



ENTELLECT LIMITED  
ASX: ESN

Level 3  
1 Collins Street  
Melbourne Vic 3000 Australia

T: +61 (0)3 9665 0403  
F: +61 (0)3 9650 5571  
info@entellect.com.au  
www.entellect.com.au  
ABN 41 009 221 783

**ENTELLECT LIMITED**  
(ASX: ESN)

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## ASX and Media Release

### Entellect Launches KNeoWORLD Games Portal

- Entellect Limited has launched its KNeoWORLD games portal in San Francisco on 26 September 2012
- With the launch, the Company's revenue is expected to steadily grow
- KNeoWORLD represents a unique opportunity to participate in the rapidly expanding mobile and educational games industry

Educational games and media company **Entellect Limited (ASX: ESN)** is pleased to announce the successful US launch of its games portal [www.KNeoWORLD.com](http://www.KNeoWORLD.com). The portal was launched at 4 pm 27 September 2012 Pacific Standard Time (9 am 28 September Australian Eastern Standard Time).

"We are extremely excited about this launch and see it as a major milestone for Entellect. We anticipate a short period to facilitate standard SEO ( Search Engine Optimization) and communication through social media and traditional PR channels, and then expect the Company's revenue to steadily grow as our digitally optimised marketing plan is rolled out in North America in the coming weeks ," Entellect Limited CEO, James Kellett, explained.

Entellect Limited licenses existing games and apps with inherent educational content and sells them in bundles or packs using a micro payments revenue model. The Company also provides added value to the games via its proprietary educational wrappers and metrics, and it has already substantial efficacy and validation from teachers, educators, pedagogues and universities.

"By purchasing our products, parents allow their children to gain an educational advantage through fun and engaging games with validated educational content. In particular, the proprietary KNeo Badges system provides a unique mechanism to track and display learning achievements from a wide and diverse portfolio of games and applications; for both core skills such as numeracy and literacy, as well as softer skills not currently measured by the standardised curriculum," CEO of Knowledge Nation, Robert Matthews explained.

The launch of KNeoWORLD is the culmination of 2 years of development and market research and the games portal will continue to evolve as new games bundles are released to the market bi-monthly on a micro payments revenue model.

The games portal provides Entellect with a significant opportunity to participate in the rapidly expanding mobile and educational games industry. Mobile 'edugames' are already outselling non-mobile (PC/web/console) 'edugames' and revenue achieved from mobile 'edugames' reached \$163.3 million in 2011.

The compound annual growth rate (CAGR) of the mobile 'edugames' sector is 16.9%, and based on this CAGR, North American revenues from 'edugames' will reach \$359.3 million by 2016. In comparison, the CAGR for non-mobile 'edugames' is 4.9% and based on this rate revenues will reach \$155.5 million by 2016<sup>1</sup>.

"The Directors believe the development expenditure for Knowledge Nation to date represents a sound investment in the development of KNeoWORLD as a major asset, which we expect will continue to grow and now achieve revenues from, not only in North America, but in other major geographic regions as well. We would like to thank our shareholders for their support during the last 24 months of KNeoWORLD's development and we look forward to reporting on the exciting growth phase ahead," Entellect Limited Chairman, Andrew Plympton, said.

### **About Entellect Limited**

**Entellect Limited (ASX: ESN)** is an educational games and e-book solutions company. An Australian public company based in Melbourne, its operations extend to Singapore and San Francisco and it is listed on the Australian Securities Exchange (ASX).

The Company, together with Mooter Media Limited (ASX: MMZ) and Hot Shot Media Group Limited, is a 60% joint venture partner in Knowledge Nation, a Singapore-based company with its development arm (Knowledge Nation Inc.) based in San Francisco, US. Knowledge Nation integrates and licenses educational content for world-class interactive games and learning.

Via Knowledge Nation, Entellect will deliver its world class education-based games and applications web portal KNeoWORLD and continues to build a solid strategy for growth in the dynamic in social games and media industry. For more information please visit: [www.entellect.com.au](http://www.entellect.com.au)

### **About Knowledge Nation**

**Knowledge Nation** is a joint venture between Entellect Limited (60%), Mooter Media Ltd and Hot Shot Media Group and is a global coordinator of educational games and initiatives that are fun, compelling and desirable to children and designed to improve learning skills. Knowledge Nation has been developing its KNeoWORLD web portal and content over the last 18 months.

**For further information please contact:**  
**James Kellett**, Chief Executive Officer  
**Entellect Limited**  
T: (03) 9665 0403 M: 0439 805 070  
E: [james.kellett@entellect.com.au](mailto:james.kellett@entellect.com.au)

**For all media enquiries please contact:**  
**Rod North**, Managing Director  
**Bourse Communications Pty Ltd**  
T: (03) 9510 8309 M: 0408 670 706  
E: [rod@boursecommunications.com.au](mailto:rod@boursecommunications.com.au)