

July 15, 2004

**IDAHO STATE BOARD OF EDUCATION AND
PLATO LEARNING PARTNER IN INITIATIVE TO IMPROVE STUDENT ACADEMIC
PERFORMANCE**

State to Incorporate Standards-Based Curriculum as ISAT Remediation and Advancement Tool

BOISE -The Idaho State Board of Education has announced a two-year, \$5.03 million agreement with PLATO Learning to provide students in all grades with computer-based curriculum and objective-level mastery assessments to improve Idaho Student Achievement Test (ISAT) scores.

Through the agreement, PLATO Learning will provide K-12 language arts, mathematics, and reading curriculum aligned to the Idaho Achievement Standards and ISAT. The system will be known as the Idaho PLATO Learning Network (I-PLN). This powerful technology-based program will allow each district in the state to import individual student Rasch Unit (RIT) scores from the ISAT exam. The program will then identify a personalized learning path that prescribes appropriate curriculum to remediate or advance skills. This program also provides standards-based educational curriculum for independent study, subject-matter remediation or acceleration, and project-based activities to promote higher order thinking skills.

"This project implementation gives Idaho school districts additional tools to help students achieve," said State Board Executive Director Gary Stivers. "Districts have asked for this type of service to supplement instruction. This contract provides a consistent curriculum aligned to our state test and standards. We are excited to take the lead as a state to put powerful, custom resources directly in the hands of our students, teachers, and parents with the end goal of improving student performance."

Districts will have the option to use the PLATO Learning system, and the purchase of the software will be funded via federal dollars through the State Board of Education. The delivery of the curriculum can accommodate each district's technology infrastructure for Local Area Networks, client-hosted Web, or Web delivery via the Idaho Student Information Management System (ISIMS) data center.

"Utilizing technology through computer-based programs offers a host of possibilities for improving student learning. This product is for every student. Not only can this help students with remediation, but also those who need more of a challenge," said Stivers. "We are also excited about the opportunities this product has for increasing parental involvement. Through the use of the Internet, parents and students have the opportunity to work together on this curriculum at home."

"Idaho is a forward-looking state whose education officials and policy makers are taking a proactive approach to meeting accountability mandates and ensuring that each student and teacher has access to the resources and data needed to drive instructional decisions and impact student success," said John

Murray, PLATO Learning Chairman, President, and CEO. "We are proud that they have chosen to partner with PLATO Learning on this initiative so soon after selecting us as their partner for the ISIMS project. The vision and professionalism of their staff, combined with the quality curriculum and expertise delivered by PLATO Learning, is truly a winning combination for students, parents, and educators across the state of Idaho."

About PLATO Learning

PLATO Learning is a leading provider of computer-based and e-learning instruction for kindergarten through adult learners, offering curricula in reading, writing, mathematics, science, social studies, and life and job skills. The company also offers innovative online assessment and accountability solutions and standards-based professional development services. With over 6,000 hours of objective-based, problem-solving courseware, plus assessment, alignment, and curriculum management tools, PLATO creates standards-based curricula that facilitate learning and school improvement.

With trailing 12-month revenues of approximately \$110 million, PLATO Learning is a publicly held company traded as TUTR on the NASDAQ. PLATO Learning educational software, delivered via networks, CD-ROM, the Internet, and private intranets, is primarily marketed to K-12 schools and colleges. The company also sells to job training programs, correctional institutions, military education programs, corporations, and individuals.

PLATO Learning is headquartered at 10801 Nesbitt Avenue South, Bloomington, Minnesota 55437, 952-832-1000 or 800-869-2000. The company has offices throughout the United States, Canada, and the United Kingdom, as well as international distributors in Puerto Rico, Singapore, South Africa, and the United Arab Emirates. For more information, please visit <http://www.plato.com>.

This announcement includes forward-looking statements. PLATO Learning has based these forward-looking statements on its current expectations and projections about future events. Although PLATO Learning believes that its assumptions made in connection with the forward-looking statements are reasonable, no assurances can be given that its assumptions and expectations will prove to have been correct. These forward-looking statements are subject to various risks, uncertainties and assumptions. PLATO Learning undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any forward looking statements made are subject to the risks and uncertainties as those described in the Company's Annual Report on Form 10-K for the year ended October 31, 2003. Actual results may differ materially from anticipated results.

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