



20 August 2019: ASX/Media Release (ASX: KNM)

COMPANY UPDATE ON TRADING HALT

KNeoMedia Limited (ASX: KNM) (**Company**) refers to its market announcement on 19 August 2019, and its prospectus dated 19 August 2019 (**Prospectus**), regarding its application to the Federal Court of Victoria (**Court**) in relation to shares issued without disclosure on 28 June 2019 (**Relevant Shares**).

The Company is pleased to announce that it obtained orders from the Court today declaring, amongst other things, that any offer for sale or sale of Relevant Shares from their issue date until the date of the court orders is **not invalid** by reason of the failure to issue a cleansing notice, and any consequent failure by shareholders to provide disclosure in relation to the offers and sales of shares.

The full terms of the orders made by the Court are attached to this announcement.

The Company has informed ASX of this development and anticipates that its shares will resume trading imminently.

About KNeoMedia Limited:

KNeoMedia Limited (ASX: KNM) is a SaaS publishing company that delivers world-class education and assessment products to global markets in both special and general education classrooms via its KneoWorld portal special and general education classrooms via its KneoWorld portal. Student seat licences are sold to education departments on an annual basis and via distribution agreements. The KneoWorld platform is a story-based and game assessment learning program that provides engaging and effective ways for students to process and apply academic skills and concepts. Researched and evidence based, programs are mapped and measured to curriculum with student performance data delivered via the educator dashboard. KneoWorld is fully compliant with child online privacy protection including US COPPA and European GDPR. Our proven ability to engage, educate and assess provides a global education market opportunity selling on a business to business strategy.

For further information, please contact:

James Kellett
Chief Executive Officer
T: (03) 8622 3354 M: +61 439 805 070
E: jkellett@kneomedia.com

Sophie Karzis
Company Secretary
T: +61 3 8622 3354
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>



Federal Court of Australia
District Registry: Victoria
Division: General

No: VID883/2019

IN THE MATTER OF KNEOMEDIA LIMITED (ACN 009 221 783)

KNEOMEDIA LIMITED (ACN 009 221 783)
Plaintiff

ORDER

JUDGE: JUSTICE BEACH

DATE OF ORDER: 19 August 2019

WHERE MADE: Melbourne


THE COURT ORDERS THAT:

1. Pursuant to s 1322(4)(a) of the *Corporations Act 2001* (Cth) (the Act), any offer for sale or sale of any of the tranche of 26,810,000 fully paid ordinary shares in Kneomedia Ltd (the Company) that were issued on 28 June 2019 and not sold prior to the date of these orders is not invalid by reason of:
 - (a) the failure to issue a valid cleansing notice under s 708A of the Act to exempt the sellers from the obligation of disclosure under the Act; and
 - (b) the sellers' consequent failure to comply with ss 707(3) or 727(1) of the Act.
2. Subject to orders 4 and 5, pursuant to s 1322(4)(a) any offer for sale or sale of any of the tranche of 26,810,000 fully paid ordinary shares in the Company that were issued on 28 June 2019 and were sold prior to the date of these orders is not invalid by reason of:
 - (a) the failure to issue a valid cleansing notice under s 708A to exempt the sellers from the obligation of disclosure under the Act; and
 - (b) the sellers' consequent failure to comply with ss 707(3) or 727(1).
3. Subject to orders 4 and 5, pursuant to s 1322(4)(c) any sellers of securities are relieved from any civil liability arising out of the said contraventions of ss 707(3) and 727(1).



4. A sealed copy of these orders is to be given to each person to whom the securities referred to in orders 1 and 2 above were issued and any buyer of securities the subject of order 2 to the extent that they can be identified by the Company.
5. Orders 2 and 3 shall come into effect in terms of a seller of securities referred to in order 2 if and only if:
 - (a) notice is given to the buyer(s) of such securities of the terms of this order in accordance with order 4; and
 - (b) that buyer has not within 28 days of the date of this order applied to the Court seeking a remedy concerning any civil liability in respect of such contraventions.
6. A sealed copy of these orders is to be served on the Australian Securities and Investments Commission (**ASIC**) and ASX Limited (ACN 008 624 691) (**ASX**) as soon as reasonably practicable, and upon service of these orders on ASIC, ASIC is to include these orders on its database.
7. As soon as reasonably practicable, the plaintiff is to publish an announcement to ASX in which a copy of these orders is included and place a copy of these orders on its own website to remain there for at least 28 days.
8. The Court directs that the ASX reinstate the class of securities referred to in orders 1 and 2 above forthwith.
9. Documents under Tabs 9 and 11 of annexure SK1 to the affidavit of Sophie Karzis sworn 19 August 2019 be marked as confidential on the Court file and not be accessed without prior leave of a judge.
10. No order as to costs.

Date that entry is stamped: 19 August 2019


Registrar