or personnel of any member of the iCollege Group and such reasonable co-operation as RedHill reasonably requires for the purpose of obtaining an understanding of the operations of RedHill's business in order to allow and facilitate the smooth transition of the business of RedHill following the acquisition by iCollege of the Shares under the Offers.
- (b) From the date of this document:
  - (i) RedHill must promptly provide iCollege with any information that is being withheld from disclosure under Listing Rule 3.1 in reliance on Listing Rule 3.1A; and
  - (ii) iCollege must promptly provide RedHill with any information that is being withheld from disclosure under Listing Rule 3.1 in reliance on Listing Rule 3.1A.
- (c) The obligations in clause 4.9(a) and 4.9(b) do not apply to the extent that:
  - (i) in respect of RedHill, the access or information is connected to the RedHill Board's deliberations in relation to the transactions contemplated by this document, or information connected to a Superior Proposal (where the information required to be provided under this clause is limited to the information which RedHill is required to provide to iCollege in accordance with clause 6) or confidential information of a third party; and
  - (ii) in respect of iCollege, the access or information is connected to the iCollege Board's deliberations in relation to the transactions contemplated by this document or confidential information of a third party.

#### 4.10 RedHill Board changes

- (a) As soon as practicable after the Offer made in relation to Shares is or becomes unconditional or is declared by iCollege to be free of all Conditions and iCollege has Relevant Interests in more than:
  - (i) 90% of the Shares, RedHill must use its best endeavours to cause the appointment as directors of RedHill of such number of persons nominated by iCollege as would constitute those nominees (acting together) as a majority of the directors on the RedHill Board; and
  - (ii) 90% of the Shares, RedHill must use its best endeavours to ensure that all directors on the RedHill Board, other than:
    - (A) iCollege's nominees:
    - (B) Will Deane and Sandra Hook (being existing RedHill Directors as at the date of this document),
 resign (provided always that a proper board is constituted at all times).
- (b) iCollege must use its best endeavours to procure that its nominees on the RedHill Board do not participate in any discussions or decisions of that board which relate to the Offers during the Offer Period.

#### 4.11 iCollege Board and management changes

As soon as practicable after the Offer made in relation to Shares is or becomes unconditional or is declared by iCollege to be free of all Conditions and iCollege has Relevant Interests in more than 90% of the Shares, iCollege must use its best endeavours to cause the appointment of:

- (a) Will Deane and Sandra Hook (being existing RedHill Directors as at the date of this document) as a non-executive director of iCollege on terms consistent with the current terms of their appointment as non-executive directors of RedHill;
- (b) Glenn Elith as Chief Executive Officer of iCollege on terms no less favourable (taken as a whole) than he is currently contracted with RedHill;
- (c) Michael Fahey as Chief Financial Officer of iCollege on terms no less favourable (taken as a whole) than he is currently contracted with RedHill; and
- (d) Badri Gosavi as Executive Director and Head of Growth of iCollege and his resignation as the Chief Financial Officer of iCollege; and
- (e) Ashish Katta as a non-Executive Director of iCollege and his resignation as the managing director of iCollege.

### 5 Unlisted Options and Performance Rights issue

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#### 5.1 Unlisted Options

The parties agree that RedHill will procure the cancellation of all Unlisted Options with the relevant Unlisted Optionholders for no consideration on or about the date, and subject to, the RedHill Board being reconstituted in accordance with clause 4.10.

#### 5.2 Performance Rights

The parties agree that RedHill will issue and vest all Performance Rights on terms which are on the terms set out in Schedule 2, subject to the Offers becoming unconditional or being declared by iCollege to be free of all Conditions such that the Shares issued on vesting of the Performance Rights can be accepted into the Offer.



## 6 Exclusivity

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### 6.1 Cease discussions

- (a) RedHill must immediately cease any discussions or negotiations existing as at the date of this document relating to any actual, proposed or potential Third Party Proposal, unless the prior written consent has been obtained from iCollege to RedHill continuing to progress such discussions or negotiations (and then only to the extent, and on the conditions, consented to by iCollege in its absolute discretion). To the extent that RedHill has provided confidential information to any person other than:
- (i) iCollege and its Associates; or
  - (ii) RedHill's Advisors,
- (a **Third Party**) at any time during the 6 months before the date of this document in relation to a Third Party Proposal, RedHill must as soon as practicable and in any event within two Business Days of the date of this document, terminate the access of that Third Party (and any of their Representatives) to RedHill's confidential information on an on-going basis and must request in writing the prompt return or destruction of all of RedHill's confidential information that has been provided to that Third Party (other than information required to be retained by the Third Party for insurance or corporate governance purposes or retained on back up or storage facilities), unless the prior written consent of iCollege has been obtained to authorise that Third Party retaining access to that confidential information.

### 6.2 No shop restriction

RedHill must not, and must ensure that none of its Representatives, directly or indirectly solicit, invite, initiate or encourage the submission of, any enquiries, negotiations or discussions, which might reasonably be expected to encourage or lead to obtaining any expression of interest, offer or proposal from any person in relation to an actual, proposed or potential Third Party Proposal or communicate to any person an intention to do any of these things.

### 6.3 No talk and no due diligence

RedHill must not and must ensure that its Representatives do not;

- (a) directly or indirectly enter into or participate in any discussions or negotiations with any person regarding a Third Party Proposal or which would reasonably be expected to encourage or lead to an actual, proposed or potential Third Party Proposal;
- (b) grant any other person any right or access to conduct due diligence investigations in respect of any member of the RedHill Group, or disclose or otherwise provide any non-public information in relation to any member of the RedHill Group with respect to, or which would reasonably be expected to encourage or lead to an actual, proposed or potential Third Party Proposal;
- (c) enter into any agreement, arrangement or understanding in relation to, or which might reasonably be expected to encourage or lead to, an actual, proposed or potential Third Party Proposal; or
- (d) communicate to any person an intention to do anything referred to in paragraphs (a), (b) or (c) above,

even if the actual, proposed or potential Third Party Proposal was not directly solicited. Invited, encouraged, or initiated by RedHill or any of its Representatives or the person has publicly announced the Third Party Proposal.

### 6.4 Notification of approaches

- (a) RedHill must promptly notify iCollege in writing of:

- (i) any approach, inquiry or proposal made to, and any attempt to initiate negotiations or discussions with, RedHill or any of its Representatives with respect to any actual, proposed or potential Third Party Proposal; or
- (ii) any request for information relating to any of RedHill or any member of the RedHill Group or any of their businesses or operations, if RedHill has reasonable grounds to suspect that it may relate to an actual, proposed or potential Third Party Proposal,

whether direct or indirect, whether solicited or unsolicited, and in writing or otherwise. Nothing in this clause 6.4 in any way limits the obligations of RedHill under clauses 6.2 and 6.3.

- (b) A notice under this clause 6.4 must include reasonable details of the applicable matter (to the extent that RedHill is aware of them), including:
  - (i) all material terms of the actual, proposed or potential Third Party Proposal; and
  - (ii) the identity of the person making or proposing the relevant actual, proposed or potential Third Party Proposal (or, if applicable, on whose behalf such proposal was made)

#### 6.5 **Exception to no talk and notification**

Clauses 6.3 and 6.4 do not apply to the extent that they restrict RedHill or the RedHill Board from responding to a bona fide actual, proposed or potential Third Party Proposal (which was not solicited, invited, encouraged or initiated by RedHill or its Representatives in contravention of clause 6.2) provided that the RedHill Board has determined:

- (a) in good faith that;
  - (i) the actual, proposed or potential Third Party Proposal is bona fide; and
  - (ii) it is or would reasonably be expected to lead to a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisors, that failing to respond would in the opinion of the RedHill Board, formed in good faith be likely to constitute a breach of the fiduciary or statutory duties of the RedHill Directors, or would reasonably be expected to lead to a contravention of law.

#### 6.6 **Matching right**

RedHill must:

- (a) not enter into any agreement, arrangement or understanding (whether or not in writing) with a Third Party in relation to an actual, proposed or potential Third Party Proposal; and
- (b) use its best endeavours to procure that none of the RedHill Directors change their recommendation in favour of the Offers to publicly recommend an actual, proposed or potential Third Party Proposal (or recommend against the Offers),

unless:

- (c) the RedHill Board has determined in good faith that the Third Party Proposal is bona fide and that, after receiving the benefit of financial and legal advice, the Third Party Proposal is or would reasonably be expected to lead to a Superior Proposal;
- (d) RedHill has complied with its obligations under clause 6.4;
- (e) RedHill has given iCollege not less than three Business Days after provision of the information referred to in paragraph (d) above to consider the Third Party Proposal and make a new proposal or propose a revision to the Offers which is on terms no

less favourable than the terms of the Third Party Proposal (**Counterproposal**) (for clarity, if iCollege's Counterproposal is on terms no less favourable than the Third Party Proposal, RedHill must, in the absence of a Superior Proposal, proceed exclusively with iCollege's Counterproposal); and

- (f) iCollege has not announced a Counterproposal by the expiry of the three Business Day period referred to in paragraph (e) above.

#### 6.7 **Revisions to a Third Party Proposal**

Any material modification to any Third Party Proposal will be deemed to make that proposal a new Third Party Proposal in respect of which RedHill must comply with its obligations under clause 6.4 and 6.6.

#### 6.8 **Time of the essence**

Time is of the essence in this clause 6.

#### 6.9 **Exception to clauses 6.6 to 6.8**

Clauses 6.6 to 6.8 do not apply to the extent that the RedHill Board has determined:

- (a) in good faith that:
  - (i) the actual, proposed or potential Third Party Proposal is bona fide; and
  - (ii) it is or would reasonably be expected to lead to a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisors, that compliance with clauses 6.6 to 6.8 would in the opinion of the RedHill Board, formed in good faith be likely to constitute a breach of the fiduciary or statutory duties of the RedHill Directors, or would reasonably be expected to lead to a contravention of law.

### 7 **Break fee**

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#### 7.1 **Rationale**

RedHill and iCollege acknowledge that;

- (a) if they enter into this document and the Takeover Bid is not successful, iCollege and RedHill will have incurred significant costs, expenses, outgoings and losses (which it is difficult to quantify);
- (b) the Break Fee represents a genuine and reasonable pre-estimate of the internal, external advisory, financial and opportunity costs (and all associated out of pocket expenses) of iCollege and RedHill in relation to the Takeover Bid and the acquisition of the Shares;
- (c) iCollege and RedHill have each required the inclusion of this clause 7, in the absence of which they would not have entered into this document and the proposal would not have been put to RedHill;
- (d) each party and their respective boards of directors believe that the Takeover Bid will provide significant benefits to RedHill and iCollege and that it is reasonable and appropriate that the parties agree to the inclusion of this clause 7, in order to secure the other party's participation in the Takeover Bid; and
- (e) each party has received legal advice on the size and terms of the Break Fee.

## 7.2 Events triggering payment of Break Fee to iCollege

RedHill will pay iCollege the Break Fee without set-off or withholding if any of the following occur:

- (a) **(change of recommendation)** on or before the End Date, any RedHill Director:
  - (i) makes any public statement to the effect that they do not recommend (or no longer recommend) the Offers; or
  - (ii) without limiting clause 7.2(a)(i), fails to recommend that Shareholders accept the Offers in the absence of a Superior Proposal or, having done so, any RedHill Director publicly withdraws or adversely varies or qualifies their favourable recommendation of the Offers (or any part of it),  
  
other than following a iCollege Material Adverse Change or a iCollege Prescribed Occurrence occurring;
- (b) **(Third Party Proposal)** on or before the End Date:
  - (i) any RedHill Director publicly recommends, promotes or otherwise endorses in any way a Third Party Proposal; or
  - (ii) a Third Party Proposal of any kind is announced (whether or not such proposal is stated to be subject to any pre-conditions) and within twelve months of the date of such announcement, the person proposing the Third Party Proposal or any of its Associates:
    - (A) completes a Third Party Proposal; or
    - (B) enters into any agreement, arrangement or understanding prior to the close of the Offers that requires RedHill to abandon, or otherwise fail to proceed with, the Offers or which is otherwise materially prejudicial to the Offers; or
    - (C) acquires a Relevant Interest in more than 50% of Shares or acquires Control of RedHill; or
- (c) **(material breach)** iCollege terminates this document in accordance with clause 11.1(a).

## 7.3 Events triggering payment of Break Fee to RedHill

iCollege will pay RedHill the Break Fee without set-off or withholding if any of the following occur:

- (a) **(material breach)** RedHill terminates this document in accordance with clause 11.1(a);
- (b) **(withdrawal of Offer)** iCollege withdraws or seeks to withdraw the Offers before the End Date, unless agreed in writing with RedHill; or
- (c) **(failure to provide Offer consideration)** iCollege fails to provide the Offer consideration in accordance with or better than the terms set out in the original Bidder's Statement.

## 7.4 Demand for payment

Any demand for payment of the Break Fee under clause 7.2 or 7.3 must be in writing stating the circumstances giving rise to the payment. The relevant party must pay the Break Fee to the other party within 10 Business Days of receipt of a valid demand for payment of the Break Fee.

## 7.5 Refund of Break Fee

If, despite the occurrence of any of the events referred to in clause 7.2, ICollege becomes the registered legal and beneficial holder of not less than 90% of RedHill Shares before the End Date as a result of the transfer of Shares accepted under the Offers, ICollege must repay to RedHill any amount received by it under clause 7.2.

## 7.6 Compliance with law

- (a) If the payment of all or part of the Break Fee;
  - (i) involves, involved or would involve a breach of the duties of the RedHill Directors or iCollege directors; or
  - (ii) constitutes, unacceptable circumstances within the meaning of the Corporations Act (as declared by a court or the Takeovers Panel); or
  - (iii) is, was or would be unlawful,
 (the relevant part of the Break Fee being the Impugned Amount), then;
  - (iv) the requirement to pay the Break Fee does not apply to the extent of the Impugned Amount;
  - (v) the relevant party is not obliged to comply with clause 7 to the extent of the Impugned Amount; and
  - (vi) if a party has received the Impugned Amount, it must refund it within five Business Days of the final determination being made.
- (b) Neither party must make, nor may it cause or encourage to be made, any application to a court or the Takeovers Panel for or in relation to a determination referred to in clause 7.6(a).
- (c) If the court or the Takeovers Panel consents, either party must allow the other party to participate in any action or proceedings referred to in clause 7.6(a).

## 7.7 No other break fees

RedHill must not pay or agree to pay to any other person (including a person who offers, submits or proposes a Third Party Proposal) any break fee or similar fee which would become payable if that Third Party Proposal did not proceed.

## 7.8 Break Fee sole and exclusive remedy

Where either party is entitled to a Break Fee under clause 7.2 or 7.3 which is actually paid, the party which receives the Break Fee (**Receiving Party**) releases and cannot make any Claim against the other party or any of the other parties Representatives in respect of any event that gave rise to the right to or the right to demand the payment of the Break Fee, nor any other event, matter or circumstance that may give rise to a separate right to the Break Fee or that constitutes or may constitute a breach of this agreement, with the effect that the payment of the Break Fee represents the sole and exclusive remedy of the Receiving Party in relation to such matters.

## 7.9 Break Fee not to apply

The parties agreed that this clause 7 will not apply where clause 3.3(d) applies.

## 8 Representations and warranties

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### 8.1 Preliminary

- (a) Each of the representations and warranties of RedHill and iCollege in clauses 8.3 and 8.4 respectively are subject to and qualified by, and the liability of the parties in respect of a breach of any such representations and warranties will be reduced or extinguished (as the case may be) to the extent that the breach arises as a result of:
  - (i) any matter which has been Fairly Disclosed:
    - (A) in the case of RedHill, in the RedHill Disclosure Material; and
    - (B) in the case of iCollege, in the iCollege Disclosure Material;
  - (ii) any matter disclosed to ASX before execution of this document;
  - (iii) any relevant information of which the other party or its Representatives (other than its Advisers) has actual knowledge.
- (b) Each of the representations and warranties of RedHill and iCollege in clauses 8.3 and 8.4 respectively is given, unless otherwise expressly stated, as at each of the date of this document and each day from the date of this document until and including the later of the last day of the Offer Period and the last date on which iCollege Shares and/or iCollege Listed Options are issued under the Offers.
- (c) iCollege and RedHill each acknowledge and accept that any estimates, budgets or forecasts made, or opinion expressed, in relation to the financial position, or prospects of RedHill or iCollege (as applicable) (whether written or oral) were made or expressed to and accepted by iCollege or RedHill (as applicable) on the basis and condition that:
  - (i) neither RedHill or iCollege (as applicable) nor any of its Representatives or their Associates have made nor makes any representation or warranty as to the accuracy or completeness of such estimate, budget, forecast, or expression of opinion will be achieved; and
  - (ii) neither RedHill or iCollege (as applicable) nor any of its Representatives or their Associates will be liable to iCollege or RedHill (as applicable) in the event that, for whatever reason, such estimate, budget, forecast, or expression of opinion is or becomes inaccurate, incomplete or misleading in any respect.

### 8.2 Mutual representations

Each party represents and warrants to the other that:

- (a) **(status)** it is a body corporate duly incorporated under the laws of its jurisdiction of incorporation or formation;
- (b) **(power for business)** it has the power to own its assets and to carry on its business as now conducted or contemplated;
- (c) **(power for document)** it has the corporate power to enter into and perform or cause to be performed its obligations under this document and the transactions contemplated by this document;
- (d) **(corporate authorisations)** it has taken or will take all necessary corporate action to authorise its entry into and performance of this document and the transactions contemplated by this document;
- (e) **(document binding)** this document has been duly executed and is a valid and binding obligation enforceable against it in accordance with its terms, subject to any necessary stamping;

- (f) **(transactions permitted)** the execution and performance by it of its obligations under this document and each transaction contemplated by this document and the Offers do not and will not:
  - (i) violate in any material respect a provision of a law or treaty or a judgment, ruling, order or decree of a Public Authority binding on it or any of its Related Bodies Corporate, or its constitution or any other document or agreement that is binding on it or any of its Related Bodies Corporate or their respective assets; or
  - (ii) give to any person any rights of termination, amendment, acceleration or cancellation in relation to any agreement entered into by it;
- (g) **(Insolvency Event)** no resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets;
- (h) **(no regulatory action)** no regulatory action of any nature has been taken that would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this document; and
- (i) **(continuous disclosure)** as at the date of this agreement, it has complied with its obligations under chapter 3 of the ASX Listing Rules and the information disclosed to ASX is true, complete and correct in all material respects.

### 8.3 RedHill's representations

In addition to the representations and warranties set out in clause 8.2, RedHill represents and warrants to iCollege that as at the date of this document and on each day up to and including the End Date:

- (a) **(RedHill Information in Supplementary Bidder's Statement)** provided always that the RedHill Information contained in the Supplementary Bidder's Statement lodged with ASIC is in the same form as that provided by RedHill to iCollege under clause 4.2(b), the Supplementary Bidder's Statement will in respect of the RedHill Information not be misleading or deceptive in any material respect (whether by omission or otherwise) and will comply with the requirements of the Corporations Act, the ASX Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC and the Takeovers Panel;
- (b) **(securities)** its issued securities as at the date of this document are set out in Schedule 2 and no member of the RedHill Group is under any actual or contingent obligation to issue and has not offered to issue any shares or securities convertible into shares to any person including under any option, convertible security or other right;
- (c) **(subsidiaries)** it or one of its wholly-owned subsidiaries is the beneficial owner of all the issued share capital in each of its subsidiaries and there is no obligation to transfer shares in any of those companies to any third party;
- (d) **(Conditions)** as at the date of this document, it is not aware of any event or circumstance that would, or would be likely to, result in any Condition being breached or becoming incapable of satisfaction;
- (e) **(RedHill Disclosure Material):**
  - (i) each document comprising the RedHill Disclosure Material has been provided in good faith and, as far as RedHill is aware, is complete and accurate in all material respects; and

- (ii) the RedHill Disclosure Material contains complete and accurate copies of all Material Contracts.

For the purposes of this clause 8.3, RedHill will be deemed to know or be aware of a particular fact, matter or thing if RedHill or an Officer of RedHill is actually aware of that fact, matter or thing as at the date of this document, or would be aware of that fact, matter or thing if they had made reasonable enquiries in relation to that fact, matter or thing.

#### 8.4 iCollege's representations

In addition to the representations and warranties set out in clause 8.2, iCollege represents and warrants to RedHill that as at the date of this document and on each day up to and including the End Date:

- (a) **(iCollege Information in Supplementary Target Statement)** provided always that the iCollege Information contained in the Supplementary Target's Statement lodged with ASIC is in the same form as that provided by iCollege to RedHill under clause 4.3(b), the Supplementary Target's Statement will in respect of the iCollege Information not be misleading or deceptive in any material respect (whether by omission or otherwise) and will comply with the requirements of the Corporations Act, the ASX Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC and the Takeovers Panel;
- (b) **(iCollege Shares)** the iCollege Shares to be issued to Shareholders under the Takeover Bid will be fully paid and issued free from any encumbrances and rank equally with all other iCollege Shares on issue;
- (c) **(securities)** its issued securities as at the date of this document are set out in Schedule 3 and iCollege or its subsidiaries are not:
  - (i) under any actual or contingent obligation to issue and has not offered to issue any shares or securities convertible into shares to any person including under any option, convertible security or other right; or
  - (ii) prohibited from making the Offers or issuing the iCollege Shares pursuant to the terms of the Offers;
- (d) **(subsidiaries)** it or one of its wholly-owned subsidiaries is the beneficial owner of all the issued share capital in each of its subsidiaries and there is no obligation to transfer shares in any of those companies to any third party; and
- (e) **(iCollege Disclosure Material):**
  - (i) each document comprising the iCollege Disclosure Material has been provided in good faith and, as far as iCollege is aware, is complete and accurate in all material respects; and
  - (ii) the iCollege Disclosure Material contains complete and accurate copies of all Material Contracts.

For the purposes of this clause 8.4, iCollege will be deemed to know or be aware of a particular fact, matter or thing if iCollege or an Officer of iCollege is actually aware of that fact, matter or thing as at the date of this document, or would be aware of that fact, matter or thing if they had made reasonable enquiries in relation to that fact, matter or thing.

#### 8.5 Reliance by parties

Each party (the **Representor**) acknowledges that in entering into this document the other party has relied on the representations and warranties provided by the Representor under this clause 8.



## 8.6 **Survival of representations**

The representations and warranties provided by each party under this clause 8 are severable.

## 8.7 **Notification of breach**

Each of iCollege and RedHill must promptly advise each other in writing as soon as they become aware of:

- (a) a representation or warranty provided in this document by either party becoming false; or
- (b) a breach of this document by it.

## 8.8 **Release of Officers**

- (a) Subject to the Corporations Act, iCollege (for itself and as agent for every member of the iCollege Group) releases all rights against and agrees with RedHill that it will not make a Claim against, any of RedHill's Representatives in connection with:

- (i) RedHill's execution or delivery of this document;
- (ii) any breach of any representation, undertaking and warranty of RedHill in this document;
- (iii) the implementation of the Offers; or
- (iv) any disclosure made by RedHill or a RedHill Representative including in the RedHill Disclosure Material that contains any statement which is false or misleading whether in content or by omission.

except to the extent the relevant RedHill Representative has acted fraudulently or has engaged in wilful misconduct or has otherwise knowingly misled (including by omission) iCollege in relation to the matters set out above, or to the extent the Claim is actually covered under an insurance policy that is paid for by the RedHill Group where the relevant insurer accepts liability for the Claim.

- (b) Subject to the Corporations Act, RedHill (for itself and as agent for every member of the RedHill Group) releases all rights against and agrees with iCollege that it will not make a Claim against, any of iCollege's Representatives in connection with:

- (i) iCollege's execution or delivery of this document;
- (ii) any breach of any representation, undertaking and warranty of iCollege in this document;
- (iii) the implementation of the Offers; or
- (iv) any disclosure made by iCollege or a iCollege Representative including in the iCollege Disclosure Material that contains any statement which is false or misleading whether in content or by omission,

except to the extent the relevant iCollege Representative has acted fraudulently or has engaged in wilful misconduct or has otherwise knowingly misled (including by omission) RedHill in relation to the matters set out above, or to the extent the Claim is actually covered under an insurance policy that is paid for by the iCollege Group where the relevant insurer accepts liability for the Claim.

## **9 Confidentiality**

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- (a) Each party must comply, and must procure that its Representatives comply, with the terms of the Confidentiality Deed governing use and disclosure of confidential information.
- (b) For the purposes of the Confidentiality Deed, each party consents to the use of, and the disclosure on a confidential basis to a Public Authority of, its confidential information for the purposes of satisfying any Condition and the implementation of the transactions contemplated by this document.

## **10 Public announcements**

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### **10.1 Public announcements**

- (a) Subject to clauses 2.1(b), 10.2 and 10.3, no public announcement or disclosure (including any presentations or briefings to analysts, the media or shareholders) of the Offers or any other transaction the subject of this document may be made other than in a form approved by each party (acting reasonably), but each party must use its best endeavours to provide such approval as soon as practicable.
- (b) Both parties will provide reasonable notice and drafts of any public announcements they intend to make with respect to their financial results for the year ended 30 June 2021 before the announcement is released and seek the approval of the other party to that announcement (with such consent not to be unreasonably withheld or delayed).

### **10.2 Required disclosure**

Where a party is required by law or the ASX Listing Rules to make any announcement or to make any disclosure in connection with the Offers or any other transaction the subject of this document, it may do so only after it has given at least one Business Day's notice, or such lesser period as may be required or permitted to comply with its legal or regulatory responsibilities, but in any event prior notice, to the other party and has taken all reasonable steps to consult with the other party and its legal advisers and to take account of all reasonable comments received from the other party.

### **10.3 Statements on termination**

The parties must act in good faith and use their best endeavours to issue an agreed statement or statements in respect of any termination provided for in this document and will make no statements or disclosure in respect of the termination of this document except in accordance with clauses 10.1 and 10.2.

## **11 Termination**

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### **11.1 Termination by either party**

This document may be terminated with immediate effect by either party giving notice in writing to the other at any time after the date in clause 11.1(a), or if:

- (a) the other party is in material breach of its obligations under this document, or there is a material breach of any representation or warranty given by that other party, and (if capable of remedy) has failed to remedy the breach within five Business Days of receipt by it of written notice from the first party notifying the other party of the breach;
- (b) any Public Authority has issued any order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Offers, or has refused to do anything necessary to permit the Offers, and the action is final and cannot be

appealed or reviewed or the party reasonably believes (after receiving external legal advice) that any appeal or review is unlikely to succeed;

- (c) the RedHill Board or a majority of the RedHill Board changes its recommendation to the Takeover Bid as a result of the RedHill Board or a majority of the RedHill Board determining that a Third Party Proposal (provided always that RedHill has complied with its obligations in clause 6) is a Superior Proposal;
- (d) a Break Fee has been paid;
- (e) a Condition is breached (and not waived within a reasonable period after the breach);
- (f) the End Date is reached and iCollege does not have a Relevant Interest in Shares of at least 90% or the Offer is still subject to one or more Conditions other than a Condition which is able to be waived after the end of the Offer Period; or
- (g) the parties agree in writing to terminate this document.

#### **11.2 Termination by iCollege**

iCollege may, by notice in writing to RedHill, terminate this document with immediate effect if any of the circumstances in clauses 7.2(a) or 7.2(b) occur.

#### **11.3 Termination by RedHill**

RedHill may, by notice in writing to iCollege, terminate this document with immediate effect if at any time before the End Date:

- (a) an iCollege Material Adverse Change occurs; or
- (b) an iCollege Prescribed Occurrence occurs.

#### **11.4 Effect of termination**

If this document is terminated by a party under this clause 11:

- (a) each party will be released from its obligations under this document except its obligations under clauses 2.2(b) (variation, waiver of conditions and extension), 10.3 (statements on termination), 11 (termination), 12 (GST) and 14 (general) which will survive termination;
- (b) each party will retain the rights if has or may have against the other party in respect of any past breach of this document; and
- (c) in all other respects, all future obligations of the parties under this document will immediately terminate and be of no further force or effect, including without limitation any further obligations in respect of the Offers.

#### **11.5 No other termination**

Neither party may terminate or rescind this document except as permitted under this clause 11.

## **12 GST**

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### **12.1 Construction**

In this clause 12:

- (a) words and expressions which are not defined in this document but which have a defined meaning in GST Law have the same meaning as in the GST Law;

- (b) GST Law has the same meaning given to that express/on in the *A New Tax System (Goods and Services Tax) Act 1999*; and
- (c) references to GST payable and input tax credit entitlement include GST payable by, and the input tax credit entitlement of, the representative member for a GST group of which the entity is a member.

## 12.2 Consideration GST exclusive

Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under this document are exclusive of GST.

## 12.3 Payment of GST

If GST is payable on any supply made by a party (or any entity through which that party acts) (**Supplier**) under or in connection with this document, the recipient will pay to the Supplier an amount equal to the GST payable on the supply.

## 12.4 Timing of GST payment

The recipient will pay the amount referred to in clause 12.3 in addition to and at the same time that the consideration for the supply is to be provided under this document.

## 12.5 Tax invoice

The Supplier must deliver a tax invoice or an adjustment note to the recipient before the Supplier is entitled to payment of an amount under clause 12.3. The recipient can withhold payment of the amount until the Supplier provides a tax invoice or an adjustment note, as appropriate.

## 12.6 Adjustment event

If an adjustment event arises in respect of a taxable supply made by a Supplier under this document, the amount payable by the recipient under clause 12.3 will be recalculated to reflect the adjustment event and a payment will be made by the recipient to the Supplier or by the Supplier to the recipient as the case requires.

## 12.7 Reimbursements

Where a party is required under this document to pay or reimburse an expense or outgoing of another party, the amount to be paid or reimbursed by the first party will be the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other party is entitled; and
- (b) if the payment or reimbursement is subject to GST, an amount equal to that GST.

## 12.8 No merger

This clause 12 does not merge in the completion or termination of this document or on the transfer of the property supplied under this document.

# 13 Notices

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## 13.1 General

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

## 13.2 How to give a communication

- (a) in addition to any other lawful means, a communication may be given by being;

- (i) personally delivered;
  - (ii) left at the party's current delivery address for notices;
  - (iii) sent to the party's current postal address for notices by pre-paid ordinary mail or, if the address is outside Australia, by pre-paid airmail; or
  - (iv) sent by email to the party's current email address for notices.
- (b) The parties will use their best endeavours to provide a copy of any communication provided under this clause by email to the email address of the other party set out in clause 13.3. To avoid doubt, such email communication is provided as support for the official communication provided in accordance with paragraphs (a)(i) to **Error! Reference source not found.** of this clause and does not supersede or replace any obligation on a party to provide that communication in accordance with paragraphs (a)(i) to **Error! Reference source not found.** of this clause or derogate from the other provisions of this clause 13.

### 13.3 Particulars for delivery of notices

- (a) The particulars for delivery of notices are initially:

#### **iCollege**

Delivery address: 205 North Quay, Brisbane QLD 4000

Postal address: Same as 'delivery address'

Attention: Chairman

Email; Simon.Tolhurst@iCollege.edu.au

with a copy to Thomson Geer: mreynolds@tglaw.com.au.

#### **RedHill**

Delivery address: Level 2, 7 Kelly Street, Ultimo NSW 2007

Postal address: Same as 'delivery address'

Attention: Glenn Elith

Email: gelith@RedHilleducation.com

with a copy to MinterEllison: sudharshan.senathirajah@minterellison.com.

- (b) Each party may change its particulars for delivery of notices by notice to each other party.

### 13.4 Communications by post

Subject to clause 13.5, a communication is given if posted:

- (a) within Australia to an Australian postal address, three Business Days after posting; or
- (b) outside of Australia to an Australian postal address or within Australia to an address outside of Australia, ten Business Days after posting.

### 13.5 After hours communications

If a communication is given;

- (a) after 5:00 pm in the place of receipt; or
- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9:00 am on the next day which is not a Saturday, Sunday or bank or public holiday in that place. If the communication is received between 12.01am and 8.59am on a Business Day, it is taken to have been received at 9.00am on that Business Day.

#### **13.6 Process service**

Any process or other document relating to litigation, administrative or arbitral proceedings relating to this document may be served by any method contemplated by this clause 13 or in accordance with any applicable law.

### **14 General**

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#### **14.1 Duty**

- (a) iCollege as between the parties is liable for and must pay all duty (including any fine, interest or penalty except where it arises from default by the other party) on or relating to this document or any dutiable transaction evidenced or effected by this document.
- (b) If a party other than iCollege pays any duty (including any fine, interest or penalty) on or relating to this document or any dutiable transaction evidenced or effected by this document iCollege must pay that amount to the paying party on demand.

#### **14.2 Legal costs**

Except as expressly stated otherwise in this document, each party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this document.

#### **14.3 Amendment**

This document may only be varied or replaced by a document executed by the parties.

#### **14.4 Waiver and exercise of rights**

- (a) A single or partial exercise or waiver by a party of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.
- (b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

#### **14.5 Rights cumulative**

Except as expressly stated otherwise in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

#### **14.6 Consents**

Except as expressly stated otherwise in this document, a party may conditionally or unconditionally give or withhold any consent to be given under this document and is not obliged to give its reasons for doing so.

#### **14.7 Further steps**

Each party must promptly do whatever any other party reasonably requires of it to give effect to this document and to perform its obligations under it.

#### **14.8 Governing law and jurisdiction**

- (a) This document is governed by and is to be construed in accordance with the laws applicable in Victoria.

- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Victoria and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

#### 14.9 Assignment

- (a) A party must not assign or deal with any right under this document without the prior written consent of the other parties.
- (b) Any purported dealing in breach of this clause is of no effect.

#### 14.10 Counterparts

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

#### 14.11 Entire understanding

- (a) This document and Confidentiality Deed contain the entire understanding between the parties as to the subject matter of this document. To the extent of any inconsistency between them, this document prevails.
- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are merged in and superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.
- (c) No oral explanation or information provided by any party to another:
  - (i) affects the meaning or interpretation of this document: or
  - (ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

#### 14.12 No merger

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this document.

#### 14.13 Severability

- (a) Subject to clause 14.13(b), if a provision of this document is illegal or unenforceable in any relevant jurisdiction, it may be severed for the purposes of that jurisdiction without affecting the enforceability of the other provisions of this document.
- (b) Clause 14.13(a) does not apply if severing the provision:
  - (i) materially alters the:
    - (A) scope and nature of this document; or
    - (B) the relative commercial or financial positions of the parties; or
  - (ii) would be contrary to public policy.

#### 14.14 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;

- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) 'includes' means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
- (f) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (g) a reference to:
  - (i) a holder includes a joint holder;
  - (ii) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
  - (iii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
  - (iv) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;
  - (v) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;
  - (vi) a right includes a benefit, remedy, discretion or power;
  - (vii) time is to local time in Melbourne, Victoria;
  - (viii) '\$' or 'dollars' is a reference to Australian currency;
  - (ix) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
  - (x) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
  - (xi) this document includes all schedules and annexures to it; and
  - (xii) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;
- (h) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day;
- (i) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded; and
- (j) a reference to any statement, including a warranty made by a party on the basis of its knowledge, belief or awareness, is made on the basis of the actual knowledge, belief or awareness of the Officers of the party (and no other persons) as at the date of this document.

#### 14.15 Headings

Headings do not affect the interpretation of this document.



## **Schedule 1**

### **Agreed Terms**

#### **1 Offer for Shares and Performance Rights**

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In relation to the Offers made in respect of Shares, the consideration to be provided by iCollege under those Offers is 9.5 iCollege Share for every 1 Share held. The Offers made in respect of Shares extends to Shares that are issued during the Offer Period as a result of the exercise of Performance Rights that are on issue as at the date of this document or agreed between the parties to be issued during the Offer Period.

## Schedule 2

### RedHill's Capital Structure

#### Shares

RedHill has 50,852,123 Shares on issue.

#### RedHill Unlisted Options

RedHill has the following Unlisted Options on issue:

Number of Unlisted Options	Expiry Date	Exercise Price
75,000	12 December 2021	\$1.25
75,000	12 December 2021	\$1.75
75,000	12 December 2021	\$2.25
80,000	9 November 2021	\$1.40
80,000	9 November 2022	\$1.60
80,000	9 November 2023	\$1.80

#### RedHill Performance Rights

RedHill has or will grant the following Performance Rights before the end of the Offer Period:

Number of Performance Rights issued or to be issued	Holder	Number of Performance Rights vested or to be vested
1,150,101,	Glenn Elith	884,556
336,122	Michael Fahey	226,045
116,040	Ruby Biscuit	78,036
81,995	Roxana Ene	55,141
95,349	Simon Costain	64,121
74,939	Eve Ollerenshaw	50,396
114,225	Shin Shimizu	76,815
85,747	Emma Thompson	57,664

### Schedule 3

#### iCollege's Capital Structure

#### Shares

iCollege has 581,564,649 iCollege Shares on issue.

#### iCollege Shares to be Issued in Lieu of Historical Directors Fees

iCollege has the following shares to be issued subject to shareholder approval at its 2021 annual general meeting:

Number of iCollege shares issued	Recipient	Conditions
655,647	Simon Tolhurst	N/A
1,317,723	Ashish Katta	N/A
1,317,723	Badri Gosavi	N/A

#### iCollege Shares to be Issued under the new employee incentive scheme

In relation to its new employee incentive scheme, iCollege has the following shares to be issued subject to shareholder approval at its 2021 annual general meeting:

Number of iCollege shares issued	Recipient	Conditions
200,000	Apoorv Chandel	Tenure. 100% vest immediately as they are retrospective for past performance
150,000	Mitesh Raghvani	As above
50,000	So Young Kwon	As above
300,000	Simon Moore	As above
500,000	Stuart Manifold	As above

#### iCollege Short Term Incentive Shares

iCollege has the following performance shares to be issued subject to shareholder approval at its 2021 annual general meeting:

Number of iCollege shares issued	Recipient	Conditions
183,655	Simon Tolhurst	Achievement of minimum 75% of FY21 revenue and EBITDA targets of \$15.0m and \$1.5m respectively

771,350	Ashish Katta	As above
771,350	Badri Gosavi	As above
183,655	Simon Tolhurst	Subject to achievement of minimum 75% of FY22 performance conditions of revenue and EBITDA of \$18.75m and \$2.25m respectively. Issued price based on the 15-day VWAP at the end of the respective financial year.
771,350	Ashish Katta	As above
771,350	Badri Gosavi	As above
183,655	Simon Tolhurst	Subject to achievement of minimum 75% of FY23 performance conditions of revenue and EBITDA of \$23.5m and \$2.81m respectively. Issued price based on the 15-day VWAP at the end of the respective financial year.
771,350	Ashish Katta	As above
771,350	Badri Gosavi	As above

**Note:** ICT short term incentive and long term incentive scheme to be revisited by new Board post transaction

#### iCollege options

iCollege has the following unlisted options on issue and that are proposed to be issued:

Number of iCollege unlisted options	Expiry Date	Exercise Price
10,000,000	10/07/2023	\$0.05
12,000,000	09/11/2023	\$0.15
5,000,000 <sup>1</sup>	09/11/2023	\$0.15

<sup>1</sup> Proposed to be issued per Appendix 3B dated 12 August 2021

### iCollege Performance Options

iCollege upon receiving all necessary shareholder approvals at its 2021 annual general meeting, will grant the following iCollege Performance Options:

<b>Number of iCollege Performance Options to be issued</b>	<b>Holder</b>	<b>Exercise price</b>	<b>Vesting Conditions</b>	<b>Number of iCollege Performance Options vested</b>
122,436	Simon Tolhurst	\$0.1361	Tenure-based, achievement of market capitalisation target. Options vest from 60% up to 100% at 1% increments for every 1% increase in the market capitalisation target over 20%. If there is less than 20% growth in market capitalisation nil options will vest	122,436
514,233	Ashish Katta	\$0.1361	As above	514,233
514,233	Badri Gosavi	\$0.1361	As above	514,233
122,436	Simon Tolhurst	\$0.1361	As above	Vesting in FY22 subject to continued tenure and achievement of market capitalisation target. Options vest from 60% up to 100% at 1% increments for every 1% increase in the market capitalisation target over 20%. If there is less than 20% growth in market capitalisation nil options will vest
514,233	Ashish Katta	\$0.1361	As above	As above
514,233	Badri Gosavi	\$0.1361	As above	As above
122,436	Simon Tolhurst	\$0.1361	As above	Vesting in FY23 subject to continued tenure

				and achievement of market capitalisation target. Options vest from 60% up to 100% at 1% increments for every 1% increase in the market capitalisation target over 20%. If there is less than 20% growth in market capitalisation nil options will vest
514,233	Ashish Katta	\$0.1361	As above	As above
514,233	Badri Gosavi	\$0.1361	As above	As above

**Note:** ICT short term incentive and long term incentive scheme to be revisited by new Board post transaction

#### **iCollege Convertible Notes**

iCollege has the following convertible notes on issue:

<b>Value of iCollege convertible notes</b>	<b>Expiry Date</b>	<b>Strike Price</b>
\$500,000	30/09/2021	\$0.05
\$150,000	30/09/2021	\$0.05

#### **Options**

As announced in the Appendix 3B on 12 August 2021, the Board has approved the proposed issue of 5 million options to Taurus Capital and Matthew Banks for services provided in direct connection to the share placement to institutional and sophisticated investors completed and announced to the ASX on 10 November 2020. These options will have a \$0.15 per option strike price and an expiry date of 9 November 2023.

#### **Veritas Securities Limited Share Based Payment**

iCollege engaged Veritas Securities Limited (Veritas) to act as joint corporate advisor with the lead corporate advisor Ord Minnett in connection with the Takeover Bid.

In consideration for the services provided by Veritas iCollege agreed to pay Veritas a success fee which includes a share based payment.

Veritas is entitled to a success fee comprising 0.75% of the value of the consideration provided by iCollege to acquire RedHill Shares and 0.75% of the market capitalisation of iCollege based on the closing sale price for iCollege Shares at the close of trading on the ASX on the trading day proceeding the announcement of the Takeover Bid.

Veritas must issue a tax invoice within 5 days of the earliest to occur of the Takeover Bid being declared unconditional or the conditions being satisfied (whichever occurs first) and iCollege acquiring a Relevant Interest in 50.1% of RedHill and iCollege must satisfy the invoice within 14 days after the date of the tax invoice.

By way of example, if the sum of the consideration paid by iCollege for RedHill Shares and the market capitalisation of iCollege is A\$120 million, the success fee payable by iCollege to Veritas will be A\$900,000 of which A\$450,000 must be satisfied by an issue of iCollege Shares.

**Schedule 4**  
**Agreed Announcement**



ASX / MEDIA RELEASE

12 AUGUST 2021

## **ICOLLEGE AND REDHILL AGREE TERMS TO CREATE A LEADING ASX-LISTED EDUCATION PROVIDER**

### Highlights

- iCollege and RedHill jointly announce a transaction following the completion of a collaborative and broad due diligence process
- RedHill Board unanimously recommend RedHill shareholders accept the revised offer of 9.5 iCollege shares for each RedHill share, subject to no superior proposal
- Compelling rationale for the consolidation of iCollege and RedHill (“MergeCo”) includes:
  - increased geographic footprint with presence in all major States and Territories
  - greater diversity of course offerings across domestic and international student markets
  - broader global student recruitment network
  - pro-forma annual revenues of \$59.8 million at 30 June 2021<sup>1</sup>
  - robust balance sheet positioned to pursue growth (both organic and inorganic) with combined cash at bank at 30 June 2021 of \$30.9 million<sup>2</sup>
  - immediate and longer-term revenue (through extension of student life-cycle) and cost synergy opportunities
  - increased scale - on completion, MergeCo will become one of the largest ASX listed education companies by market capitalisation in Australia
  - improved liquidity for RedHill shareholders
- Well credentialled MergeCo Board and management team leveraging strengths and experience from both companies ensuring business stability and continuity
- Bid Implementation Agreement (“BIA”) executed to complete the transaction by existing off-market takeover
- In the event the takeover does not successfully complete, a Scheme Implementation Deed is proposed to be executed on terms similar to the BIA

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<sup>1</sup> Includes approximately \$650,000 of revenues recognised by ICT in FY21 associated with the completion of practical components of student courses which were unable to be completed in Q4 FY20 due to COVID-19 lockdowns. The expenses associated with this revenue were largely incurred in FY20. Figures are subject to audit.

<sup>2</sup> RedHill's cash on hand at 30 June 2021 includes term deposits. Figures are subject to audit.

iCollege Limited

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RedHill Education Limited

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## Overview of Transaction

On 28 June 2021 RedHill Education Limited ("RedHill") (ASX:RDH) announced that it had entered into an indicative and non-binding term sheet with iCollege Ltd ("ICT"), which contemplated an increased offer consideration of 9.5 shares in ICT for every one share in RedHill ("ICT Indicative Proposal").

Both ICT and RedHill are pleased to announce that a Bid Implementation Agreement ("BIA") has been formally executed, and that ICT intends to formally amend its off-market takeover bid and increase its offer consideration for RedHill shares as noted above ("Revised ICT Offer").

The proposed transaction has the unanimous support of both the RedHill and ICT Boards. The RedHill Directors have considered the transaction and unanimously recommend RedHill shareholders accept the Revised ICT Offer and intend to accept the Revised ICT Offer for all the shares they own or control, both in the absence of a superior proposal.

## Revised Offer

Under the Revised ICT Offer, RedHill shareholders will receive 9.5 ICT shares for every 1 RedHill share held. Based on ICT's closing share price of \$0.130 per share on 11 August 2021<sup>3</sup>, this implies a value of \$1.235 per RedHill share, which represents:

- A 60.4% premium to the last close on 25 June 2021<sup>4</sup>
- A 55.9% premium to the 1-month VWAP to 25 June 2021<sup>4</sup>
- A 53.5% premium to the 3-month VWAP to 25 June 2021<sup>4</sup>
- A 61.4% premium to the undisturbed price on 11 December 2020<sup>5</sup>
- A 25.0% premium to ICT's original offer of 7.6x ICT shares for every 1 RedHill share

ICT has declared its offer consideration of 9.5x ICT shares for every 1 RedHill share "final", in the absence of a superior proposal.

Under the Revised ICT Offer, ICT shareholders will own 54.6% and RedHill shareholders will own 45.4% of the MergeCo, respectively.<sup>6</sup>

## Transaction rationale

The combination of ICT and RedHill is expected to create a leading independent Australian education provider with the following benefits:

- ✓ Significantly diversified campus footprint, course offerings and customer mix:
  - Minimal geographic overlap with RedHill sourcing approx. 90% of revenues from VIC / NSW and ICT sourcing approx. 70% of revenues from QLD / WA
  - Greater diversity of course offerings, combining RedHill's leadership in ELICOS, Management, Technology and Design, and ICT's strengths in Business, Hospitality, Health, Community Services, Building & Construction and Technology
  - RedHill and ICT's overseas agent networks are complementary with each company currently recruiting students from largely different geographic regions

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<sup>3</sup> The last trading day prior to the date of this announcement

<sup>4</sup> Last close prior to RedHill and ICT announcing that they had entered into a non-binding term sheet which contemplated an increased exchange ratio of 9.5x ICT shares for every 1 RedHill share

<sup>5</sup> Last close prior to the announcement of the UCW offer

<sup>6</sup> Calculated using current basic number of ordinary shares outstanding of 50.8 million for RedHill and 581.6 million for ICT

- ✓ Greater scale and strengthened balance sheet ensuring that MergeCo is better placed to facilitate future growth opportunities and to weather ongoing uncertainties posed by COVID-19:
  - Pro forma FY2021 MergeCo revenues of \$59.8m<sup>7</sup>
  - Pro forma MergeCo cash balance (as at 30 June 2021) of \$30.9m<sup>8</sup>
  - Better positioned to pursue both organic and inorganic growth opportunities
  - MergeCo FY21 revenue split of approx. 34.2% / 65.8% between domestic and international students
- ✓ Immediate and longer-term cost and revenue synergy opportunities, not otherwise available to the stand-alone entities:
  - Synergies of \$1.0m - \$1.35m targeted within 1-year, comprised largely of expected savings in corporate costs and group services, and benefits in commissions
  - In the medium term, there will be additional opportunities for cost savings, particularly in property and admin as each respective business seeks to expand the geographical delivery locations of current course offerings using existing facilities
  - Meaningful scope for revenue synergies in the medium term, particularly when the international student market recovers, as the combined offerings will provide significant opportunity to extend student life cycle
- ✓ Well credentialled Board and management team drawn from both existing ICT and RedHill teams, with a demonstrated record of success in the education sector

### Proposed Board and management

The Board of MergeCo is proposed to consist of Simon Tolhurst (Chair), Will Deane (Non-Executive Director), Ashish Katta (Non-Executive Director), Sandra Hook (Non-Executive Director) and Badri Gosavi (Executive Director). The Company Secretary will be Lisa Jones.

Key management of MergeCo will include Glenn Elith (CEO), Michael Fahey (CFO) and Badri Gosavi (Head of Growth).

**Non-Executive Chair of ICT and proposed Chair of MergeCo Simon Tolhurst said:** *“We are delighted to confirm that following a broad and collaborative due diligence process, the iCollege and RedHill respective Boards have agreed terms to create a leading Australian Vocational and Higher Education and Training company backed by great talent, a diverse geographical footprint, established training infrastructure, and a strong balance sheet to pursue growth opportunities. The merged group will be better positioned to mitigate risk across student markets through a broader domestic and international student base and to capture growth once international borders reopen.*

*We look forward to sharing the details and agreed structure of the transaction with our respective shareholders, before working to pursue significant growth opportunities available to the merged group to create value for all shareholders. In the near term, compelling organic growth, cross-selling and cost saving opportunities will be the focus of the MergeCo board as we work to recognise the potential synergies and opportunities.”*

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<sup>7</sup> Includes approximately \$650,000 of revenues recognised by ICT in FY21 associated with the completion of practical components of student courses which were unable to be completed in Q4 FY20 due to COVID-19 lockdowns. The expenses associated with this revenue were largely incurred in FY20. Figures are subject to audit.

<sup>8</sup> RedHill's cash on hand includes term deposits. Figures are subject to audit.

**Stephen Heath, Chairman of RedHill said:** *“The proposed transaction significantly expands RedHill’s exposure to the domestic education market and uniquely positions MergeCo to invest in growth opportunities, while maintaining meaningful exposure to future upside as borders are opened for international students. Importantly, the proposed transaction is not expected to have an impact on the day-to-day operations of the existing businesses with the proposed Board and management comprising individuals from both ICT and RedHill.”*

### **Transaction Structuring**

ICT will revise its existing off-market takeover bid to give effect to the transaction. Key conditions to the Revised ICT Offer are expected to include:

- Minimum acceptance condition of 90%;
- Receipt of regulatory approvals;
- No prescribed occurrences; and
- No material adverse change.

The parties have formally executed a BIA (attached to this announcement), which also includes customary deal protection for ICT including a break fee, no shop, no talk, exclusivity and a right to match competing proposals (subject to usual fiduciary carve-outs).

To the extent the Revised ICT Offer closes prior to the offer being declared unconditional, RedHill and ICT will seek to effect the transaction via a Scheme of Arrangement. The BIA requires the parties to, in good faith, negotiate a Scheme Implementation Deed on terms drawn directly from the BIA.

### **Timetable and Next Steps**

ICT expects to lodge its Supplementary Bidder’s Statement by 18 August 2021, and the Revised ICT Offer is expected to remain open until 20 September 2021 (unless extended). RedHill expects to lodge its Supplementary Target’s Statement within seven days from the lodgment of ICT’s Supplementary Bidder’s Statement.

Further details on the terms of the Revised ICT Offer and the timetable will be provided in the Supplementary Bidder’s and Target’s Statements.

### **Advisors to the Transaction**

ICT is being advised by Ord Minnett (Lead Financial Advisor), Veritas (Advisor), Thomson Geer (Legal Counsel) and KPMG (Accounting Advisor).

RedHill is being advised by E&P Corporate Advisory (Sole Financial Advisor), Minter Ellison (Legal Counsel) and Pitcher Partners (Accounting Advisor).

### **RedHill Shareholder Information Line**

Should RedHill shareholders have any queries in relation to this announcement, please contact the RedHill shareholder information helpline on 1300 148 799 or +61 3 9415 4265.

*Authorised for release to ASX by the Board of Directors of ICT and RedHill.*

### Contact (iCOLLEGE)

Ashish Katta  
Chief Executive Officer  
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Stuart Usher  
Company Secretary  
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### Contact (REDHILL)

Glenn Elith  
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Lisa Jones  
Company Secretary  
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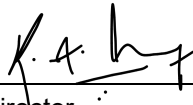
### About iCOLLEGE

iCollege Limited is a leading vocational training provider comprised of businesses delivering accredited and non-accredited vocational education and training solutions across Australia. iCollege currently operates four Registered Training Organisations (RTOs) based in Australia and an English language testing business partnered with Cambridge Assessment English.

### About REDHILL

RedHill has a portfolio of quality education businesses at the premium end of the private education market to capitalise on the demand for higher education, vocational training and English language programmes. For further information refer to our website [www.redhilleducation.com](http://www.redhilleducation.com).

**Executed by iCollege Limited** ACN 105 012  
066 in accordance with section 127 of the  
*Corporations Act 2001* (Cth):



Director

**Ashish Reddy Katta**

Name of Director  
BLOCK LETTERS



\*Director/\*Company Secretary

Simon Tolhurst

Name of \*Director/\*Company Secretary  
BLOCK LETTERS  
\*please strike out as appropriate

**Executed by RedHill Education Limited**  
ACN 119 952 493 in accordance with section  
127 of the *Corporations Act 2001* (Cth):

Director

Name of Director  
BLOCK LETTERS

\*Director/\*Company Secretary

Name of \*Director/\*Company Secretary  
BLOCK LETTERS  
\*please strike out as appropriate

**Executed by iCollege Limited** ACN 105 012  
066 in accordance with section 127 of the  
*Corporations Act 2001* (Cth):

\_\_\_\_\_  
Director

\_\_\_\_\_  
\*Director/\*Company Secretary

\_\_\_\_\_  
Name of Director  
BLOCK LETTERS

\_\_\_\_\_  
Name of \*Director/\*Company Secretary  
BLOCK LETTERS  
\*please strike out as appropriate

**Executed by RedHill Education Limited**  
ACN 119 952 493 in accordance with section  
127 of the *Corporations Act 2001* (Cth):

\_\_\_\_\_  
Director

  
\_\_\_\_\_  
**GLENN ELITH**

\_\_\_\_\_  
Name of Director  
BLOCK LETTERS

\_\_\_\_\_  
\*Director/\*Company Secretary

  
\_\_\_\_\_  
**LISA JONES**

\_\_\_\_\_  
Name of ~~\*Director~~/\*Company Secretary  
BLOCK LETTERS  
\*please strike out as appropriate