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

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

Online education publisher KNeoMedia Limited (“KNeoMedia” or the “Company”) (ASX: KNM) is pleased to advise it has received orders for an additional 1,000 licences for the special education version of the Company’s games-based learning portal (KNeoESP) for students in 3 additional schools.

The Company attributes these new orders directly to the budget support announced last week from the New York City Department of Education District 75, which provides citywide educational, vocational, and behaviour support programs for special needs students, for the potential rollout of KNeoESP focusing on 26,000 special needs students. The purchase order takes the total number of New York Public Schools using all versions of KNeoMedia’s educational content to 15, with over 3,500 seat licences at US$50.00 per licence having been sold to date. Revenue is generated approximately 60 days from the time the order is received, which is typical for sales orders of this nature.

These funding allocations are based on the extensive trialling and use of KNeoMedia’s educational content that has determined the software is particularly well suited for pacifying, engaging, entertaining and educating special needs students. Also driving sales enquiries is the now established direct correlation between deployment of KNeo products and reduction in adverse physical incidents at special needs schools further evidencing reduction in overall stress in the special needs education environment.

These additional orders demonstrate that the Company is now successfully converting its 50+ advanced sales enquiries into orders. The pipeline of enquiries continues to build weekly.

KNeoMedia’s immediate focus is on continuing the progressive rollout of KNeoWorld into the greater New York Public School system. This is a large addressable market with approximately 2,300 elementary schools teaching more than 1.25 million students, including 220,000 special needs students. The broader United States national market exceeds 35 million students.

KNeoMedia’s Chief Executive Officer, James Kellett said: “Securing direct funding approval from New York City Department of Education District 75 has had a superbly positive impact in converting our sales pipeline into orders. We expect to secure more deals as our sales team reaches out to schools.”

“We look forward to further updating shareholders in the near future about our growth, both in New York and across the broader United States education market.”

– 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 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.
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](http://twitter.com/KNeoMedia)