



US COVID STIMULUS DIRECTS \$USD 13.5 BILLION TO ONLINE EDUCATION TECHNOLOGY

Family Zone, supporting and protecting every child's digital journey, is pleased to update the market on the economic stimulus measures of the US government in the wake of COVID-19.

- The U.S. Congress has passed the USD 2 trillion stimulus package known as the CARES Act
- The CARES Act includes USD 13.5 billion for school technology to support online learning
- In US schools, technology must, by law, (CIPA) include content filtering
- This package represents a massive injection of funding into areas key to Family Zone's US growth
- Further, Family Zone's recently announced support for shutdown schools has seen our COVID offer going live at 146 schools in two weeks. This has been achieved in addition to strong quarterly sales growth.

CARES ACT

The U.S. Congress has now passed the Coronavirus Aid, Relief and Economic Security Act, known as the CARES Act. This Act includes USD 2 trillion in stimulus measures including direct payments to Americans, an expansion of unemployment insurance and billions in aid to large and small businesses.



The CARES Act also includes USD 13.5 billion for K-12 school technology directed at online learning plus billions more in support for education more broadly.

“The USD 13.5 billion in stabilization fund money, is to be distributed to districts and to be used to provide K-12 students internet connectivity and internet-connected devices.”¹

USA EDUCATION

The US school system is immense, with some 135,000 schools, 57 million students and an associated over 80 million families.

With an emphasis on equity, the US, federal and state governments provide heavily subsidized access to internet services and learning devices through funding programs such as E-Rate.

These programs are conditional on compliance with a law called the Children's Internet Protection Act, or CIPA which requires internet access to be filtered (mostly for pornography).

Accordingly, a significant industry has developed in the US supporting:

1. School issued (so-called 1:1) devices; and
2. School mandated filtering (so called CIPA Compliance).

Current estimates suggest that around 50% of US students have school issued devices and some 15% of US schools have technology to support virtual classrooms.

The CARES Act injection of USD13.5 billion into learning technology will ensure rapid growth in both of these areas.

FAMILY ZONE IS UNIQUELY POSITIONED FOR TODAY AND THE FUTURE OF LEARNING

<p>ALL DEVICES Turn any device into a learning device anywhere.</p>	<p>DUTY OF CARE Seamless compliance, and pastoral care functions.</p>	<p>ONLINE CLASSES Empower teachers in class or home with visibility & control.</p>	<p>COMMUNITY Empower parents with tools & cyber safety content.</p>

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<https://blogs.edweek.org/edweek/campaign-k-12/2020/03/senate-coronavirus-bill-passes-education-funding.html?r=1769475095>



The Family Zone platform has a suite of technologies which can be installed on student devices and in school networks. It offers one of the world's most comprehensive suites of filtering and cyber safety services and allows schools to teach and keep students safe on any device anywhere.

Uniquely Family Zone allows schools to share their tools with parents to monitor and control the use of technology after school.

Family Zone is uniquely positioned to leverage COVID-19 and established trends in education technology. Family Zone provides:

- ✓ Seamless CIPA compliance at school & home;
- ✓ Support for all learning devices and school networks;
- ✓ Empowered teachers in virtual classes with visibility & control;
- ✓ Empowered parents with free and premium parental control tools; and
- ✓ A supported community with digital citizenship and education programs.

FAMILY ZONE'S COVID-19 RESPONSE

As advised to the market on 17 March 2020, Family Zone saw a significant opportunity with COVID-19 to support existing and new customers and develop paths to accelerate growth.

We are pleased to advise that our promotions have been exceptionally successful with 146 schools taking up our offer and deploying our solutions in the subsequent two weeks.

This has been achieved in addition to significant sales growth in the quarter.

We look forward to continuing to update the market in the coming weeks.

Authorised by the Board of Family Zone Cyber Safety Limited

About Family Zone

Family Zone, **supporting and protecting every child's digital journey**, is an ASX-listed technology company and an emerging leader in the fast growing global cyber safety industry. Family Zone's unique innovation is its patented cyber safety ecosystem, a platform enabling a world-first collaboration between schools, parents and cyber safety educators. Family Zone's unique approach is delivering rapid growth in the education sector, as well as through direct sales and scalable reseller arrangements with telco providers.

To learn more about the Family Zone platform and the Company please visit www.familyzone.com.



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