



# ***Broadband Learning Corporation***

## **News Release**

### **BROADBAND LEARNING CORPORATION REPORTS 2006 Q1 RESULTS –SALES UP 44%, GROSS PROFIT UP 51%**

**TSX VENTURE EXCHANGE: BLC**

**FOR IMMEDIATE RELEASE**

**SALT LAKE CITY, Utah – May 30, 2006** - Broadband Learning Corporation (“Broadband Learning”) (TSX V: BLC), a participant in the rapidly expanding distance learning market, today reported its financial results for the three months ended March 31, 2006.

<b>Three months ended March 31,</b> <i>(\$000s, except per share amounts)</i>	<b><u>2006</u></b>	<b><u>2005</u></b>
Sales	708	493
Gross Profit	263	174
Loss from continuing operations	(351)	(166)
Net (loss) earnings	(351)	(168)
Earnings per share, basic and diluted	(\$0.013)	(\$0.014)

Sales increased by \$215 thousand or 44% and Gross Profit increased by \$89 thousand or 51% due in part to new projects undertaken by two of Broadband Learning’s long term clients and also in part to increased sales for Broadband University courses. Gross margin was also somewhat higher due to the adoption of new margin targets and higher standard margins for Broadband University products.

Broadband Learning reported a net loss for the three months ended March 31, 2006 of (\$351) thousand or (\$0.013) per share compared to a net loss of (\$168) thousand or (\$0.014) per share for the three months ended March 31, 2005. The loss for the quarter was due to increases of costs associated with public operations of Broadband Learning Corporation and significant investments of time and effort into the creation of curriculum for Broadband School Improvement (the Joint Venture between School Improvement Network, Inc. and Broadband Learning, for the purpose of creating a Masters of Education program) and the legal and audit and manpower expenses associated with the new public structure.

Ed Giles, CEO of Broadband Learning stated “The first quarter’s significant Sales and Gross Profit increases are particularly gratifying since most of management’s efforts during this period were focussed on initiatives that will not contribute to our operating results until at least the third quarter of this year. These increases demonstrate the growth potential in our part of the distance learning market and are indicative of the strength of the foundation we have created. The increases also attest to the enthusiastic response that Broadband Learning is receiving to its marketing efforts and the significant opportunities for future business that we continue to discover.”

## 2006 Progress to Date

To date in 2006, Broadband Learning has released five press releases covering new initiatives, new contracts, acquisition of significant content and addition of sales and marketing capabilities. These announcements include:

- Establishment of the Broadband School Improvement joint venture with School Improvement Network to create and support an advanced online Masters of Education degree program, using the highly regarded Video Journal of Education content produced by the School Improvement Network. The joint venture is expected to start making sales in the third quarter and has been created as a response to the significant demand for continuing education of K-12 teachers generated by the “No Child Left Behind” federal legislation in the United States.
- Commencement of a three year program with a major U.S. based provider of Continuing Professional Education under which Broadband Learning will lead the installation of satellite and internet fed distance learning video servers at up to 4,000 sites. The total value of the three year program will be up to US\$12 million, of which approximately half is expected to be completed in the first year of the program. In addition to these installation revenues, a stream of ongoing revenues is expected to develop for maintenance, support, and other content that Broadband Learning is able to transmit or distribute over the network.
- Acquisition of the Rehab Training Network Video Library consisting of over 150 titles representing approximately 600 hours including a Nursing Training Library, a Rehabilitation Training Library and a Motivational Training Library (including associated workbooks, photographs and marketing materials). Broadband Learning paid US\$600,000 consisting common shares issued at a price of C\$0.30 per common share.
- Appointments of a Vice President, Sales and a Vice President, Business Development and Strategy.
- Completion of a joint marketing agreement with Northeast Seminars Inc., a live seminar producer, marketing hands-on seminars to health care professionals. Under the five year arrangement, Northeast Seminars Inc. guarantees a minimum sales level of approximately US\$775,000 per year (sales are expected to start in the third quarter). Northeast Seminars will pursue the sale of individual physical therapy seminars and seminar subscriptions to individual clinicians offered under Broadband Learning’s “Broadband University” banner. This represents the first utilization of the recently acquired Rehab Training Network Video Library.

Further announcements are expected to be forthcoming on an ongoing basis.


### **About Broadband Learning Corporation**

Broadband Learning Corporation produces, delivers, supports and manages distance-learning content needed by professionals, corporations and, ultimately, consumers. The distance learning market is experiencing rapid expansion; particularly in the area of continuing education for licensed professionals where Broadband Learning has a particular focus. Using proprietary technology and nationwide distribution capabilities, Broadband Learning provides the professional development market with a patented Internet-based learning system with on demand flexibility, rich multimedia educational resources, and administrative management capabilities. This enables training companies, instructors and content providers to protect their intellectual properties and realize a significant expansion of their reach. Broadband Learning serves North

America and many points around the world from its offices in Salt Lake City, Utah. Many of Broadband Learning's products are delivered under the "Broadband University" trade name.

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***This press release may contain forward-looking statements relating to, among other things, Broadband Learning's expectations concerning future product demand and growth opportunities and customer acceptance of its products. These forward-looking statements are neither promises nor guarantees, but involve risks and uncertainties that may cause actual results to differ materially from those in the forward-looking statements. Broadband Learning disclaims any obligation to publicly update or revise any such statements. The TSX Venture Exchange has neither approved nor disapproved the contents of this press release.***

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