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## **ASX/Media Release** (ASX:ESN)

### **Apple iTunes approves KNeoWORLD App**

- **Apple iTunes approval of KNeoWORLD App**
- **Simultaneous release of Android App**
- **US PTA National Sales Initiative to Accelerate**
- **New Converting Loans financing**
- **February 2014 Convertible Notes extended to 2015**

### **Apple iTunes Approval of KNeoWORLD App and Release of Android App**

Entellect Limited (**Entellect** or the **Company**) is pleased to announce its **KNeoWORLD Education by Entertainment Games Portal App** (the **App**) was approved by Apple iTunes today.

The App enables mobile access to the Company's epic and futuristic KNeoWORLD Education by Entertainment Games Portal and its most popular games. Previously these games had only been available via web browsers. The App provides player interaction which allows kids to individually create their 'world'. They can choose a career and earn their way playing smarter games, earn badges, post their ranking on the leader-board and invite their friends.

The App will be available globally through iTunes stores over the coming days. New and existing games from the KNeoWORLD browser-based library will be frequently added to the App, building up to approximately 40 of KNeoWORLD's most popular games.

The Android version of the App is being simultaneously released through the Google Play Store to cater to the rapidly growing number of Android mobile devices including Samsung tablets and smart phones. The Android App is also expected to be available over the next few days through the regional Google Play Stores and games content will be updated simultaneously with the iTunes App content.

The App is a further credit to our San Francisco team and our leading US games consulting designer Noah Falstein. Noah has had a long and very successful career in the games and entertainment industries and he was recently appointed Chief Games Designer at Google.

### **US PTA National Sales Initiative to Accelerate**

The release of the App also enables an accelerated roll-out of the USA Parent Teacher Association (**PTA**) fund raising sales initiative, [PTA.KNeoWORLD.com](http://PTA.KNeoWORLD.com). As much of the US educational system and student participation is based on Apple iPads, the App introduction will provide many more students with access to KNeoWORLD via their iPads where previously they did not have browser access and accordingly we expect subscriptions to substantially increase. The PTA sales initiative is a collaboration with the USA National PTA organisation which we expect will assist our access to at least 50,000 elementary and middle schools and 23 million students in our target market. The program is being run as a PTA fund raising initiative with a royalty paid to the individual school PTA for each subscription

taken out by parents for their children. On very modest take up levels at the monthly \$5 subscription, or \$50 per annum, substantial net revenue will be earned.

The App will also be available to our direct online consumers who will have access to majority of content including the games library with PTA students.

### **New Converting Loans financing**

Entellect has received convertible loan and share placement financing commitments in total of \$485k from new and existing sophisticated investors in Australia and Singapore; the share placement component of this capital raising (\$110k) has been completed. The Company refers shareholders to the Notice of Annual General Meeting lodged with ASX on 30 October 2013 for further details on the terms and conditions of the convertible financing. The Company will also seek to refresh its capacity under ASX Listing Rule 7.1 at its forthcoming AGM on 29 November 2013.

This funding will enable the Company to fully execute its sales and marketing plan in conjunction with the release of its iTunes and Android Apps. The Company thanks its advisors including Redhill Capital Partners (Singapore) which acted as advisor to the financing in Asia.

### **February 2014 Maturing Convertible Notes extended to 2015**

The Company is also pleased to advise that the maturity date of convertible notes worth \$375,000 issued in November 2012 (**Notes**) have been extended by the Note holders from 28 February 2014 to 28 February 2015. Interest payable on the Notes will accrue and is payable on conversion or redemption of the Notes.

**-Ends**

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