



25 July 2017: ASX/Media Release (ASX: KNM)

KNeoMedia tops 10,000 Seat Licences with New York Public Schools

- **Sales and commitments received for 2,800 more Seat Licences**
- **KNeoEd and KNeoESP now being deployed across 39 New York Public Schools**
- **Sales pipeline at record levels – sales accelerating in September when the new Scholastic Year begins**
- **While New York is the key sales focus, strong inquiry is growing in other US markets**

Online education publisher **KNeoMedia Limited** ("**KNeoMedia**" or the "**Company**") (**ASX: KNM**) confirms it has now achieved sales and commitments for a total of 10,000 Seat Licences for its educational content for New York Public Schools, up from 7,200 Seat Licences reported earlier in the month.

Since the shareholder update of 6 July, KNeoMedia has sold or secured commitments for a further 2,800 annual Seat Licences for its KNeoEd and KNeoESP education content from a further eight (8) New York Public Schools in the New York City Education Department District 75 ("District 75") and other schools in the broader New York Public School system. This adds US\$140,000 (~AUD\$177,000) of annual recurring revenue to KNeoMedia when all sales materialise in the coming months. Seat Licences are sold for US\$50.00 each for a 12-month subscription.

32 of the 60 schools in District 75 are now deploying KNeoMedia's content. In total, 26,000 Special Needs students are currently being educated across schools in District 75, and as previously advised, KNeoMedia anticipates the majority of the 28 remaining schools in District 75 will place orders for Seat Licences by the end of October.

The latest sales and commitments again demonstrate the solid progress KNeoMedia is making in selling its content into the New York City Public School system, which comprises of ~2,300 elementary schools teaching more than 1.25 million students, including 220,000 Special Needs students across the five Boroughs of New York City.

While KNeoMedia's New York-based sales team is focused on achieving greater scale in the five New York Boroughs, 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 growing priority. A healthy level of sales inquiry is building in New York outside of the District 75 network, and in other US markets, particularly for the Special Needs KNeoESP content.

KNeoMedia Chief Executive James Kellett said: "July has been another month of solid growth and our pipeline of sales inquiries is at record levels. We are only just scratching the surface in the New York market and sales are now occurring in quick succession. Given we are entering vacation season in North America, sales are expected to accelerate after the new Scholastic Year begins in September.

"Interest is also growing across other US markets, particularly among Special Needs educators that are witnessing the positive impact that KNeoESP is having on pacifying, engaging, entertaining and educating special needs students, leading to reduced stress in the special needs education environment for both teachers and students."

– 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 basis through the KNeoWORLD.com games portal 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 simple subscription model provides KNeoWORLD with a global opportunity.

For further information, please contact:

James Kellett
Chief Executive Officer
T: (03) 9286 7500 M: 0439 805 070
E: jkellett@kneomedia.com

Sophie Karzis
Company Secretary
T: (03) 9286 7500
E: sk@ccounsel.com.au

Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448



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