

ASX Release

25 October 2010

dgm Acquisition Completed

Digital Performance Group Ltd (ASX: DIG) today announced it had completed the purchase of Australia's highly regarded digital performance business DGM Australia.

The purchase of dgm follows the Digital Performance Group's recent sale of its mobile phone businesses as it repositions itself as an ASX listed company with exposure to performance-based digital assets.

Digital Performance Group Managing Director Chris Meehan said the purchase of dgm compliments our existing digital business Empowered Communications and supports the Digital Performance Group strategy to build a valuable and successful online digital performance organisation.

Mr Meehan said two out of the three mobile phone sale transactions had now completed with the completion of the prepaid retail mobile business now expected to be by mid December. The Company has provided vendor financing of \$3.6 million to the Pivotal group to fund part of the sale of the post paid companies.

Digital Performance Group has re-drawn \$1.875 million under its loan facility with Co-Investor Capital Partners Pty Limited ("Co-Investor"), the Company's majority shareholder, to pay the dgm initial acquisition payment of \$2.1 million. The second purchase price instalment, estimated to be \$2.4 million to \$2.9 million, is due in approximately 30 days.

The loan agreement with Co-Investor has been amended to defer further repayments until early 2011 and include further drawdown headroom of \$2.8 million to fund this second acquisition instalment and provide working capital for the operation of dgm.

In return for these amendments, the Company has agreed to a shorter repayment date on the facility of 28 February 2011. DPG has commenced discussions on longer term financing arrangements in replacement of the existing debt facilities.



About Digital Performance Group Ltd: (DPG)

Formerly ComTel Corporation, Digital Performance Group is an ASX listed holding company for performance-based digital marketing businesses. DPG sells targeted and measureable online advertising campaigns that generate online sales, qualified customer leads and increased brand awareness. Results are delivered through a variety of channels such as website banners, email, affiliate and search. Digital performance Group's customers are some of Australia's leading media buyers, advertising agencies and corporates.

The performance-based industry is worth \$137 million of the \$547 million General and Display advertising category according to the IAB on-line advertising expenditure report (June 2010). The segment continues to grow as advertisers seek greater measurability at a time when marketing budgets have come under pressure due to the GFC.

Empowered Communications

Empowered has 500,000 Members sourced via a network of six loyalty websites (each site rewards members in exchange for receiving research or emailed offers). Detailed demographic data is collected from each of its members to enable advertisers to conduct highly targeted, performance-based campaigns.

dgm Australia

dgm offers marketing solutions across single or multiple channels – including search engine marketing, affiliate marketing and display marketing, with a clear focus on performance and return on investment.

Clients have access to dgm's specialist platforms and sophisticated proprietary technology, and are guided by experienced account management and consultancy teams.

For further information

Chris Meehan, Managing Director

0407 149 544