

KNeoMedia Limited

(ASX:KNM)

ASX& Media Release

9 September 2015

Mobile Embrace launches KNeoMedia's edutainment platform as HeroWORLD in Australia

- HeroWORLD edutainment content has been specifically crafted by KNeoMedia for Mobile Embrace's direct carrier billing platform and is highly mobile responsive
- Following successful Australian launch, HeroWORLD will be strategically marketed and sold internationally via Mobile Embrace agreement
- Mobile Embrace to promote and sell HeroWORLD edutainment content via its embedded telco payments platform MobiPay
- KNeoMedia continues to build multiple revenue streams via strategic partnerships and distribution agreements across key markets including China, North America and UK

KNeoMedia Limited (KNeoMedia or the Company) is pleased to announce Mobile Embrace Limited (ASX: MBE), (**Mobile Embrace**) has launched the Company's edutainment platform in Australia today following the recent execution of a content distribution agreement and co-creation of the HeroWORLD mobile edutainment product.

Under the agreement, Mobile Embrace will promote and distribute KNM's educational games and products to consumers on smartphones and tablets via its embedded telco payments platform under the exclusive branding of HeroWORLD.

Following the successful launch of HeroWORLD in Australia, which will look to leverage Mobile Embrace's billing agreements with leading telcos, a strategic expansion into international edutainment markets is anticipated.

HeroWORLD is a unique product offering that has been developed specifically for Mobile Embrace's direct carrier billing platform. Furthermore, HeroWORLD's updated edutainment content and highly mobile responsive features will also form the basis of the scheduled KNeoWORLD platform update.

Mobile Embrace is a mobile payments and marketing company that is a digital distribution network for the complete end-to-end mobile customer life-cycle. Through its infrastructure Mobile Embrace enables the reach, engagement, transactions with and embracement of consumers via mobiles and tablets.

KNeoMedia's Chief Executive Officer, James Kellett commented: "This is an exciting development for KNeoMedia, and we are very pleased to be partnering with a company such as Mobile Embrace in order to assist in the growth and distribution of the very unique HeroWORLD edutainment product range.



"Mobile Embrace is a well-respected operator, which has direct access to leading edge technology and an expansive reach into Australia and other key target markets which will be hugely beneficial for KNM."

"We look forward to working closely with the team at Mobile Embrace to rapidly grow the HeroWORLD platform in Australia, with a view to commencing further strategic roll outs internationally shortly after."

Mobile Embrace Chief Executive Officer, Chris Thorpe added: "We are pleased to be launching the HeroWORLD edutainment platform in Australia and expanding our subscription product offering into the education segment.

"Following successful marketing in Australia, we will look to expand distribution of the product into other territories where there is a growing desire from parents for educational games content.

- ENDS -

About KNeoMedia Limited:

KNeoMedia Limited is an online games publishing company that delivers world-class edutainment games to global educational and consumer markets (education + entertainment = edutainment).

KNeoMedia publishes and markets from its US-based subsidiary, KNeoWORLD Inc., and sells on a microsubscription 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 a fun education games portal where young 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 and arts. KNeoWORLD Apps 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.

About Mobile Embrace Limited

Mobile Embrace Limited (ASX:MBE) is a mobile payments and mobile marketing company. We are a Digital Distribution Network for the complete end-to-end mobile customer life-cycle. Through our integrated and award winning mobile marketing and payments infrastructure we enable the reach, engagement, transactions with and embracement of consumers via mobiles and tablets. For more information please visit: www.mobileembrace.com

For further information please contact:

James Kellett

Chief Executive Officer
T: (03) 9286 7500 M: 0439 805 070

E: james.kellett@entellect.com.au

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