

6 November 2024

ASX/Media Release (ASX: KNM)

Updated Entitlement Offer Pricing and Replacement Prospectus

KNeoMedia Limited (“**KneoMedia**”, “**KNM**” or the “**Company**”) refers to its prospectus lodged with ASIC and ASX on 4 November 2024, in relation to its fully underwritten non-renounceable pro rata entitlement offer of 3.5 new fully paid ordinary shares in KNM (**Shares**) for every 10 Shares held by eligible shareholders (**Entitlement Shares**) (**Entitlement Offer**).

In order to comply with ASX's requirement for the offer price not to exceed three decimal places, the Company advises that it has amended the offer price per Entitlement Share under the Entitlement Offer, from \$0.0015 to \$0.002; however, to offset this, the Company will now issue 1 free attaching Share, for every 3 Entitlement Shares subscribed for and issued under the Entitlement Offer (**Free Attaching Shares**) thereby maintaining an average issue price of \$0.0015 per Share issued under the Entitlement Offer.

The offer ratio of 3.5 Entitlement Shares for every 10 Shares held by eligible shareholders has not changed.

Pursuant to the revised terms of the Entitlement Offer, the Company will issue:

- 830,012,666 Entitlement Shares as originally proposed (subject to rounding for fractional entitlements) at an issue price of \$0.002 per Share, to raise \$1.66 million (before costs); and
- 276,670,889 Free Attaching Shares (subject to rounding for fractional entitlements) at no additional cost, on the basis of 1 Free Attaching Share for every 3 Entitlement Shares issued.

After taking into account the Entitlement Shares and the Free Attaching Shares (together, the **New Shares**), the overall pricing of each New Share issued under the Entitlement Offer is \$0.0015. The Company has made the above amendments to effectively align the pricing of the Entitlement Offer with the pricing of the placement conducted by the Company in July 2024 (at \$0.015 per Share). The Board considers these amendments to be fair and equitable to the existing shareholders of the Company.

Save for as set out above, there have been no other changes to the terms of the Entitlement Offer, or the underwriting arrangements set out in the Company's announcement dated 4 November 2024.

The Company has today lodged a replacement prospectus dated 6 November 2024 with ASIC (**Replacement Prospectus**), which replaces the prospectus dated 4 November 2024. The Replacement Prospectus sets out the revised terms of and updated timetable for the Entitlement Offer.

An updated Appendix 3B setting out the revised terms of and updated timetable for the Entitlement Offer has been lodged with ASX today.

Use of funds

Under the revised terms of the fully underwritten Entitlement Offer, the Company will raise approximately \$1.66 million (before costs). The Company intends to apply the funds raised as follows:

Description	\$
Further technical advancement of the Company's KneoScience and KneoWorld platforms	500,000
General working capital expenditure	990,525
Retirement of debt	100,000
Estimated costs of the Offers	69,500
TOTAL	1,660,025

The above use of funds is indicative only and may change according to the Company's circumstances.

Indicative Timetable

The updated indicative timetable of the Entitlement Offer is set out below.

Event	Date
Lodgement of Replacement Prospectus with ASIC and ASX	Wednesday, 6 November 2024
"Ex" Date	Friday, 8 November 2024
Record Date (at 7:00pm AEDT)	Monday, 11 November 2024
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	Wednesday, 13 November 2024
Opening Date	Wednesday, 13 November 2024
Last day to extend the Closing Date for the Entitlement Offer by 12pm (AEDT)	Tuesday, 19 November 2024
Closing Date for the Entitlement Offer (at 5:00pm AEDT)	Friday, 22 November 2024
New Shares under Entitlement Offer quoted on a deferred settlement basis	Monday, 25 November 2024
Notification of Shortfall	Tuesday, 26 November 2024
Issue of New Shares under the Offers	Thursday, 28 November 2024
New Shares expected to commence trading on ASX on a normal settlement basis	Monday, 2 December 2024
Anticipated date for despatch of holding statements for New Shares	Thursday, 5 December 2024

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the directors reserve the right to vary these dates, including the Closing Date, without prior notice.

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Further information and application instructions for the Entitlement Offer, as well as the risks associated with investing in the Company are detailed in the Replacement Prospectus lodged on the date of this announcement, which you should read carefully and in its entirety.

If you have any questions in respect of the Entitlement Offer or the Replacement Prospectus, please contact the Company Secretary of KneoMedia at Eryl.Baron@boardroomlimited.com.au.

For other questions, you should consult your broker, lawyer, accountant, financial adviser, or other professional adviser.

-ENDS-

AUTHORISED FOR RELEASE BY THE BOARD.

About KNeoMedia Limited:

KNeoMedia Limited (ASX: KNM) is a SaaS publishing company that delivers world-class education and assessment products to markets in both general and special education classrooms via its KneoWorld SaaS Platform. Student seat licences are sold to education departments on an annual basis and via distribution agreements. The KneoWorld platform is a story-based and game assessment learning program that provides engaging and effective ways for students to process and apply academic skills and concepts. Researched and evidence based, programs are mapped and measured to curriculum with student performance data delivered via the educator dashboard. KneoWorld is fully compliant with child online privacy protection including US COPPA and European GDPR. Our proven ability to engage, educate and assess provides a global education market opportunity selling on a business-to-business strategy.

For further information, please contact:

Visit the InvestorHub here: <https://investorhub.kneomedia.com/>

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