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KNEOWORLD EXPANDS INTO THE UNITED KINGDOM

HIGHLIGHTS:

- **UK market entry established through wholly owned subsidiary KNeoWorld UK Limited.**
- **Lord Anthony St. John appointed UK subsidiary Chairman and Visiting Professor Laurie O'Donnell as Non-Executive Director**
- **Pledge received from respected philanthropic group to fund Seat Licences for trials in 10 UK schools**
- **Leading UK-based kid's product development group Dubit Limited appointed for content hosting, maintenance and enhancement**

KNeoMedia Limited ("KNeoMedia" or the "Company") (ASX: KNM) is pleased to report the establishment of its United Kingdom (UK) operations under a wholly-owned incorporated subsidiary, KNeoWorld UK Limited.

The UK market entry is being spearheaded by a highly experienced and well-connected leadership team driving the growth strategy, assisting with sourcing of funding for Seat Licence sales and connecting with the private and public UK education sector.

The Company has long identified the 1.24 million special needs students in the UK as a large market of wide open for better Special Needs education. The establishment of the UK operations will differ from the US operations in that it is implementing trials, payment for which is pre-qualified, before embarking on a broader roll-out. This strategy will ensure the UK operations is selling content that comes pre-qualified which it turn enables prompt payment for seat licences.

UK Board Appointments

The Company confirms the appointments of Lord Anthony St. John as Non-Executive Chairman and Visiting Professor Laurie O'Donnell as Non-Executive Director of the UK subsidiary Board. Executive appointments will be made in due course to execute on the direction of the new board.

Based in London, Lord St John of Bletso is a Crossbench/Independent Member of the House of Lords. He was raised in South Africa and qualified as a solicitor before completing his Masters in Shipping Law at London University. He worked for 15 years with Merrill Lynch before becoming Managing Director of Globix Europe, the third largest data centre business at the time. He was also on the advisory board of Silicon Valley Bank for four years.

Lord St John is currently Chairman of Strand Hanson and Integrated Diagnostic Holdings plc, and he serves on the board of several public and private companies. He recently became a member of the House of Lords Ad Hoc Select Committee on Artificial Intelligence. Since 1998 he has served as Extra Lord in Waiting to HM The Queen. His specialist interests are education, cyber security, financial services and life sciences.

Based in Scotland, Laurie O'Donnell has 30 years' experience leading educational change as a teacher and senior school manager in local government and at national level in Scotland.

Since 2008 he has been visiting professor of learning innovation and technology within the UK Centre for Excellence in Computer Games Education at Abertay University, and currently advises academic staff in his role as Development Director (Future Learning).

Laurie also leads an independent education consultancy with clients drawn from the public, private and voluntary sectors, all sharing an ambition and a commitment to improving learning.

Until 2009 he was Director of Learning and Technology at Learning and Teaching Scotland (LTS). As corporate executive director at LTS he had strategic responsibility for leading educational technology including the Glow national schools intranet. He was also responsible for enabling and sponsoring innovative projects to introduce new technologies for

KNeoMedia Limited ASX:KNM

Level 7, 333 Collins Street, Melbourne VIC 3000 Australia ABN 41 009 221 783

Email info@KNeoMedia.com Tel +61 (0)3 8622 3354

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learning, including computer games, across Scotland's classrooms. He joined LTS in 2001 as Head of Future Learning and Teaching.

Laurie is passionate about education and the role that technology can play, if used wisely, in enhancing learning, teaching and professional development. He was personally honoured in 2008 for his innovative work at LTS by the George Lucas Educational Foundation and was named in *Edutopia Magazine's* prestigious 'Global 6' for that year.

Laurie is also an Advisory Board member to KNeoMedia Limited as a pedagogical advisor and has a thorough understanding of the KNeoWorld Business.

KNeoWorld UK Limited's Chairman Lord Anthony St. John said: "Together with Laurie, we are delighted to be at the forefront of KNeoWorld's United Kingdom market entry and we believe there is scope to deliver much better Special Needs education. We bring our considerable networks and skills to broaden funding channels to get KNeoWorld's content into more learning facilities. This is indeed a rewarding challenge and we are encouraged by the quality of the content and the broad appeal it will have to educators and ultimately children. The first fully paid 10-school trial is a good start."

KNeoMedia's Chief Executive Officer James Kellett added: "KNeoMedia's strategy when entering new markets is to work with experienced and credible leaders that recognise the value of our content, both from an education standpoint and commercially. We have this with Lord Anthony and Laurie.

Fully Funded 10-School Trial Secured from Philanthropic Foundation

KNeoWorld UK is pleased to confirm that it has received a financial pledge from a highly respected philanthropic foundation to fund the sale of Seat Licences for up to a 10-school trial in the UK which provides a platform for a much broader roll-out there. The funded trial will be the reference point for educators in the UK. This is a pleasing development for the Company and again reflects the broad appeal of the KNeoWorld content.

UK-based Dubit Appointed for Content Hosting, Maintenance and Development

To ensure the smooth roll-out of KNeoWorld content globally, KNeoMedia has relocated hosting, maintenance and content enhancement to a recognised leader in content development for children.

Based in Leeds and with offices in London, Washington DC and Melbourne and a permanent staff of 75, Dubit Limited is a kid's content research and development house that creates some of the leading products for global brands and start-ups such as Disney, Dreamworks, Sky, Lego, Viacom, and the AFL. They bring 20 years of insight and experience of kids' behaviours and digital lives to KNeoMedia.

Dubit has world class teams that deliver at every stage of the journey, from initial ideation, design and development, through to launch strategy. They also have AI, VR, and AR capability to enhance KNeoWorld's content in the future.

www.dubitlimited.com

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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.

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For further information, please contact:

James Kellett
Chief Executive Officer
T: +61 (0)3 8622 3354 M: +61 439 805 070
E: jkellett@kneomedia.com

Sophie Karzis
Company Secretary
T: +61 (0)3 8622 3354
E: sk@ccounsel.com.au

Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448



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