



26 October 2017: ASX/Media Release (ASX: KNM)

KNeoMedia sells a further 2,500 Seat Licences to New York Public Schools

- **14,500 Seat Licences now sold to New York City Public Schools**
- **Cash collections from previous Seat Licence sales now materialising**
- **More sales pending in New York Public Schools market**

Online education publisher **KNeoMedia Limited** (“KNeoMedia” or the “Company”) (ASX: KNM) is pleased to advise that sales and commitments for a further 2,500 Seat Licences have been received from Special Needs schools in District 75 New York City, Department of Education (“District 75”).

The new orders take Seat Licence sales and commitments to approximately 14,500 and KNeoMedia expect to receive commitments for more sales from the remaining District 75 Schools before the end of the month and into November.

Sales are also expected to occur outside of District 75 Schools from November onwards with commitments and inquiry building across the wider New York Public School system. As previously advised, KNeoMedia is also receiving solid interest for its KNeoEd and KNeoESP Special Needs content from public schools in several US states.

The Company also confirms that cash collections from Seat Licence sales in FY2017 have now commenced and this revenue is being progressively booked with the debtor payment cycle reducing (see ASX announcement 27 September).

Management commentary

KNeoMedia’s Chief Executive Officer James Kellett said: “Sales and commitments for new Seat Licences continue to grow rapidly as more New York Public Schools recognise the unique benefits of our educational content, particularly in Special Needs environments. We now have the majority of the 60 Schools in District 75 deploying the content together with regular public schools

“Sales and commitments from more District 75 Schools will continue into November, and our US team is very focused on scaling up in New York where there is still considerable opportunity.

“As shareholders are aware, the New York Public School system comprises ~2,300 elementary schools teaching more than 1.25 million students and includes 220,000 Special Needs students in the City’s five Boroughs. With 14,500 licences now under our belt in New York, we have not even touched the tip of the iceberg. The wider US market of ~23 million elementary students, of which 8% are classified as Special Needs (excluding Pre-K, AIS and ESL students), is also well within reach.”

– ENDS –

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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.