



17 November 2016

ASX/Media Release
(ASX: KNM)

Two More New York Public Schools Sign Up KNeoWorld

- **Seven New York Public Schools now using KNeoWorld games-based learning portal**
- **KNM now progressively converting pipeline of 25 advanced sales enquiries from New York schools into contracts - sales enquiries building**
- **Launch of iOS Apple App imminent and roll-out of HeroWORLD through carrier billing partner progressing well internationally**

Online education content publisher **KNeoMedia Limited (ASX: KNM) (KNeoMedia or the Company)** is pleased to confirm two additional New York Public Schools have signed contracts to provide the special education version of the KNeoWorld games-based learning portal to their students.

This takes the total number of New York Public Schools using KNeoWorld to seven (7), and demonstrates that KNM is now starting to convert the previously announced 25 advanced sales enquiries, which has now grown to 50, into contracts.

The schools, which are located in the New York boroughs of Bronx and Queens, are now finalising the seat licences they will purchase, which will then determine future revenue streams from these contracts. Previous orders have ranged from 100 to 500 seat licences per school, with KNM receiving USD\$50.00 per seat licence.

KNM's immediate focus is on the progressive rollout of KNeoWorld into the greater New York Public School system. This is a large addressable market in its own right, with over 1.25 million students including approximately 220,000 students with special needs. The wider United States national market exceeds 35 million students.

KNM also confirms the launch of the iOS Apple KNeoWorld App is imminent. The official launch on Apple's App Store will be the catalyst for KNM to commence an aggressive sales and marketing campaign to deliver meaningful sales.

Sales of KNM's HeroWORLD games-based learning portal from its direct carrier billing partnership with Mobile Embrace Limited (MBE.ASX) are growing steadily in the UK, Norway and Switzerland. More international markets are being considered which will deliver increased revenue by tapping much larger population centres.

KNeoMedia's Chief Executive Officer, James Kellett said: *"We are pleased to secure two new contracts from the New York Public School system and we are now focused on converting the advanced sales enquiries into more contracts. Each new school that we sign further validates KNeoWorld's educational value, and this makes the sales process progressively easier. Sales enquiries are building and new sign-ups will continue."*

"Also, the imminent launch of the iOS KNeoWorld App will help accelerate sales through the US schools market as well as help us promote the content directly to consumers globally and in a number of languages. The launch of the sales and marketing campaign to coincide with this launch is in place and ready for commencement."

"We look forward to updating shareholders on new school sign ups, the iOS launch, and the progress of sales through international direct carrier billing channels."

– ENDS –

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.

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