



22 June 2017: ASX/Media Release (ASX: KNM)

## **KNeoMedia Sells 1,500 More Seat Licences to New York Public Schools**

- **Generates a further US\$75,000 of revenue with proceeds received next month**
- **Total of 6,700 Seat Licences now sold with 25 New York Public Schools using KNM's education content**
- **Further sales expected to materialise in June and July and some Seat Licence renewals also pending**

Online education publisher **KNeoMedia Limited** ("**KNeoMedia**" or the "**Company**") (ASX: KNM) is pleased to confirm an additional 1,500 Seat Licences for the Company's KNeoESP special needs education content have been sold to four more New York Public Schools. The new sales generate a further US\$75,000 (~AUD\$100,000) of revenue with proceeds to be received next month. Seat Licences are sold for US\$50.00 per Licence for a 12-month subscription.

In total, 6,700 Seat Licences have now been sold. 4,200 have been sold in the last six weeks following the New York City Education Department District 75 granting funding approval for schools to purchase the content.

The number of schools now using KNeoMedia's education content is 25. 19 are Special Needs Schools and six are regular elementary public schools. More sales will materialise this month and in July, and renewals of some early Seat Licence sales are also expected next month.

Awareness of KNeoMedia's education content is growing in the New York Public School system with sales inquiries building favourably, particularly within the Special Needs sector. As reported, the content is well suited for pacifying, engaging, entertaining and educating Special Needs students, leading to reduced stress in the education environment for teachers, careers and students.

### **A large addressable market in New York and the broader US education sector**

While KNeoMedia is pursuing growth opportunities in the broader US education market and in the Philippines, first and foremost, it is focused on growing sales in the New York City Public School system.

To reconfirm, the greater New York City School system, housed in the five New York City Boroughs only, comprises ~2,300 elementary schools teaching more than 1.25 million students of which 220,000 are Special Needs students.

The broader US market of ~23 million elementary students, of which 8% are classified as Special Needs (excluding Pre-K, AIS and ESL students), is also a priority for KNeoMedia. KNeoMedia will look to replicate its low-cost, educator-led New York City sales strategy in other US cities and states so it can achieve meaningful and consistent sales in these markets also.

KNeoMedia's Chief Executive Officer James Kellett said: "Sales in the New York Public School sector are gathering real momentum, and we will most certainly generate more sales this month and in July. We have an active program of presentations to schools over this period which will give further impetus to the roll-out of the education content to a much larger school network. We look forward to updating shareholders on progress. The team in New York are to be commended again for their achievements so far this month."

– ENDS –

**About KNeoMedia Limited:**

KNeoMedia Limited is an online education publishing company that delivers world-class education assessment products and games-based learning to global educational and consumer markets.

KNeoMedia publishes and markets from its US-based subsidiary, KNeoWORLD Inc., and sells on a seat licence and 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 an education games portal where young and also special needs 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, arts, reasoning and memory. KNeoWORLD products provide extensive analytical performance data to educators and 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.

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