



24 May 2017: ASX/Media Release (ASX: KNM)

KNeoMedia Sells 1,000 More Seat Licences To New York Public Schools

- **Generates a further US\$50,000 of annualised revenue with proceeds received after 1 July**
- **21 New York Public Schools now using KNM's education content with 5,200 Seat Licences sold**
- **Pipeline of advanced enquiries sales now 60+ and being progressively converted**

Online education publisher KNeoMedia Limited ("**KNeoMedia**" or the "**Company**") (ASX: **KNM**) is pleased to confirm the sale of a further 1,000 Seat Licences for the Company's KNeoESP special needs online education content to three more New York Public Schools in the Boroughs of Queens, the Bronx and Manhattan.

The new Seat Licences sold will generate an additional US\$50,000 of annualised revenue with proceeds to be received ~60 days from the time of the order. These sales, the third announced this month, takes the total number of Seat Licences sold to New York Public Schools (across all versions of KNeoMedia's educational content) to 5,200 at \$US50.00 per Seat Licence.

21 schools now use the Company's educational content and KNeoMedia confirms that advanced sales enquiries exceed 60. With funding mechanisms in place, as previously reported, the Company anticipates more sales to materialise, and at a faster conversion rate.

KNeoMedia has a very large addressable market that it plans to capture. As shareholders are aware, the New York Public School system is a large education market with approximately 2,300 elementary schools teaching more than 1.25 million students, including 220,000 special needs students. Converting more sales is KNeoMedia's key priority and it plans to deploy additional sales people into New York at the appropriate time to increase conversion rates.

Interest in KNeoMedia's special needs education content is particularly strong and the level of enquiry is growing rapidly. As previously reported, the software is well suited for pacifying, engaging, entertaining and educating special needs students, leading to reduced stress in the special needs education environment for both teachers and students.

KNeoMedia's Chief Executive Officer James Kellett said: "Conversions of advanced inquiries into sales continues to gather pace and we anticipate many more sales from this point onward. Our team is largely focused on generating sales in New York public schools sector, as it represents the best and most advanced revenue growth opportunity for us in the near term.

"This month we have witnessed a marked increase in enquiries from the public schools and as more sign up, sales will continue to gather pace. Interest is also growing in other US markets which is most encouraging. The sales we have generated this month is a key turning point for the Company and we are well advanced in building a sustainable revenue base."

– ENDS –



KNeoMedia Limited
ASX:KNM

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 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 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 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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