

ASX RELEASE

29 May 2009

AdFeedEngine grows revenue for Webfirm

Webfirm Group Limited's (ASX:WFM) search division, Searchworld Pty Ltd (Searchworld), today announced that its new proprietary search advertising system, the AdFeedEngine, was having a positive and considerable effect on search advertising click quality and, accordingly, company revenue.

Searchworld developed the AdFeedEngine – which measures and controls the volume, quality and source of incoming traffic received by Searchworld's advertising distribution partners – to cater to advertisers' and publisher partners' demands for higher quality search advertising results.

In its first months of full commercial operation, the AdFeedEngine generated record traffic quality scores and Searchworld's May revenue has increased substantially over April. Based on these results and assuming the trend continues, the Company is forecasting Searchworld revenue to exceed \$1M in June and continue to grow at a rate greater than 10% per month.

During April and May, the click quality scores assigned by Searchworld's search advertising feed partners continued to increase due to the higher quality of publishers' traffic Searchworld attracted and the AdFeedEngine's automated quality management capabilities. This in turn has seen some of Searchworld's search feed provider partners increase the number of daily searches Searchworld conducts, which over time may also further increase revenue.

The AdFeedEngine was commercially released at Ad:Tech in San Francisco last month.

Josh Edis, global head of search for Searchworld, said: "The reaction to Searchworld and the AdFeedEngine has been very positive, and since AdTech we have collected numerous leads from publishers who want to use our search advertising feeds to better monetise their website traffic. We are currently working through those leads and have already acted on some of the larger opportunities.

"We also have seen a number of search advertising feed providers offer Searchworld their feeds, thanks to the AdFeedEngine's demonstrable ability to control the quality and volume of traffic accessing feeds, which until now has been very difficult."

The AdFeedEngine draws on Click Forensics' traffic quality monitoring system and is the first commercial deployment of the technology anywhere in the world.

Webfirm Group CEO David Burden added: "Publisher and advertising feed providers have embraced the AdFeedEngine, confident in the powerful alliance that Click Forensics and Searchworld create. The positive early reception bodes well for increased future demand, such that Click Forensics has offered Searchworld substantially improved commercial terms."

The development of the AdFeedEngine will continue over the coming months.

Contacts:

Media:

Margaret Fearn
Fearnace Media for Webfirm Group
Ph: 0402 259 064

Analysts and investors:

Damian Element CFO/Company Secretary
Ph: 0416 286 642
Email: damian.element@webfirm.com

About the Webfirm Group

Webfirm Group Limited (ASX: WFM) is a full service digital media company with three divisions. **Searchworld** powers publishers' profits with premium quality search monetisation solutions, delivering effective global and local organic and paid search to search engines, portals, directory publishers, parked domains, downloadable applications and ad networks. **Webfirm Media** represents advertising inventory from third-party Australian, US and UK-based websites and third party advertising networks to Australian advertisers and exclusively represents advertising on all Navteq navigational maps. **Webfirm** offers the full spectrum of web design and development services, including search engine marketing, optimisation, hosting, marketing consultancy, e-commerce, permission-based marketing, content management tools, and domain name management. With more than 60 staff across Melbourne, Sydney, Perth and in the United States of America, Webfirm continues to develop products and services aimed at helping customers do better business on the Internet. More information at www.webfirm.com

