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Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street,
SYDNEY NSW 2000
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Ansearch Limited Acquires Webfirm Pty Ltd

Ansearch Limited (“Ansearch”) ASX: ANH is pleased to advise that it has entered into an agreement to acquire all of the assets and operations of Australian web development and search engine optimisation businesses Webfirm Pty Ltd and Searchworld Pty Ltd (‘Webfirm’.)

As a result, Ansearch will significantly and immediately expand it’s involvement in the provision of fully integrated online services to site owners, publishers and agencies.

Ansearch will acquire the Webfirm assets for \$3.5 million in cash together with 21 million fully paid Ansearch shares. Ansearch will assume full control of the business operations immediately.

The consideration will be paid in three tranches – the first being on settlement; the second on 30 June 2007 and; the final being at the end of October 2007 (full details below). All issued equity, with the exception of 5 million shares, are subject to escrow provisions set to expire on 31 of December 2007. The businesses being acquired have around 2000 clients and approximately 45 staff. They will generate in excess of \$3.5 million of revenue in the current financial year with a pre-tax profit of approximately \$1 million.

The acquisition of Webfirm provides Ansearch with the ‘full circle’ of online services to build, grow and monetise websites. The combination of Ansearch and Webfirm will offer a host of superior online products and services for delivering a seamless vertically integrated offering significantly benefiting customers. Those benefits will include:

- **For site owners and publishers:** the ability to deliver complete website build, user acquisition, retention and commercial conversion all through a single account
- **For agencies and advertisers:** the ability to provide a more efficient manner with which to place advertising on smaller websites previously far too difficult and time consuming to reach
- **For existing Webfirm clients:** the ability to deliver an enhanced range of opportunities for generating incremental revenue from their web presence through integrated keyword and display advertising.

Dean Jones, Executive Director of Ansearch, commenting on the acquisition said:
“Our vision has always been to provide a total turnkey solution to enterprises simply wishing to do better business online. Customers of web development businesses are

consistently facing increased costs of attracting users to their core offering. Through the Ansearch/Webfirm solution they now have a complete way of building their online presence, grow their user numbers and monetise their hard-won audiences.” Jones went on to say. “Webfirm is a leading player in the Perth market and has one of the largest and most satisfied customer bases of small to medium sized clients due, amongst other things, to their well honed production methodologies and their on-time delivery record. Our intention is to expand the Webfirm business both geographically and through a more comprehensive suite of services”.

Newly appointed CEO Robert Edge stated “I endorse the comments of Dean Jones and am excited by this strategic acquisition in the initial phase of my appointment.”

“Ansearch is literally the perfect partner for us,” said Norman Asch, Managing Director of Webfirm. “Combining Webfirm’s proven business model with a listed business with such strong experience and reach in the advertising and paid search market will bring tremendous value to both our clients and our staff”.

“We are extremely pleased with the acquisition of Webfirm” commented Peter Jermyn, Chairman of Ansearch. “It is a most impressive business with a quality management and operational team.”

Consideration for Acquisition

Consideration for the acquisition of the assets of Webfirm Pty Ltd (“Webfirm”) and Search World Pty Ltd (“Search World”) is as follows:

\$3.5 million is cash and 21 million fully paid Ansearch shares paid as follows:

1. \$1.5 million in cash and 15 million shares - paid on contract Completion
The 15 million shares have voluntary escrow provisions (with orderly sales procedures on expiry of escrow) as follows:
 - As to 1st 5 million – no escrow
 - As to 2nd 5 million – escrowed to 30th June 2007
 - As to 3rd 5 million – escrowed to 31st October 2007
2. \$1 million cash and 6 million shares - paid on or before 30th June 2007
The 6 million shares have voluntary escrow provisions (with orderly sales procedures on expiry of escrow) as follows:
 - As to 6 million – 31st December 2007
3. \$1 million in cash paid on or before 31st October 2007.



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About Ansearch

Ansearch is at Australia's forefront in delivering profitable online search and media solutions to business. The Company originally provided this suite of products and services through its own search and directory websites (ansearch.com.au/, [com/.nz/](http://ansearch.com/nz/), [uk](http://ansearch.com/uk/), anzwers.com.au) and has since extended its network and audience reach to include the distribution of advertising to third-party Australian, US and UK based search engines, websites and 3rd party advertising networks.

About Webfirm

Webfirm was founded in 2001 and has grown to be Australia's premier website design and online marketing company. With approximately 45 staff, head office is located in Perth, Western Australia, with capabilities to service clients across Australia. Webfirm offers clients the full spectrum of web design and development services, including search engine marketing, optimization, hosting, marketing consultancy, e-commerce, permission based marketing, content management tools, and domain name management to name a but a few.

Since launch the professional team at Webfirm have designed and built over 2,000 websites for a diverse range of organisations across many industry groupings.

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