



## ASX Release

### KNEOMEDIA LIMITED

(ASX: KNM)

30 October 2015

### September 2015 quarterly cash flow report

KneoMedia Limited (**KNeoMedia** or the **Company**) is pleased to submit its quarterly report in the form of Appendix 4C for the quarter ending 30 September 2015 (**Quarter**).

As reflected in the Appendix 4C, during the Quarter the Company incurred additional development expenditure. Whilst such expenditure associated with development was higher than usual, such costs were necessarily incurred in order to position the Company to achieve the anticipated revenue expected to be generated through multiple channels, as described in the Company's announcement dated 21 October 2015.

The Company looks forward to providing further updates to shareholders on its revenue status and product uptake, as well as KNeoMedia's operational progress.

**-ENDS**

For further information, please contact:

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Follow KNeoMedia on Twitter: <https://twitter.com/KNeoMedia>

#### **About KNeoMedia Limited:**

KNeoMedia Limited is an online games publishing company that delivers world-class edutainment games to global educational and consumer markets (education + entertainment = edutainment). KNeoMedia publishes and markets from its US-based subsidiary, KNeoWORLD Inc., and sells on a micro-subscription and Apps basis through the KNeoWORLD.com games portal, Apps Stores and via distribution agreements and education departments.

Games Based Learning is an integral part of childhood education. Growth in educational markets, combined with advances in mobile devices and connectivity, will continue to accelerate innovation, adoption, and affordability of our products around the world.

KNeoWORLD is a fun education games portal where young students play their way through a futuristic and epic world. They do this by playing compelling games that are subtly infused with validated educational content including numeracy, literacy, science and arts. KNeoWORLD Apps comply with child online protection and the parent approved simple subscription model provides KNeoWORLD with a global opportunity to quickly deploy in a product vacuum and become a market leader.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

**KNeoMedia Limited**

ABN

**41 009 221 783**

Quarter ended ("current quarter")

**30 September 2015**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date ( 3 months) \$A'000
1.1 Receipts from customers	-	-
Receipts from Grant for Research & Development	484	484
1.2 Payments for (a)staff costs	(84)	(84)
(b)marketing development	(60)	(60)
(c)research and development	(60)	(60)
(d)leased assets	-	-
(e)other working capital	(291)	(291)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	(29)	(29)
1.6 Income taxes paid	-	-
1.7 Other (please specify details)	-	-
<b>Net operating cash flows</b>	<b>(39)</b>	<b>(39)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date ( 3 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(39)</b>	<b>(39)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(17)	(17)
(d) physical non-current assets	(5)	(5)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(22)</b>	<b>(22)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(61)</b>	<b>(61)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(300)	(300)
1.19 Dividends paid	-	-
1.20 Capital raising cost	(31)	(31)
<b>Net financing cash flows</b>	<b>(331)</b>	<b>(331)</b>
<b>Net increase (decrease) in cash held</b>	<b>(392)</b>	<b>(392)</b>
1.21 Cash at beginning of quarter/year to date	979	979
1.22 Exchange rate adjustments to item 1.20	(4)	(4)
1.23 <b>Cash at end of quarter</b>	<b>583</b>	<b>583</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	61
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors fees which include amounts paid to entities associated with the Directors.
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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Private equity placement commitments	-	-
3.3	Others (Further approved Research & Development Grant FY 2015)	-	-

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	583	979
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>583</b>	<b>979</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
**(Chief Executive Officer)**

Date: **30 October 2015**

Print name: **James Kellett**

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## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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