

Results of General Meeting

14 December 2011

Datasquirt Limited (ASX:DSQ) (Datasquirt) is pleased to announce the approval by its shareholders of the proposed sale of substantially all of the assets and undertaking of the Company to LiveOps, Inc. (LiveOps) and the approval of the Buyback.

The sale remains contingent on a number of conditions being met but is expected to be completed during 2011.

In accordance with Listing Rule 3.13.2, we advise that the following resolutions were passed by shareholders on a show of hands at the Datasquirt General Meeting held on 14 December 2011.

Details of the resolutions passed and the proxies received in respect of each resolution are set out below;

Resolution 1: Approval of Sale of Business

In Favour	Against	Abstention	Proxy's Discretion
1,869,872	9,250	0	19,000

Resolution 2: Approval of Buyback

In Favour	Against	Abstention	Proxy's Discretion
1,830,872	9,250	0	58,000

-Ends-

For more information please contact:

Mark Loveys

Chairman, Datasquirt Limited + 64 275 971 889 mark.loveys@datasquirt.com

About Datasquirt

Datasquirt (ASX: DSQ) supplies CONTACT™, an award-winning, enterprise grade, multi-channel (email, SMS, fax, web chat and social media) communication solution. Businesses use CONTACT™ to acquire, retain and service customers to achieve revenue growth in a cost-effective and efficient manner. Datasquirt is headquartered in Auckland, New Zealand, with offices in London, Sydney and Düsseldorf. Datasquirt™ and CONTACT™ are trademarks of Datasquirt Limited. All other brand or product names are trademarks or registered trademarks of their respective holder(s). For more information see www.datasquirt.com, visit the Datasquirt blog at <http://blog.datasquirt.com>, follow Datasquirt on Twitter at <http://twitter.com/datasquirt>, call +64-9-358-5878 or +1-888-433-9882, or email info@datasquirt.com.

About Liveops

LiveOps is the only contact center leader focused on providing the full platform, applications, and talent in the cloud. More than 200 companies, including Salesforce.com, Symantec and AAA trust LiveOps to exploit the interactions between today's multichannel, social and mobile consumers and the enterprise contact center to ultimately enhance brand preference. LiveOps' 10+ years of experience enables it be a trusted partner for companies wanting to migrate their contact center to the cloud to provide better service. With access to the largest contact center workforce of 20,000 agents, the company supports a wide range of industries including financial, health, insurance, retail, and professional services. LiveOps is headquartered in Santa Clara, California. For more information, visit www.LiveOps.com .

Schedule

Summary of the Asset Purchase Agreement

The Agreement sets out the obligations of Datasquirt and LiveOps in connection with the sale of substantially all of the assets of Datasquirt.

A summary of the key terms of the Agreement is set out below.

1 Consideration

The total consideration is US\$12.5 Million in cash, subject to adjustments for working capital. There is no escrow applied to the consideration and any warranty claims by LiveOps must be made within one year and are limited to US\$2.5 Million, except for certain title and IP claims.

2 Conditions precedent

Completion of the sale is subject to a number of conditions precedent including:

- **(shareholder approval)** Shareholder approval by the requisite majority of shareholders for the purposes of ASX Listing Rule 11.2 and section 129 of the *New Zealand Companies Act 1993*;
- **(due diligence)** LiveOps being reasonably satisfied with the results of its due diligence investigations;
- **(employees)** Certain individuals having entered into agreements with LiveOps;
- **(confirmatory IP assignments)** All current and former employees and consultants having executed confirmatory intellectual property assignment agreements;
- **(Transaction Documents)** The Principal Shareholders and the Datasquirt group having executed each other transaction document to which they are a party and delivering these to LiveOps and each other relevant party;
- **(representations and warranties)** The representations and warranties made by each Datasquirt group company and the Principal Shareholders in the Agreement being accurate;
- **(litigation)** No action, suit, or proceeding existing where an unfavourable judgment, decree, injunction, order or ruling would prevent the performance of the Agreement or materially and adversely affect the right of LiveOps to own or operate the Datasquirt business;
- **(MAC)** No Material Adverse Effect having occurred; and
- **(subscription agreement)** The Principal Shareholders having executed and delivering subscription agreements to LiveOps.

3 Exclusivity

The Agreement contains certain deal protection mechanisms, which are usual in transactions of this kind, including the solicitation of any Takeover Proposal or the approval of any transaction in which any third party becomes an “interested shareholder” (subject to the New Zealand Takeovers Code). The prohibitions are subject to exceptions arising for Superior Proposals. LiveOps is to be given five business days prior notice of any Adverse Recommendation Change, during which time LiveOps has the right to offer a counter proposal.

4 Restraint

The Datasquirt group and the Principal Shareholders are restrained for a period of three years from the date of closing from competing with the Datasquirt business, soliciting employees or consultants, and, soliciting customers or other business relations of the Datasquirt group.

5 Termination fee

A termination fee of US\$500,000 is payable by Datasquirt if a triggering event occurs, which includes:

- the Datasquirt Board failing to make the Board Recommendation;
- Datasquirt failing to include the Board Recommendation in the notice of meeting and the share buyback offer document to be sent to Datasquirt's shareholders;
- an Adverse Recommendation Change having occurred;
- any Datasquirt group company having executed any letter of intent, memorandum of understanding (or similar document) or any contract relating to any Takeover Proposal;
- Datasquirt failing to send to its security holders a statement disclosing that it recommends rejection of a tender or exchange offer;
- Datasquirt failing to issue a press release reaffirming the Board Recommendation after a Takeover Proposal is publicly announced; and
- any Datasquirt group company having breached any of the provisions set forth in the solicitation provision of the Agreement.

6 Termination

The Agreement may be terminated:

- By mutual written consent of Datasquirt and LiveOps.
- By either Datasquirt or LiveOps if:
 - the closing has not occurred by the Termination Date;
 - shareholder approval for the sale has not been obtained; or
 - the sale has been prohibited by a governmental authority.
- By Datasquirt if shareholder approval by the requisite majority of shareholders for the purposes of ASX Listing Rule 11.2 and section 129 of the *New Zealand Companies Act 1993* is not achieved.
- By LiveOps if:
 - a triggering event occurs at any time prior to obtaining the shareholder approval for the sale; or
 - the conditions precedent are not satisfied (or waived by LiveOps) by the Termination Date.

Definitions

Adverse Recommendation Change means the failure by the Datasquirt Board to (i) make, withdraw, amend or modify, or publicly propose to withhold, withdraw, amend or modify, in a manner adverse to LiveOps, the Board Recommendation, (ii) approve, endorse, adopt or recommend, or publicly propose to approve, endorse, adopt or recommend, any Takeover Proposal or Superior Proposal, (iii) failure to recommend against acceptance of any tender offer or exchange offer for Datasquirt securities within 10 business days after the commencement of such offer, (iv) make any public statement inconsistent with the Board Recommendation or (v) resolve or agree to take any of the foregoing actions.

Board Recommendation means the recommendation by the Datasquirt Board that the acquisition is in the interests of Datasquirt and the shareholders of Datasquirt and that the shareholders of Datasquirt vote in favour of all resolutions to be proposed at the shareholder meeting or approve the matters requiring shareholder approval.

Material Adverse Effect means any circumstance, change in or effect on the Datasquirt business or, the Datasquirt group that, individually or in the aggregate with all other circumstances, changes in or effects on the Datasquirt business or, the Datasquirt group: (a) is or is reasonably likely to be materially adverse to the business, operations, assets or liabilities (including contingent liabilities), employee relationships, customer or supplier relationships, prospects, results of operations or the condition (financial or otherwise) of the Datasquirt business or, the Datasquirt group company or (b) is reasonably likely to materially adversely affect the ability of LiveOps to operate or conduct the Datasquirt business in the manner in which it is currently or contemplated to be operated or conducted by the Datasquirt group.

Principal Shareholders means Aaron Ridgway entity, J. Neiser entities, Nightingale Partners Pty Ltd, Lindsay Phillips entity and Mark Loveys entity.

Superior Proposal means any binding bona fide, unsolicited, written Takeover Proposal which did not result from or arise out of a breach of the non-solicitation provision of the Agreement, made by a third party, which, if consummated, would result in such third party owning, directly or indirectly, all of the outstanding issued ordinary shares of Datasquirt, or all or substantially all of the consolidated assets of the Datasquirt group, and which Takeover Proposal the Datasquirt Board determines in good faith, after considering the advice of its outside legal counsel and a financial advisor, and after taking into account all of the terms and conditions of such Takeover Proposal is more favourable and provides greater value to Datasquirt's shareholders than as provided under the Agreement.

Takeover Proposal means any offer, proposal, inquiry or indication of interest from any third party relating to any transaction or series of related transactions involving (iii) any acquisition or purchase by any person, directly or indirectly, of 10% or more of any class of outstanding voting or equity securities of any Datasquirt group company, or any tender offer (including a self-tender) or exchange offer that, if consummated, would result in any person beneficially owning 10% or more of any class of outstanding voting or equity securities of any Datasquirt group company, (iv) any merger, amalgamation, consolidation, share exchange, business combination, joint venture or other similar transaction involving any Datasquirt group company, the business of which constitutes 10% or more of the net revenues, net income or assets of the Datasquirt group, (v) any sale, lease, exchange, transfer, license (other than licenses in the ordinary course of business), acquisition or disposition of 10% or more of the assets of the Datasquirt Group (measured by the lesser of book or fair market value thereof) or (vi) any liquidation, dissolution, recapitalization, extraordinary dividend or other significant corporate reorganization of any Datasquirt group company, the business of which constitutes 10% or more of the net revenues, net income or assets of the Datasquirt group company.

Termination Date means Three months from the date of this announcement.