

14 January 2011

Gonzalo Valencia
Senior Adviser, Listings (Melbourne)
Australian Securities Exchange

Dear Sir
Price Query

I refer to your letter of 14 January 2011 regarding the decrease in share price and increase in volume in the Company's securities between 12 January 2011 and 14 January 2011.

Our response to your questions is as follows:

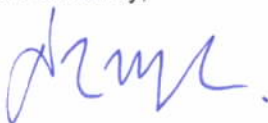
1. The Company is not aware of any information that has not been released to the market that would explain the recent trading in securities of the Company.
2. Not applicable.
3. Since December 2009 (prior corresponding period to the current December 2010 reporting period) the Company has executed a number of acquisitions, created new business divisions, made one business divestment and undertaken capital raisings to fund the development and commercialisation of the new Adslot business. All of these events have been announced to the market as they occurred.

The investment required to develop and deliver on our new business plans will give rise to an operating result before abnormal items and income tax for the six months to December 2010 which will differ by more than 15% as compared to the result for the corresponding period to December 2009 (which was a loss of \$1.12 million). We plan to announce this result on 25 February 2011 after these results have been determined and audited. At this stage we are not in a position to quantify this result but expect it to be a loss in the range of \$3.0 to \$3.8 million.

4. Other than the profit arising from the sale of the AdFeedEngine announced to the market on 16 September 2010, and subject to audit review of the half year accounts which are not yet finalised, the Company has no reason to believe that any additional material abnormal or extraordinary items would be recorded in the accounts for the half year to 31 December 2010.
5. The Company has no explanation as to what has caused the change in price or the increase in volume of shares traded.
6. We confirm that the Company is in compliance with the listing rules and, in particular, Listing Rule 3.1.

If you require any further information in relation to the above please do not hesitate to contact me.

Yours sincerely,



Brendan Maher
Company Secretary



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 45
Rialto South Tower
525 Collins Street
Melbourne VIC 3000

GPO Box 1784
Melbourne VIC 3001

Telephone 61 3 9617 8656
Facsimile 61 3 9614 0303
www.asx.com.au

14 January 2011

Mr Brendan Maher
CFO & Company Secretary
Webfirm Group Limited
Melbourne

By e-mail only

Dear Brendan,

Webfirm Group Limited (the "Company") RE: PRICE QUERY

We have noted a change in the price of the Company's securities from \$0.17 at the close of trading on 12 January 2011 to a low of \$0.125 at the time of writing today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the operating result before abnormal items and income tax so that the figure for the half year ended 31 December 2010 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Company may record any material abnormal or extraordinary item for the half year ended 31 December 2010? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by return e-mail or by facsimile on facsimile number 9614 0303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. EDST) on Monday, 17 January 2011.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

Sent by electronic means without signature

Gonzalo Valencia

Senior Adviser, Listings (Melbourne)