



Webfirm Group Limited
ABN: 70 001 287 510
ASX: WFM

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ASX ANNOUNCEMENT

31 July 2009

Manager Announcements
Company Announcement Office
Australian Stock Exchange
By: eLodgement

Page 1 of 19

EGM – Notice of Meeting & Proxy Form

The following Extraordinary General Meeting Notice of Meeting and Proxy Form will be mailed to all shareholders of Webfirm Group limited (ASX: WFM) today.

Contacts:

Investor Relations:

Damian Element
Company Secretary
Phone: 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

WEBFIRM GROUP LIMITED

ACN 001 287 510

NOTICE OF MEETING

at 3:00pm on 3 September 2009

TO BE HELD AT

**The offices of Minter Ellison Lawyers
Level 23, Rialto, 525 Collins Street, Melbourne, Victoria**

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact Damian Element, Company Secretary, on +61 (0)3 8695 9199.



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31 July 2009

Dear Shareholder

Please find enclosed the following documents in relation to an extraordinary general meeting of shareholders of Webfirm Group Limited (**Company**) to be held at the offices of Minter Ellison Lawyers, Level 23 Rialto, 525 Collins Street, Melbourne, Victoria at 3:00pm (AEST) on 3 September 2009.

- (a) Notice of Meeting (together with an Explanatory Statement); and
- (b) Proxy Form (together with proxy instructions).

The meeting is being convened for the purpose of seeking shareholder approval of resolutions which, if approved, will:

- (c) ratify the recent issues of shares by the Company;
- (d) permit the Company to make a further placement of its shares (as part of its overall capital raising) and to issue options to BGF Capital Group (the adviser to the Company in respect of the capital raising); and
- (e) permit participation by certain of the Directors (or related entities of the Directors) in the capital raising.

The funds raised will be primarily used to grow the Company's existing business and to facilitate expansion of the Company's activities into new areas of business.

The details of the proposed resolutions are set out in the Explanatory Statement that accompanies and forms part of the Notice of Meeting. The Directors recommend that you support the resolutions.

If you are not able to attend the Extraordinary General Meeting in person, you are urged to complete and lodge the enclosed Appointment of Proxy.

Yours sincerely
WEBFIRM GROUP LIMITED

A handwritten signature in black ink, appearing to be "D. Element", written in a cursive style.

Damian Element
Company Secretary &
Chief Financial Officer

WEBFIRM GROUP LIMITED
ACN 001 287 510
NOTICE OF MEETING

Webfirm Group Limited (**Company**) gives notice that an Extraordinary General Meeting of the members of the Company will be held on 3 September 2009 commencing at 3:00pm (AEST) at the offices of Minter Ellison Lawyers, Level 23, 525 Collins Street, Melbourne, Victoria.

The Explanatory Statement which accompanies and forms part of this Notice of Meeting more fully describes the matters to be considered at the Extraordinary General Meeting.

AGENDA

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. Resolution 1 – Ratification of the previous placements of shares

That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company of:

- (a) the issue of 20,338,720 fully paid ordinary shares in the Company at an issue price of \$0.06 per share to the persons nominated in, and on the terms and conditions set out in, the Explanatory Statement accompanying this Notice; and
- (b) the issue of 385,000 fully paid ordinary shares in the Company on 29 June 2009 at an issue price of \$0.062 per share to Andrew Dalton on the terms and conditions set out in, the Explanatory Statement accompanying this Notice.

2. Resolution 2 - Approval for the placement of shares to sophisticated / professional investors

That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be given to the Company to issue up to 41,661,280 fully paid ordinary shares in the Company at an issue price of \$0.06 per share to sophisticated and professional investors nominated by the Company (in conjunction with BGF Capital Group) on the terms and conditions set out in the Explanatory Statement accompanying this Notice.

3. Resolution 3 – Approval for the issue of shares to a Director - Adrian Giles

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue up to 2,083,333 fully paid ordinary shares in the Company at an issue price of \$0.06 per share to Adrian Giles (or an entity associated with Adrian Giles), a Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice.

4. Resolution 4 – Approval for the issue of shares to a Director – David Burden

That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to allot and issue up to 416,667 fully paid ordinary shares in the Company at an issue price of \$0.06 per share to David Burden (or an entity associated with David Burden), a Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying this Notice.

5. Resolution 5 – Approval of issue of options to BGF Equities Pty Ltd

That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be given to the Company to issue 2,000,000 options to acquire ordinary shares in the Company to BGF Equities Pty Ltd on the terms and conditions set out in the Explanatory Statement accompanying this Notice.

Date: 31 July 2009

BY ORDER OF THE BOARD
Damian Element
Company Secretary &
Chief Financial Officer

VOTING EXCLUSION STATEMENT

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the respective Resolutions by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
Resolution 1 – Ratification of the previous placement of shares to sophisticated and professional investors	Any person who participated in the issue and any and any associate of any such person.
Resolution 2 – Approval of the placement of shares to sophisticated and professional investors	Any person who may participate, or has agreed to participate, in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary shares) if the resolution is passed and any associate of any such person.
Resolution 3 – Approval for the issue of shares to a Director – Adrian Giles	The recipient of the Shares and any associate of that recipient.
Resolution 4 – Approval for the issue of shares to a Director – David Burden	The recipient of the Shares and any associate of that recipient.
Resolution 5 – Approval for the issue of options to BGF Equities Pty Ltd	The recipient of the Options and any associate of that recipient.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a member who is entitled to vote and it is cast in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and it is cast in accordance with a direction on the proxy form to vote as the proxy decides.

NOTES

These Notes form part of the Notice of Meeting.

Members entitled to attend and vote

The Directors have determined that, for the purpose of determining entitlements to attend and vote at the Extraordinary General Meeting, those persons who are registered as the holders of shares in the Company at 7.00pm (AEST) on 1 September 2009 will be regarded as members of the Company. Transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Extraordinary General Meeting.

Appointment of proxies

Each member entitled to vote at the Extraordinary General Meeting may appoint a proxy to attend and vote at the Extraordinary General Meeting. A member entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes (disregarding fractions of votes).

A proxy need not be a member of the Company and can be an individual or a body corporate.

A member that is a body corporate or a body corporate appointed as a member's proxy may appoint a representative to exercise any of the powers the body may exercise as a member or proxy at the Extraordinary General Meeting. The appointment by a member that is a body corporate may be a standing appointment.

The representative should bring to the Extraordinary General Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless previously given to the Company.

Voting by proxy

To vote by proxy:

- the signed and completed proxy appointment form (**enclosed** with this Notice); and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (e.g. a power of attorney) or a certified copy of it,

must be received by the Company at the address set out below by no later than 3:00pm (AEST) on 1 September 2009. Documents received after that time will not be valid for the scheduled Extraordinary General Meeting.

- By fax: (within Australia) 1800 783 447 or (outside Australia) +61 (0)3 9473 2555.
- By mail: Computershare Investor Services Pty Limited, GPO Box 242 Melbourne VIC 3001 Australia
- Online: www.investorvote.com.au using the control number on the proxy form.
- By delivery: Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, Australia, 3067

Your proxy appointment form is enclosed.

WEBFIRM GROUP LIMITED
ACN 001 287 510

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement and the information included within it forms part of the Notice of Meeting and has been prepared to provide shareholders of Webfirm Group Limited (**Company**) with information about the items of business to be considered at the Extraordinary General Meeting to be held at the offices of Minter Ellison Lawyers, Level 23 Rialto, 525 Collins Street, Melbourne, Victoria on 3 September 2009 at 3:00pm (AEST).

This Explanatory Statement is an important document and should be read carefully by all shareholders.

Capitalised terms in this Explanatory Statement are defined in the Glossary.

BACKGROUND

On 29 June 2009, the Company completed the acquisition of the 'Human Traffic' business. The relevant details of that acquisition were announced to ASX on that day. As advised, the consideration under the Sale and Purchase Agreement included an issue of 385,000 Shares in the Company to Human Traffic's founder, Andrew Dalton. The Shares will be held in escrow for a period of 12 months from issue.

On 20 July 2009, the Company announced:

- a capital raising by way of a placement to sophisticated and professional investors (**Placement**);
- an intention, subject to due diligence, the execution of a formal agreement and shareholder approval (to be sought at the Company's 2009 AGM), to acquire a 20% shareholding in AdSlot Pty Ltd.

Capital Raising

The Company intends to raise approximately \$3.7 million (prior to capital raising fees and costs) by the Placement. The Placement will be conducted in two parts:

- (a) the first tranche, which has already been completed, involved the issue of 20,338,720 Shares to professional and sophisticated investors to raise \$1,220,323 (**Tranche 1 Offer**); and
- (b) the second tranche, which will be completed following the Meeting (if all Resolutions are approved), involves the subscription for up to 41,661,280 Shares to raise up to a further \$2,499,677 (**Tranche 2 Offer**).

The subscription price of the Shares under the Placement (both Tranches 1 and 2) is \$0.06 per Share.

The Shares forming part of the Tranche 1 Offer were subscribed for by sophisticated and professional investors identified by the Company (in conjunction with BGF Capital Group) and listed in this Explanatory Statement. The Shares issued under the Tranche 1 Offer were issued by the Company within the limit of 15% of its issued capital that the Company may issue in any 12 month period without shareholder approval. If **Resolution 1** is approved, the issue of the Tranche 1 Shares will be ratified, which ratification will refresh the ability of the Company to issue further Shares, up to the 15% limit, in the next 12 month period without shareholder approval.

Under the Tranche 2 Offer, the Company expects to raise up to a further amount of \$2,499,677 from the issue of up to a further 41,661,280 Shares. If **Resolution 2** is approved, the Shares issued under the Tranche 2 Offer will not be counted within the limit of 15% of the issued capital of the Company that may be placed by the Company without shareholder approval in the next 12 month period.

It is intended, subject to the approval of **Resolutions 3 and 4**, that two Directors will participate in the Tranche 2 Offer. The Directors are Adrian Giles (a non-executive Director) and David Burden (the Managing

Director). In addition, members of the senior management team of the Company's Searchworld business, which operates in Australia and USA, intend to participate in the Tranche 2 Offer.

The funds raised from the Placement will be used by the Company for the following purposes:

- Acquisition of an equity investment in AdSlot Pty Ltd;
- Commercialisation of the AdSlot media sales platform;
- Technical development of the second phase of Searchworld's AdFeedEngine
- Expansion of the Searchworld business in the US and its establishment in the UK; and
- Additional working capital.

Resolution 5 relates to the issue of the Options to BGF Equities Pty Ltd (a member of the BGF Capital Group). It has assisted the Company in undertaking the Placement and has agreed to accept the Options in part satisfaction of the fees due to it on completion of the Placement. In addition to the Options, the Company has agreed to pay the BGF Capital Group a fee of 4% of the amount raised by the Company under the Placement. The terms of the Options are set out in this Explanatory Statement.

Investment – AdSlot Pty Ltd

Subject to due diligence, the execution of a formal agreement and shareholder approval (to be sought at the Company's 2009 AGM), the Company has agreed to acquire a 20% shareholding in AdSlot Pty Ltd for a total of \$1.5 million in cash and shares (payable in three instalments commencing December 2009). Each instalment is contingent on AdSlot meeting agreed performance criteria. The purchase consideration must be used by AdSlot to commercialise its products (refer below).

AdSlot builds and operates large scale 'private electronic marketplaces' for media publishers to sell their premium advertising inventory to agencies and also to self-serve advertisers. The AdSlot platform uses proprietary mathematical algorithms to maximise yield for TV, video, display and text ads using a patented auction methodology.

The Directors are excited by the global opportunities in commercialising this technology.

The proposed investment in AdSlot builds on the commercial licence secured by the Company in June 2009 for the exclusive Australia and New Zealand rights (and non exclusive rights in all other territories) to AdSlot's combinatorial auction system to power the AdAuctionEngine. For further information on this initiative, please refer to the Company's ASX announcement dated 20 July 2009.

BUSINESS OF THE MEETING

RESOLUTION 1 – RATIFICATION OF THE PLACEMENT OF SHARES TO INVESTORS

Summary of Share Issue to Andrew Dalton

On 29 June 2009, the Company announced completion of the acquisition of the 'Human Traffic' business.

The consideration under the Sale and Purchase Agreement included an issue of 385,000 Shares in the Company to Human Traffic's founder, Andrew Dalton. The issue price of these Shares reflects the volume weighted average sale of the Shares on ASX in the period prior to the issue of those Shares. The Shares will be held in escrow for a period of 12 months.

Summary of Tranche 1 Offer

On 20 July 2009, the Company completed a placement of 20,338,720 Shares to sophisticated and professional investors to raise \$1,220,323 (before raising expenses).

The Tranche 1 Offer is part of an overall strategy designed to raise new capital for the Company of \$3.7 million (before deduction of the costs of the Placement). The other component of the overall strategy is the Tranche 2 Offer. The new equity funds raised by the Placement will be used as noted above.

Shareholder approval

Listing Rule 7.1 provides that a listed company must not, without prior approval of its shareholders, issue securities if the number of securities issued, or when aggregated with the number of securities issued by the company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that an issue of securities made by a listed company without the prior approval of its shareholders may be treated as having been made with shareholder approval if:

- at the time the issue took place, it did not breach Listing Rule 7.1; and
- the shareholders of the company, in general meeting, subsequently ratify the issue of the shares.

Accordingly, as the Tranche 1 Offer was made in accordance with Listing Rule 7.1, Resolution 1 is proposed for the purpose of ratifying the issue of the Tranche 1 Shares and thereby permitting the Company to issue Shares without the issue interfering with, or restricting, the ability of the Company to issue securities up to the 15% limit in any subsequent 12 month period.

Listing Rule 7.5 requires the following information concerning the issue of the Tranche 1 Shares be included in the Notice:

- **Number of securities issued**

The number of Shares issued as part consideration for the Company's acquisition of the Human Traffic business was 385,000.

The number of Shares issued under the Tranche 1 Offer was 20,338,720.

- **The issue price of the securities**

The Shares issued to Andrew Dalton under the terms of the Sale and Purchase Agreement relating to the Company's acquisition of the Human Traffic business was \$0.062 per Share.

The Shares issued under the Tranche 1 Offer will be \$0.06 per Share.

- **Name of allottee(s)**

Andrew Dalton – founder of Human Traffic business

Tranche 1 Offeree: - UBS Nominees Pty Ltd (as the nominee appointed to hold the Shares on behalf of private and other clients of BGF Capital Group).

- **Terms of the securities**

The Shares issued under the terms of the sale and purchase agreement between the Company and Human Traffic are fully paid ordinary shares which rank equally with all other existing Shares from the date of issue.

The Shares comprising Tranche 1 are fully paid ordinary shares which rank equally with all other existing Shares from the date of issue.

- **Intended use of funds raised**

The funds raised by the Placement (including the issue of the Tranche 1 Shares) will be used by the Company for the purposes described above under the heading 'Background'.

- **Voting exclusion statement**

A voting exclusion statement relating to Resolution 1 is included in the Notice.

Effect of Shareholder approval

If approved, Resolution 1 will result in the ratification of the issue of the following Shares:

- (a) 385,000 Shares issued to Andrew Dalton under the Sale and Purchase Agreement;
- (b) the Tranche 1 Shares (i.e. 20,338,720 Shares), and

refresh the ability of the Company to issue further Shares up to the limit of 15% of its issued capital in the next 12 month period without shareholder approval.

RESOLUTION 2 – APPROVAL OF THE PLACEMENT OF SHARES TO INVESTORS

Summary of Tranche 2 Offer

Under the Tranche 2 Offer, the Company expects to raise up to a further \$2,499,677 from the issue of up to a further 41,661,280 Shares.

Shareholder approval

Listing Rule 7.1 provides that a company must not, without prior approval of its shareholders, issue securities if the number of securities issued, or when aggregated with the number of securities issued by the company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Resolution 2 (if approved) will permit the Company to issue up to a further 41,661,280 Shares to sophisticated and professional investors without the issue of those Shares impacting on or restricting the ability of the Company to subsequently issue securities up to the 15% limit in the next 12 month period.

Listing Rule 7.3 requires the following information concerning the issue of the Tranche 2 Shares to sophisticated and professional investors be included in the Notice:

- **Maximum number of securities to be issued or formula for calculating the number of securities the entity is to issue**

The maximum number of Shares to be issued under the Tranche 2 Offer will be 41,661,280.

- **Date by which the entity will issue the securities**

No Shares will be issued to any such person more than three months after the date of the Meeting.

- **The issue price of the securities**

The Shares will be issued at \$0.06 per Share.

- **Name of allottees (if known) or the basis upon which allottees will be identified or selected**

The allottees will be restricted to sophisticated and professional investors associated with or introduced to the Company by BGF Capital Group.

- **Terms of the securities**

The Shares to be issued under Tranche 2 are fully paid ordinary shares which will rank equally with all other existing Shares from the date of issue.

- **Intended use of funds raised**

The funds raised by the issue of the Placement Shares (including the issue of the Tranche 2 Shares) will be used by the Company for the purposes described above under the heading 'Background'.

- **Voting exclusion statement**

A voting exclusion statement relating to Resolution 2 is included in the Notice.

Effect of Shareholder approval

If approved, Resolution 2 will permit the Company to issue a further 41,661,280 Shares at \$0.06 per Share without impacting the ability of the Company to subsequently issue securities up to the 15% limit in the next 12 month period.

RESOLUTIONS 3 & 4 – APPROVAL OF THE ISSUE OF SHARES TO DIRECTORS

Resolutions 3 and 4 seek Shareholder approval, for the purpose of Listing Rule 10.11, for the subscription (for cash) by each of the Directors (or entities associated with them) for Shares:

Name	Position	Number of shares issued	Price to be paid per Share
David Burden	Managing Director	416,667	\$0.06
Adrian Giles	Non-executive Director	2,083,333	\$0.06

If Resolutions 3 and 4 are approved, the two Directors will participate as part of the Tranche 2 Offer. The willingness of the Directors to subscribe for Shares under the Director Offer is confirmation of their faith in the Company and its business.

Listing Rule 10.11

Under Listing Rule 10.11, the Company must obtain the approval of its Shareholders by ordinary resolution before it can issue securities to a related party or a person whose relationship with the Company or a related party is, in ASX's opinion, such that Shareholder approval should be obtained. Each of the Directors is a related party of the Company. Accordingly, the proposed subscriptions by each of them (or entities associated with them) require Shareholder approval under Listing Rule 10.11.

Shareholders should note that as approval is being sought for the issue of the Shares to the Directors under Listing Rule 10.11, Shareholder approval under Listing Rule 7.1 is not also required for the issue of these Shares.

Listing Rule Disclosure

Listing Rule 10.13 requires the following information concerning the issue of Shares to the related parties be included in the Notice:

- **The names of the recipients of the Shares**

The Shares will be issued to each of the Directors (or entities associated with each of them respectively) in the numbers set out above. Each is a related party of the Company.

- **Maximum number of securities to be issued**

The maximum number of Shares that will be issued to each related party recipient is set out above.

- **Date of issue**

It is expected that each Director will subscribe for the Shares agreed to be subscribed for by him at or about the same time as the other investors under the Tranche 2 Offer. That is expected to be immediately following the date of the Meeting. In any event, no Shares will be issued to any subscriber under the Tranche 2 Offer more than one month after the date of the Meeting.

- **Issue price of the securities**

The price per Share to be paid by each Director will be \$0.06.

- **Use of funds**

The funds raised by the issue of the Shares to the Directors will be used by the Company for the purposes described above under the heading 'Background'.

- **Terms of the securities**

The Shares to be issued are fully paid ordinary shares which will rank equally with all other existing Shares from the date of issue.

- **Voting exclusion statement**

A voting exclusion statement relating to Resolutions 3 and 4 is included in the Notice.

Effect of Shareholder approval

If Resolutions 3 and 4 are approved, the Company will be authorised to issue up to 2,500,000 Shares to the two Directors (or entities associated with them). The issue of the Shares will be on the terms and conditions set out in this Explanatory Statement.

RESOLUTION 5 – APPROVAL OF ISSUE OF OPTIONS TO BGF CAPITAL GROUP

Resolution 5 relates to the issue of the Options to BGF Equities Pty Ltd (a member of the BGF Capital Group). BGF Capital Group has assisted the Company in undertaking the Placement. Under the terms of its Mandate Letter, in consideration of the services provided by BGF Capital Group, the Company has agreed to pay the BGF Capital Group a fee of 4% of the amount raised by the Company under the Placement and to issue to the BGF Capital Group 2,000,000 Options. The terms of the Options are set out in this Explanatory Statement.

Shareholder approval

Listing Rule 7.1 provides that a company must not, without prior approval of its shareholders, issue securities if the number of securities issued, or when aggregated with the number of securities issued by the company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Resolution 5 (if approved) will permit the Company to issue the 2,000,000 Options to BGF Equities Pty Ltd without the issue of those Options impacting on or restricting the ability of the Company to subsequently issue securities up to the 15% limit in the next 12 month period.

Listing Rule 7.3 requires the following information concerning the issue of the Options to BGF Equities Pty Ltd be included in the Notice:

- **Maximum number of securities to be issued or formula for calculating the number of securities the entity is to issue**

The maximum number of Options to be issued to BGF Equities Pty Ltd will be 2,000,000.

- **Date by which the entity will issue the securities**

No Options will be issued to BGF Equities Pty Ltd more than three months after the date of the Meeting.

- **The issue price of the securities**

The Options will be issued at no cost to BGF Capital Group. It is noted, however, that BGF Capital Group has agreed to accept the Options in part satisfaction of the fees due to it for services rendered by it in respect of the Placement.

- **Name of allottees (if known) or the basis upon which allottees will be identified or selected**

BGF Equities Pty Ltd (or another entity nominated by BGF Capital Group to be the recipient of the Options).

- **Terms of the securities**

The Options will be issued to BGF Equities Pty Ltd (or its nominee) and will have the following material terms:

Issue Price:	The Options will be issued at no monetary cost – it is noted that the Options are issued to BGF Equities Pty Ltd in part satisfaction of the fees due to BGF Capital Group for services rendered by it in respect of the Placement.
Exercise:	There are no performance or other conditions precedent to the exercise of the Options (other than payment of the exercise price prior to the expiry date). On exercise, holders will receive fully paid ordinary shares in the Company which will rank equally with all other Shares.
Exercise Price:	\$0.09.
Final exercise date:	5.00pm on the date 3 years from the date of issue.
General conditions:	The following conditions apply to the Options: <ul style="list-style-type: none">• the Options are not transferable;• the Options will not be listed for quotation on ASX;• the Options are subject to the standard terms and conditions that apply in the case of reorganisations / reconstructions of the capital of the Company, pro-rata issues and new issues

- **Intended use of funds raised**

No funds will be raised by the issue of the Options.

- **Voting exclusion statement**

A voting exclusion statement relating to Resolution 5 is included in the Notice.

Effect of Shareholder approval

If approved, Resolution 5 will permit the Company to issue 2,000,000 Options to BGF Equities Pty Ltd, in part satisfaction of the fees due to BGF Capital Group for services rendered by it in respect of the Placement. The approval will also result in the issue of the Options not impacting the ability of the Company to subsequently issue securities up to the 15% limit in the next 12 month period.

VOTING

You are urged to consider carefully all of the information in this Explanatory Statement and then determine how you wish to vote and cast your vote accordingly.

Please refer to the voting exclusion statement in the Notice.

RECOMMENDATIONS

The Directors recommend approval of all Resolutions (with the exception of Adrian Giles and David Burden who make recommendations in respect of Resolutions 1, 2 and 5 only) and that eligible Shareholders vote in favour of each Resolution.

If Shareholders cannot attend the Meeting they are urged to complete the attached Proxy Form. The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by no later than 3:00pm (AEST) on 1 September 2009.

QUERIES

If you have any queries about the Meeting or the Resolutions to be put to the Meeting, please contact the Company Secretary, Damian Element at Webfirm Group Limited on (+613) 8695 9199.

GLOSSARY

In this Explanatory Statement the following terms have the following meanings unless the context otherwise requires:

AEST	Australian Eastern Standard Time (or Summer Time, as the case may be)
ASX	ASX Limited.
BGF Capital Group	BGF Holdings Limited and its related bodies corporate, including BGF Corporate Pty Ltd and BGF Equities Pty Ltd (the sponsoring broker of the Placement).
Board	the board of Directors of the Company.
Chairman	Chairman of the Company.
Company	Webfirm Group Limited ACN 001 287 510.
Corporations Act	Corporations Act 2001 (Cth).
Director	a director of the Company.
Dollars, A\$ or \$	Australian dollars.
Explanatory Statement	the Explanatory Statement accompanying and forming part of the Notice of Meeting.
Human Traffic	Human Traffic Pty Ltd ACN 126 295 887
Listing Rules	the Official Listing Rules of ASX.
Meeting	means the extraordinary general meeting of Shareholders (convened by the Notice) to be held on 3 September 2009 at 3:00pm (AEST).
Notice	the Notice of Meeting and the accompanying Explanatory Statement.
Option	an option entitling the holder to subscribe for a Share on the terms and conditions set out in this Explanatory Statement.
Placement	the placement of up to 62,000,000 Shares under Tranche 1 and Tranche 2 at \$0.06 per Share.
Placement Shares	the Shares offered to investors as part of the Placement.
Resolution	a resolution set out in the Notice.
Sale and Purchase Agreement	the sale and purchase agreement between the Company and Human Traffic executed on 29 June 2009.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of Shares (in the Company).
Tranche 1	the placement of 20,338,720 Shares to professional and sophisticated investors completed by the Company on 20 July 2009 and Tranche 1 Offer means the offer to investors to subscribe for some or all of the Shares comprising Tranche 1.
Tranche 2	the placement of up to a further 41,661,280 Shares to professional and sophisticated investors to be completed by the Company immediately following the Meeting (if Resolution 2 is approved) and Tranche 2 Offer means the offer to investors to subscribe for some or all of the Shares comprising Tranche 2.

WEBFIRM GROUP LIMITED

Date: 31 July 2009

000001 000 WFM
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the Notice of Meeting



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 3.00 pm Tuesday 1 September 2009**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

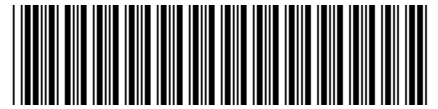
Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Webfirm Group Limited hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of Webfirm Group Limited to be held at The offices of Minter Ellison Lawyers Level 23, Rialto, 525 Collins Street, Melbourne, Victoria on Thursday, 3 September 2009 at 3.00 pm and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Ratification of the previous placements of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval for the placement of shares to sophisticated / professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval for the issue of shares to a Director - Adrian Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval for the issue of shares to a Director – David Burden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issue of options to BGF Equities Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____