

27 April 2009

Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000
B: eLodgement

Page 1 of 2

3rd QUARTER INVESTOR UPDATE

Highlights

- **Quarterly revenue up 20% on prior corresponding period**
- **Strong fourth quarter revenue growth forecast**
- **New AdFeedEngine launched representing revenue opportunity**
- **Cash position maintained**

The directors of Ansearch Limited (ASX: ANH) are pleased to provide investors with an update on events of the March quarter.

Financial Performance

Ansearch group's revenues for the March quarter were \$2.80 million, up 20% on the previous corresponding quarter; a pleasing result given the prevailing economic conditions and the summer holiday period which affects the group each year. The group experienced a favourable revenue impact from the search advertising feed distribution trials conducted in the Searchworld division in January, however search queries and therefore revenue was throttled back in February whilst the company developed and deployed the AdFeedEngine platform. Revenues in March and April are growing well towards those levels seen during the trial period, and Searchworld expects to post a very strong fourth quarter. Webfirm was also affected by the holiday period in January, but has quickly recovered to post two strong months of revenue in both February and March.

Cash Position

The company's cash balance was \$1.6 million at the end of quarter three, marginally up on the cash balance held at the end of quarter two.

New Office Locations

To further reduce costs and improve productivity, the group physically relocated its offices during the quarter. Effective 6 April 2009, Ansearch Limited relocated into new premises at 23 Union Street, South Melbourne VIC 3205. Ansearch Media and Searchworld were able to end their lease on premises in Darlinghurst Sydney at the end of the quarter, with Searchworld now co-locating with Ansearch Limited in South Melbourne. Ansearch Media is currently seeking new premises in Sydney with the intention of co-locating with a Webfirm Sydney branch. Our Webfirm division relocated its Perth offices to 24-26 Wickham Street, East Perth, WA.

The relocations will cause the writing down of respective leasehold improvements related to the premises, but significantly reduces ongoing premises rental costs for the group, and places each division in premises that better support the collaborative culture that we have been building throughout Ansearch over the past 12 months.

Searchworld AdFeedEngine

After recently announcing the launch of the new AdFeedEngine – a proprietary software platform for measuring and controlling the quality and distribution of search advertising results – Searchworld has seen positive results in both traffic quality scores (as measured by large upstream ad feed providers) and revenues. The successful trial phase in December and January indicated that there remains a huge

For personal use only

opportunity in the online search advertising space, with the industry continuing to grow (albeit more slowly) during the contracting economic climate.

Whilst some companies within the industry continue to chase short term gains with poor quality traffic, Searchworld recognises that sustainable ongoing revenue over the long term is inextricably tied to delivering advertisers high quality search traffic that lead to online clicks converting to tangible sales for advertisers. As a result, Searchworld was prepared to forgo an amount of revenue in February whilst it deployed the AdFeedEngine, and the results since have vindicated that decision, with revenues in the third quarter growing to exceed those of the previous four quarters. Revenues in April are forecast to be double those the division was generating prior to the trial period and the new platform being in place, with May and June revenues expected to increase further leading to a very strong fourth quarter for Searchworld.

Webfirm

Traditionally the Webfirm division is affected by seasonal factors in the third quarter, and the office operated on a skeleton staff during much of January which naturally affected sales in this month. Webfirm was quick to return to full steam after the holiday period, with the aggregate revenues for February and March 2009 marginally exceeding the aggregate revenues in November and December 2008. Webfirm continues to encourage its clients and potential clients that tough economic times require a renewed marketing effort to attract customers and drive sales leads, and that their online presence is a key plank in their marketing strategy. We expect a continuation of the current trend that sees SME's shift their marketing and advertising spend away from traditional media towards the measurable and results driven online environment.

Ansearch Media

The focus for Ansearch Media in the third and fourth quarters is set firmly on targeting large organisations with opportunities to place advertising, logos and other relevant information onto the Navteq map platform. Location based services and advertising are being touted as the next wave for targeting of applications and advertising messages to an ever mobile and connected consumer and we feel that through our Navteq deal we are well placed to capitalise on this next wave. The Media division will also continue to obtain advertising sponsorship deals for Ansearch's answers.com.au owned and operated search engine site. The Company is concurrently evaluating a range of new technologies that will underpin the long-term viability of this division.

Corporate Rebranding

We reported earlier that our Company name change to Webfirm Group Limited was to occur immediately following the Easter break. Due to a number of operational constraints, directors have decided to delay the change of name and rebranding of the Company until early May. The Company will continue to keep the market advised as these changes come into effect.



Andrew Barlow
Chairman

Contacts – Ansearch Limited:

MEDIA

David Burden CEO
Ph: 0407 44 33 44
Email: david.burden@ansearch.com

INVESTORS:

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

For personal use only