

ENTELLECT LIMITED

SX: ESN

Level 1 61 Spring Street Melbourne Vic 3000 Australia

T: +61 (0)3 9286 7500 F: +61 (0)3 9662 1472 info@entellect.com.au www.entellect.com.au ABN 41 009 221 783

29 April 2014

ASX/Media Release

(ASX:ESN)

MOU between Universiti Pendidikan Sultan Idris (Malaysia) and KNeoWORLD Inc.

Key Points:

- KNeoWORLD Inc. signs MOU with Universiti Pendidikan Sultan Idris (Malaysia) (UPSI)
- UPSI is one of SEA's leading Universities in Games Based Learning (GBL) technology and assessment
- MOU will include extensive efficacy evaluation, content and curriculum customisation for GBL in Malaysia
- MOU expected to result in the potential to commercialise the KNeoWORLD product in collaboration with UPSI and via the Malaysian Ministry of Education
- The agreement is part of ESN's parallel strategy to pursue country licensing agreements alongside it's subscription model

Entellect Limited (**Entellect** or the **Company**) is excited to announce that KNeoWORLD Inc. has signed a binding MOU with the Universiti Pendidikan Sultan Idris (Malaysia) UPSI. The MOU comes as an extension to the valuable assessment and endorsement that Dr Tan Wee Hoe (UPSI) and his department has contributed to the KNeoWORLD Inc. games portal previously.

The MOU is expected to result in the potential to commercialise the KNeoWORLD product games portal and Apps in collaboration with the commercial arm of UPSI and via the Malaysian Ministry of Education.

In September 2012 the Malaysian Government released a blueprint for the reformation of their educational system for 2013 to 2025. In April 2013, Google and Malaysian telco YTL announced Malaysia was adopting Google Apps for 10 million students, teachers and parents. The Ministry in conjunction with its academic advisors is constantly assessing new and innovative content to enhance the educational benefit of the program.



"As part of this initiative they are also deploying Chromebooks to primary and secondary schools nationwide. These efforts to integrate the web are a central part of a national plan to reform its educational system" – Felix Lim, Director of Product Management, YTL. http://www.ytlcommunity.com/commnews/shownews.asp?newsid=61631&category=top

Commercialisation for both parties to the MOU will come via licensing of KNeoWORLD education GBL content for loading on the Chromebooks.

To date, more than 3,000 schools worldwide, from Edina, Minnesota to Point England, New Zealand have deployed Chromebooks to improve attendance and graduation rates, make learning more fun and enabling students to take more ownership for their learning.

At this stage of the MOU it is too early to quantify the financial benefit to either party. The Company looks forward to updating shareholders as the relationship expands and developments occur.

-ENDS

For any other queries please contact:

James Kellett, Chief Executive Officer Entellect Limited

T: (03) 9286 7500 M: 0439 805 070 E: james.kellett@entellect.com.au

Sophie Karzis, Company Secretary **Entellect Limited**

T: (03) 9286 7500 E: sk@ccounsel.com.au

About UPSI

UPSI is an established University which strives to enhance and strengthen its teaching, learning and research capabilities and has taken various initiatives to complement its educational excellence and has entered into various collaborative arrangements with other parties to enhance its reputation.

About Entellect Limited & KNeoWORLD:

Entellect's 80% owned KneoWORLD is a publishing house whose business revolves around selling engaging educational games through its fun KNeoWORLD Games Portal in the exciting education by entertainment games sector.

Games that have inherent educational value are licenced from independent developers and sold via subscriptions to its primary market of parents of 5-12 year old children (initially USA – but unrestricted and already worldwide) who by subscribing, give their children an educational advantage by playing fun and engaging games with validated educational content. Marketing is primarily via US school Parent Teacher Associations as a fund raising initiative Associations and direct to online consumers via social media.

We accelerate learning using compelling and fun online games infused with validated educational content, all embedded in a total virtual KNeoWORLD, to teach the higher order skills required by children to succeed in today's knowledge-based economy - we go beyond school and beyond homework. Our goal is to become one of the world's leading game based learning publishers.