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ASX/Media Release (ASX: KNM)

SIGNIFICANT DEMAND AND UPTAKE OF KNM'S E-LEARNING PLATFORM

Online education publisher **KNeoMedia Limited** ("**KNeoMedia**" or the "**Company**") (ASX: KNM) is pleased to report the rapid uptake and growth of its remote eLearning platform now being deployed in the United States so teaching and learning can continue in the home. An update is also provided on a large sale pending from the 'Connect all Kids' initiative.

Remote eLearning initiative for US schools

With the US closing most schools due to COVID-19, the Company has moved quickly to direct its KneoWorld eLearning SaaS platform into the home environment under remote teacher instruction and assessment. While home access has always been available in the platform, many teachers have had difficulty in providing meaningful support.

To address this and remove this difficulty, KNeoWorld's team have used its content management system to deploy instructional sets of story-based eLearning lessons that teachers can provide to students on a daily basis. This enables the teachers to ascertain the students' virtual attendance and the time engaged and their progression – a key differentiator to other games-based learning products. With this information, the teacher can then address each student's individual needs and provide ongoing tailored instructions online.

To achieve rapid engagement with educators and schools, the Company has made the lesson plans and platform access free for the first 60 days with payment required thereafter. The 60-day program was completed in time for the return from the spring vacation to a stay-at-home virtual school environment across most of the US. The terms agreed enables schools and districts to arrange payment at the expiration of the free period to ensure continuity of service and we will be working with all participants to maximize longer term deployment.

The content was first deployed on 30 March and in the first two days, 10 schools across seven US States have been onboarded. As well, several existing fully licensed schools that use our platform in classrooms have asked to take up our remote learning option. This confirms that the teachers need assistance not only in eLearning but also in providing remote meaningful and assessable education. **Our team in the US is now receiving daily requests for the online remote learning offering.**

'Connect all Kids' deployments

Deployment of the KneoWorld technology into schools from previous sales announced under the 'Connect all Kids' program to enable remote eLearning is now the highest priority for the NYC Dept of Education, the NAACP, school principals and of course KNeoMedia. As previously reported, a significant sale is pending with funds now due to KNM. Given the impact of COVID-19 on New York City, there are obvious delays, but funds have been pledged and all necessary administrative steps have been completed to ensure these funds flow to KNM.

While this delay is frustrating, our team in New York have created a robust multi-party approval process involving City Council, the DOE and government representatives (e.g. Assembly and Congress members, Mayors, Councilors etc) that commit the original funds. The mapping of the pledge-approval-payment process will ensure future payments for other previously announced sales will be much more seamless



and of course, timely. 'Connect all Kids' is a worthy program and we remain committed to this channel despite the delays.

Business continuity

Storage of the KNeoWorld SaaS platform is undertaken in the Cloud, and as a result, the Company has been able to switch to a remote operating environment to ensure the health of our staff and complete business continuity including undertaking product updates, progressing sales initiatives and onboarding new partners.

While COVID-19 has also impacted other markets where KNM is rolling out KNeoWorld, namely the Philippines, Australia and the UK, the Company is also offering its online solution to schools in these markets. Interest from new markets, following a number of marketing initiatives, is also materialising. Regardless, the majority of focus at this time is on the United States and securing recurring sales here.

Comment

Chief Executive Officer James Kellett said: "While events in New York and other markets as a result of COVID-19 have impacted our ability to book what we all know is a critical sale, we have absolute confidence that this will materialise and we have established an approvals and payments structure that means future payments will be seamless and quick. Navigating our way through large corporates, not-for-profits and multi-layered government departments has been time consuming and frustrating but we have now established the pathway for future sales.

"New York and the broader New York State is a critical market for us, and we are determined to reap the benefits from our investment of the last few years. We are working hard to navigate our way through this current period that is defined by COVID-19 but we are also putting in place the building blocks so we emerge strongly from it."

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.

Authorised for release by James Kellett, CEO

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