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KNM SECURES MAJOR US CONTENT SALES CATALYST WITH NAACP PARTNERSHIP

- **National Association for the Advancement of Colored People (NAACP) is the oldest, largest and most widely recognised not-for-profit organisation in the United States with 2,200 Chapters in 50 States**
- **NAACP delivers an established national infrastructure and the necessary accreditation to attract and channel large Foundation and Government funding sources from across the United States**
- **Provides the framework for rapid and scalable roll out of KNM's Special Needs content and mitigates against content sales and subsequent payment delays**
- **Partnership is the most significant development for KNM to date in the United States – parties now working together to expedite existing funding for Seat Licence sales from NYC Department of Education**

KNeoMedia Limited ("KNeoMedia" or the "Company") (ASX: KNM) is pleased to announce a major development in the United States with an Alliance Partnership ("**the Alliance**") secured with the USA's oldest, largest and most widely recognised not-for-profit lobby organisations, the National Association for the Advancement of Colored People (**NAACP**).

The Alliance gives KNeoMedia an established and very wide reaching infrastructure across the United States, and the not-for-profit accreditation, to fast-track the sales and the roll-out of the KNeoWorld content throughout the US.

Founded in 1909, the NAACP has 2,200 Chapters across all 50 US States and more than half-million members and supporters. The NAACP's initiatives focus on education, health and economic improvement for youth and young adults. www.naacp.org

The Alliance has commenced in New York State and the NAACP will work with KNeoMedia to expedite the distribution of KNeoWorld products across all States. NAACP's New York State Chapter and KNeoMedia are already seeking funding grants and education department budget approvals at City, State, and Federal levels, as well as from other government funding sources which includes the various offices of State Senators and State Assembly Members, Borough Presidents and City Council Members for schools with significant numbers of students with special needs.

The many corporate and private foundations that regularly provide grants for assistive learning technologies to aid students, including those with learning disabilities, special needs and slow learners will be targeted.

KNeoMedia is also directing the Foundation and Government funding sources previously identified for schools in New York City and New York State to the NAACP and working with them to maximise funding for the purchase KNeoWorld Game-Based Software to previously identified schools. The NAACP's not-for-profit accreditation also removes a major growth impediment for KNeoMedia in the United States.

The NAACP will present the assistive software and related hardware to schools throughout the US, and KNeoWorld will provide the support, including training to assist school administrators and teachers. The NAACP is particularly attracted to the learning and development capabilities of KNeoMedia's content. One of its objectives is to ensure equality in the US education system, and it has a four-prong strategy to improve educational achievement for disadvantaged students: Increasing Resource Equity: targeting funds to neediest kids; Ensuring College & Career Readiness: a path to success after graduation for all students; Improving Teaching: growing its own great teachers now in underserved communities; Improving Discipline: eliminating zero tolerance and keeping kids in school.



KNeoMedia's Chief Executive Officer James Kellett said: "The NAACP Alliance is without doubt the most significant development to date for KNeoMedia in the United States. It achieves two key deliverables; a catalyst to very diverse government and corporate funding sources across the US, and a platform for national content sales and distribution through the NAACP's 2,200 Chapters in 50 states. This is a landmark agreement for our US team and it is the key to assist with the better learning and development of children with special needs in the United States.

"The first objective of the Alliance, which is happening now, is to ensure flow-through of existing funding from the New York City Department of Education that has been earmarked for KNeoWorld Seat Licences already sold. Concurrently, facilitating funding from other Government and Foundation sources, initially in New York State, are being targeted. The NAACP's not-for-profit accreditation is also a major funding catalyst that cannot be underestimated and is a key plank in deploying our content much more widely across the United States."

NAACP New York State President and National Executive Committee Member Dr. Hazel Dukes added: "We are impressed with the teaching and learning capabilities of KNeoWorld's educational content and having witnessed the content being used in New York City public schools. Its wider deployment will assist greatly in improving the quality of education for Special Needs children, slow learners, and disadvantaged students that need extra support and engagement. This Alliance is well aligned with the NAACP's objectives and having received unanimous approval by the Board, we will do everything to ensure its success across the United States."

KNeoMedia is also well-advanced with other growth objectives in the United States, it is making excellent progress in Asia and Australia, and expects to provide a more comprehensive update on its UK market entry in the next week.

James Kellett added: "This development in the United States is excellent progress. As well, with our strong cash balance and low cash burn, we are very well funded for a long period to execute on our global expansion which will establish KNeoMedia as a world leader in special needs education."

An investor call will be held Wednesday 13 June where the Company will provide more details on the Alliance and other Company developments.

– 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 markets.

KNeoMedia publishes and markets from its US-based subsidiary, KNeoWorld Inc., and sells on an annual seat licence basis through its KNeoWorld.com portal via education departments and distribution agreements.

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 privacy protection. Our SaaS model provides KNeoWorld with a global education market opportunity addressing both regular and special needs students.

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