

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

##### 1 Details of the reporting period and the previous corresponding period.

Reporting Period	Financial Year ending	<b>30 June 2009</b>
Previous Corresponding Period	Financial Year ending	<b>30 June 2008</b>

##### 2 Results for announcement to the market

###### 2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.

Revenue from ordinary activities	\$	<b>11,099,423</b>
Previous corresponding period	\$	<b>12,266,960</b>
Percentage change up or down from the previous corresponding period of revenue from ordinary activities	%	<b>-9.52%</b>

###### 2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.

Loss from ordinary activities after tax	\$	<b>(4,150,364)</b>
Previous corresponding period	\$	<b>(6,720,666)</b>
Percentage change up or down from the previous corresponding period of loss from ordinary activities after tax attributable to members.	%	<b>38.24%</b>

###### 2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

Profit (loss) attributable to members	\$	<b>(4,150,364)</b>
Previous corresponding period	\$	<b>(6,720,666)</b>
Percentage change up or down from the previous corresponding period of net loss for the period attributable to members.	%	<b>38.24%</b>

###### 2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.

No dividends proposed relating to the reporting period

###### 2.5 The record date for determining entitlements to the dividends (if any).

Not applicable

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#### 2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

##### Significant features of Operating Performance

###### Webfirm Division

The Webfirm Division 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 Webfirm continues to develop products and services aimed at helping small and medium enterprise (SME) customers profit from their online marketing.

Revenue for the division increased in FY2009 as a result of steady sales and a lift in website production. This was a pleasing achievement given that SME businesses have taken a more cautious approach to spending in FY2009. Webfirm's approach has been to demonstrate to potential and existing customers the value of an online presence, and the additional business leads that online marketing can deliver for the client.

Webfirm was appointed Yahoo Search Marketing Ambassador in September 2008, allowing Webfirm to market jointly with Yahoo to a number of Australian SME businesses in offering search engine market services. This program has carried through from September 2008, and provides Webfirm with a strong brand partner and an attractive product offering to a wide range of SME prospects.

In March 2009 Webfirm appointed Mr Matthew Chamley to the position of general manager for its Perth operation, tasked with driving greater operational efficiency from the team. Matt has brought great leadership skills to Webfirm and the team has responded well, embracing the task of improving the turn-around times on new website development projects.

During the year Webfirm acquired the intangible assets, including the customer list, of Human Traffic Pty Ltd, a Perth based website development and online marketing company. The founder of Human Traffic, Andrew Dalton has joined Webfirm as Sales and Marketing Manager, and will assist Webfirm to achieve its FY2010 revenue goals.

The focus for Webfirm during FY2010 will be two-fold: Increasing sales of both website developments and recurring search engine marketing product, particularly in the Melbourne outlet; and completing the productivity and efficiency program commenced in late FY2009.

###### Searchworld Division

Searchworld powers website publishers' profits with premium quality search monetisation solutions, delivering effective global and local paid search advertising feeds to search engines, portals, directory publishers, parked domains, downloadable applications and ad networks.

Searchworld had a very fickle year in FY2009, with peaks and troughs in demand resulting in financial performance that was more volatile than desired. The revenues for the Searchworld division were down 14% on the previous year, partly as a result of the Company taking a decision to follow the industry lead on improving quality of search traffic being provided to advertisers. Improving search query traffic effectively means forgoing traffic that is from questionable sources, and forgoing the corresponding revenues. However it is expected that Searchworld's commitment to quality will make it more attractive to the leading advertising networks, and will result in higher volumes and revenues over time from the premium advertising.

During the year the Searchworld division undertook a range of new initiatives, with the majority demonstrating excellent results.

Key to Searchworld's strategy of being a global business, the division re-launched its US operation with the appointment of several sales and marketing staff in the US whose role is to drive US sourced sales and leads for Searchworld. These leads include search advertising feed providers as well as US based website publishers or publisher networks to whom Searchworld on-sells the feeds. The US operation has seen some early successes, with strong revenue gains in the last three quarters of last financial year, however some of these revenue gains have slowed in this current quarter as a result of some feed providers providing sub-optimal services.

Europe represents a lucrative market for Searchworld, and the Company has commenced a program to establish itself in the United Kingdom. It will be necessary for Searchworld to acquire additional UK and Europe specific advertising feeds from providers in that local region, as well as sign up publishers and publisher networks to receive the feeds and provide search queries from their users.

In late 2008 the division launched a new and improved Australian search engine – ansearch.com.au – and continued with its answers.com.au site. Early in 2009 additional search engines ansearch.com, soush.com, and klickeroo.com were all successfully launched to service the growing US market.

An initiative that was very successful was the launch of Searchworld's AdFeedEngine, a technical platform that allows Searchworld to control both the quality and volume of search queries being submitted from website publisher networks to advertisers. The AdFeedEngine platform was developed in house by Searchworld's technical development team, and there is an emerging opportunity to commercialise this platform in the form of a service that can be offered to other search industry participants, an opportunity that Searchworld is exploring in FY2010.

Searchworld has implemented a number of new paid search advertising feeds during the year, and discontinued a number of those feeds that were of poor quality or not providing the expected results for the business. The business operation is highly reliant on these advertising feed providers, the termination of a number of these feeds will see revenues fall behind our first quarter target; however Searchworld is currently in the process of executing more agreements and expects to boost revenues back to the levels that have been recorded in previous months. Searchworld is in discussions with a number of tier one and tier two search advertising networks with the aim of firming up new agreements in first and second quarter 2010.

Despite the setbacks in the first quarter of FY2010, Searchworld anticipate that the addition of new, higher quality feeds, as well as the expansion into the UK market, will see the division achieve its FY2010 revenue targets. It should be noted that the search advertising industry, whilst growing and representing opportunity, is also an immature industry that is evolving and consolidating, and as such Searchworld remains an exciting but relatively speculative business.

### **Webfirm Media Division**

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 Australian and New Zealand Navteq navigational maps.

The Webfirm Media division was most affected by the economic conditions prevailing during FY2009, with the global financial crises causing many businesses to curb their spending on online display advertising, with less volume and lower pricing affecting revenues. These outcomes were further exacerbated by Australian advertising agencies consolidating their spend with fewer distribution networks. The result of these developments was that Webfirm Media's traditional display media business was adversely affected during the year, with revenues down approximately \$1 million or 50% on the previous year.

It has therefore been necessary for the director's to reinvent this business whilst continuing to acquire traditional display media revenue where available. Two steps have been taken in this regard – firstly to increase the focus on sales of advertising on Navteq navigational maps, and secondly to enter into a commercial partnership with AdSlot Pty Ltd to commercialise the AdSlot auction technology and its application to the media space.

In respect of Navteq map sales, the Media division has been working closely with some large and well-known Australian and international brands to deliver a value proposition for map users which involves locating points of presence or points of interest on navigational maps providing users with a simple and easy method of physically locating the advertiser's services.

Webfirm has also entered into a heads of agreement with AdSlot Pty Ltd which provides Webfirm Media the opportunity to commercialise the AdSlot ad auction platform. The AdSlot ad auction platform is an industry changing technology which provides an online marketplace for advertisers and website publishers to trade advertising inventory using proprietary auction algorithms developed and patented by AdSlot. Our business partner AdSlot recently announced that it was one of only a few companies, and the only Australian company, chosen by Microsoft to trial the Microsoft Azure computing cloud, and to participate in the global launch of the Azure platform in November.

Whilst the commercialisation of the platform is early stage, a successful implementation of the platform into the key top tier Australian website publishers would provide significant revenues and benefits to Webfirm Media in the coming years.

### **Corporate**

During one of the most challenging financial environments in recent times, the business of Webfirm Group Limited has held up well. Group revenues were down 9.5% on the previous year, to \$11 million, and NPAT improved by 38% or more than \$2.5 million to \$4.1 million – a significant improvement on the previous year result.

This result included a \$500,000 impairment charge against goodwill in Webfirm Pty Ltd, and a write off of leasehold improvements in the amount of \$250,000 following the relocation of office premises. The result also included \$433,000 of non-cash share based expenses, \$230,000 in depreciation and amortisation expense, \$140,000 in foreign exchange losses related to cash assets held in US dollars, a provision for doubtful debts in Searchworld of \$290,000 and tax expense of \$88,000. There was a one-off R&D cash grant of \$225,000.

The normalised operating result before these adjustments was a loss of \$2.4 million, an improvement on last year's normalised loss of \$2.8 million. Notwithstanding the improved result and two profitable months, the prevailing economic climate had an adverse effect on Webfirm Group's stated objective of achieving sustainable profitability during the FY2009 year. A level of confidence appears to be returning to economic markets, however it is anticipated that it will be some months before SME spending returns to levels seen prior to the financial crises. Whilst directors have set management the dual targets of high revenue growth and returning to profitability during this current year, the current economic climate remains uncertain making forecasting difficult.

Webfirm Group Limited has undertaken several corporate and structuring initiatives during the year under review.

The year under review commenced with a small equity raising in July 2008, which was over-subscribed, to raise a total of \$1.4 million. The funds were used to expand our Webfirm office in Melbourne, building out our Webfirm product offering, and phase one of expansion of Searchworld internationally. Funds were also directed to the technical development of the Searchworld AdFeedEngine discussed above.

As part of this capital raising, a share purchase plan program was offered to existing shareholders in the latter part of 2008 to give an opportunity for all shareholders to participate in the capital raising program on the same terms as new investors.

In the latter part of 2008 the Company undertook a share reorganisation program, resulting in a consolidation of shares on issue. This program was undertaken as Webfirm Group had an extremely large number of shares on issue, with the consequence that the per-share market price on the ASX was relatively low. The consolidation has given the Company a capital structure that is more appropriate to its size and business.

In May 2009 the Company changed its name to Webfirm Group Limited (formerly Ansearch Limited). Now a very different organisation from the Ansearch of previous years, the name Webfirm better encapsulates the Group's products, services and primary objective of helping clients achieve superior results from doing business on the Internet. The name change was part of a broader change of corporate identity for Webfirm Group, which included a new logo and a change of our corporate colours to charcoal and orange. The change of name also resulted in a corresponding change to the Company's ASX code, now WFM.

Having been a listed company for some 22 years, the Company found itself with a large number of shareholders with holdings consisting of very small numbers of shares. After receiving approval from shareholders at the AGM held in November 2008, the director's commenced a program for the sale of these small unmarketable parcels of shares. The aim of this program was twofold, to give shareholders a cost effective opportunity to dispose of their shares, and secondly to reduce the administrative and communication costs to the Company of managing a large share register. This program is due to be completed in early September 2009.

As part of our FY2009 cost reduction program, Webfirm Group relocated its Melbourne corporate head office, downsized its Sydney premises and also relocated the Webfirm Perth office to new premises in East Perth.

Since the end of the financial year, the Company announced a second equity raising program to raise funds which will strengthen Webfirm's balance sheet in these uncertain economic times, as well as provide the Company with the opportunity to accelerate a number of business development programs. In particular the new funds will be applied to an investment in AdSlot Pty Ltd, announced on 20 July 2009, and to the commercialisation of the AdSlot ad auction platform in the Australian display advertising market, as well as to the ongoing technical development of phase 2 of Searchworld's AdFeedEngine, expansion of Searchworld into the United Kingdom, and working capital.

The corporate actions during FY2009 were very much driven towards structuring and capitalising the Company to take advantage of emerging opportunities in the digital media space.

Webfirm Group Limited is subject to risks and vagrancies of the new and rapidly evolving digital media industry, however the existing and emerging opportunities make it an exciting space in which to operate. The rewards from the presenting opportunities, if successfully executed, could be substantial.

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3 A consolidated income statement together with notes to the statement, prepared in compliance with AASB 101.

#### Income Statement

For the year ended 30 June 2009

	Notes	Consolidated 2009 \$	2008 \$
<b>Revenue from continuing ordinary activities</b>	2	<b>11,099,423</b>	12,266,960
Direct cost of revenue (including payments to website publishers for inventory)		<b>(4,786,868)</b>	(5,232,046)
Depreciation and amortisation expenses		<b>(238,650)</b>	(180,520)
Finance costs		<b>(303)</b>	(6,862)
Salaries and employment related costs (including contractors)		<b>(6,366,016)</b>	(7,845,629)
Telephone and internet		<b>(225,971)</b>	(198,029)
Share based payment expense		<b>(433,309)</b>	(295,167)
Marketing costs		<b>(261,320)</b>	(196,699)
Lease - rental premises		<b>(494,959)</b>	(452,151)
Impairment of intangibles		<b>(500,000)</b>	(2,442,469)
Impairment of receivables		<b>(321,730)</b>	(220,016)
Listing and registrar fees		<b>(153,245)</b>	(153,326)
Legal fees		<b>(106,935)</b>	(240,066)
Travel expenses		<b>(249,962)</b>	(465,320)
Audit and accountancy fees		<b>(209,284)</b>	(271,703)
Other expenses from ordinary activities		<b>(812,838)</b>	(787,623)
<b>Loss before Income Tax Expense</b>	3	<b>(4,061,967)</b>	(6,720,666)
Income tax expense	4	<b>(88,397)</b>	-
<b>Loss attributable to members of Webfirm Group Limited</b>		<b>(4,150,364)</b>	<b>(6,720,666)</b>

The above consolidated income statement should be read in conjunction with the accompanying notes

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4 *A consolidated balance sheet together with notes to the statement. The balance sheet may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.*

#### Balance Sheet

As at 30 June 2009

	Notes	Consolidated	
		2009	2008
		\$	\$
<b>Current Assets</b>			
Cash and Cash Equivalents Assets	5	695,376	1,443,689
Trade Receivables	6	2,456,591	1,433,876
<b>Total Current Assets</b>		<u>3,151,967</u>	<u>2,877,565</u>
<b>Non Current Assets</b>			
Property Plant & Equipment	7	231,962	647,310
Intangible Assets	8	2,938,087	3,150,000
<b>Total Non Current Assets</b>		<u>3,170,049</u>	<u>3,797,310</u>
<b>TOTAL ASSETS</b>		<u>6,322,016</u>	<u>6,674,875</u>
<b>Current Liabilities</b>			
Payables	9	3,679,577	2,091,757
Other	10	864,893	692,894
Provisions	11	152,733	123,833
<b>Total Current Liabilities</b>		<u>4,697,203</u>	<u>2,908,484</u>
<b>Non-Current Liabilities</b>			
Provisions	11	20,767	-
<b>Total Non-Current Liabilities</b>		<u>20,767</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>4,717,970</u>	<u>2,908,484</u>
<b>NET ASSETS</b>		<u>1,604,046</u>	<u>3,766,391</u>
<b>Equity</b>			
Contributed Equity	12	37,358,173	35,714,937
Other Reserves	13	3,975,503	3,630,720
Accumulated Losses	14	(39,729,630)	(35,579,266)
<b>TOTAL EQUITY</b>		<u>1,604,046</u>	<u>3,766,391</u>

*The above consolidated balance sheet should be read in conjunction with the accompanying notes*

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#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

5 a) *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

#### Statement of Changes in Equity For the year ended 30 June 2009

Notes	Consolidated	
	2009	2008
	\$	\$
<b>Total equity at the beginning of the financial year</b>	<u>3,766,391</u>	<u>6,217,520</u>
Increase in employee share based expense reserve	374,309	225,167
Movement in foreign exchange translation reserve	<u>(29,526)</u>	<u>-</u>
<b>Net income and expenses recognised directly in equity</b>	<u>344,783</u>	<u>225,167</u>
Loss for the financial year attributable to members of the company	<u>(4,150,364)</u>	<u>(6,720,666)</u>
<b>Total recognised income and expenses for the year</b>	<u>(4,150,364)</u>	<u>(6,720,666)</u>
<b>Transactions with equity holders in their capacity as equity holders:</b>		
Contributions of equity, net of transaction costs	<u>1,643,236</u>	<u>4,044,370</u>
<b>Total equity at the end of the financial year</b>	<u><u>1,604,046</u></u>	<u><u>3,766,391</u></u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

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### Preliminary final report

- 5 *A cash flow statement together with notes to the statement. The cash flow statement may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

#### Cash Flow Statement For the year ended 30 June 2009

	Notes	Consolidated 2009 \$	2008 \$
<b>Cash flows from operating activities</b>			
Receipts from trade and other debtors (inclusive of GST)		10,257,072	14,462,829
Interest received		69,585	109,513
Government grants and other receipts		228,416	-
Payments to trade creditors, other creditors and employees (inclusive of GST)		(12,483,998)	(17,118,194)
Interest paid		(303)	(6,862)
<b>Net cash outflow from operating activities</b>	15	<u>(1,929,228)</u>	<u>(2,552,714)</u>
<b>Cash flows from investing activities</b>			
Payments for property plant and equipment		(85,707)	(480,787)
Payments for controlled entities, net of cash acquired		-	(2,246,700)
Payment for intangible assets		(263,063)	-
<b>Net cash outflow from investing activities</b>		<u>(348,770)</u>	<u>(2,727,487)</u>
<b>Cash flows from financing activities</b>			
Net proceeds from issue of shares		1,559,211	3,614,370
<b>Net cash inflow from financing activities</b>		<u>1,559,211</u>	<u>3,614,370</u>
<b>Net (decrease) in cash held</b>			
Cash at the beginning of the financial year		1,443,689	3,109,520
Foreign currency translation reserve		(29,526)	-
<b>Cash at the end of the financial year</b>	5	<u>695,376</u>	<u>1,443,689</u>

*The above statements of cash flows should be read in conjunction with the accompanying notes*

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#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

*Notes to Sections 3, 4 & 5.*

#### 1. Summary of Accounting Policies

##### Statement of compliance

The preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A, the disclosure requirements of ASX Appendix 4E, the Corporations Act 2001, and the recognition and measurement requirements of Accounting Standards.

##### Basis of Preparation

The preliminary final report does not include notes of the type normally included in an annual report and should be read in conjunction with the 2008 annual report, the December 2008 half-year report and any public announcements made by Webfirm Group Limited and its controlled entities during the year in accordance with the continuous disclosure obligation arising under the ASX Listing Rules.

The preliminary final report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the company's 2008 Annual Financial Report for the year ended 30 June 2008.

#### 2. Revenue

	Notes	Consolidated	
		2009	2008
		\$	\$
<b>Revenue</b>			
Sales revenue		10,801,422	12,150,476
Interest revenue		69,585	109,513
R&D tax offset grant		225,878	-
Sundry income		2,538	6,971
		<u>11,099,423</u>	<u>12,266,960</u>

#### 3. Expenses

	Consolidated	
	2009	2008
	\$	\$
<b>Net losses and expenses</b>		
Loss before income tax includes the following specific expenses:		
Amortisation - Leasehold improvements	<u>(59,884)</u>	<u>(55,385)</u>
Depreciation - Plant & equipment	<u>(178,766)</u>	<u>(125,135)</u>
Finance costs		
Interest and finance charges paid/payable	<u>(303)</u>	<u>(6,862)</u>
Other charges against assets		
Impairment of intangibles	<u>(500,000)</u>	<u>(2,442,469)</u>
Impairment of receivables	<u>(321,730)</u>	<u>(220,016)</u>
Rental expense - operating leases	<u>(494,959)</u>	<u>(452,151)</u>
Defined contribution superannuation expense	<u>347,136</u>	<u>432,422</u>
Loss on write down of PP&E and Leasehold Improvement	<u>262,406</u>	<u>-</u>

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Notes to Sections 3, 4 & 5.

#### 4. Income tax

	Consolidated	
	2009	2008
	\$	\$
Numerical reconciliation of income tax expense to prima facie tax payable		
Operating loss before income tax expense	<u>(4,061,967)</u>	<u>(6,720,666)</u>
Tax at the Australian tax rate of 30% (2008: 30%)	<u>(1,218,590)</u>	<u>(2,016,200)</u>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Investment tax credit	5,499	-
Other non-allowable items	311,707	48,870
Webfirm Search acquisition	88,397	-
Share options expenses during the year	112,293	67,550
Sundry items	<u>(8,321)</u>	<u>(956)</u>
	<u>(709,015)</u>	<u>(1,900,736)</u>
Deferred tax assets in relation to tax losses not recognised	797,412	1,900,736
Income tax expense attributable to entity	<u>88,397</u>	<u>-</u>

#### 5. Current assets - Cash assets

	Consolidated	
	2009	2008
	\$	\$
Cash at bank and on hand	<u>695,376</u>	<u>1,443,689</u>

#### 6. Current assets - Trade receivables

	Consolidated	
	2009	2008
	\$	\$
Trade debtors	2,574,997	1,500,502
Less: Bad debt reserve	<u>(507,356)</u>	<u>(249,647)</u>
	<u>2,067,641</u>	<u>1,250,855</u>
Other receivables	129,616	111,262
Prepayments	51,951	71,759
Employee loans	<u>207,383</u>	<u>-</u>
	<u>2,456,591</u>	<u>1,433,876</u>

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Notes to Sections 3, 4 & 5.

##### 7. Non-current assets - Property, plant and equipment

	Consolidated	
	2009	2008
	\$	\$
<b>Leasehold Improvements</b>		
At cost	71,293	336,848
Less: Accumulated amortisation	(8,139)	(55,149)
	<u>63,154</u>	<u>281,699</u>
<b>Plant and Equipment</b>		
At cost	176,667	271,894
Less: Accumulated depreciation	(91,724)	(67,113)
	<u>84,943</u>	<u>204,781</u>
<b>Office Equipment</b>		
At cost	234,697	231,170
Less: Accumulated depreciation	(150,832)	(70,340)
	<u>83,865</u>	<u>160,830</u>
Total written down value of property, plant and equipment	<u>231,962</u>	<u>647,310</u>

##### 8. Non-current assets - Intangible assets

	Consolidated	
	2009	2008
	\$	\$
<b>Intellectual property</b>		
At cost	3,897,328	3,897,328
Less: Impairment of assets	(3,847,328)	(3,847,328)
	<u>50,000</u>	<u>50,000</u>
<b>Domain name</b>		
At cost	250,000	250,000
Less: Impairment of assets	(150,000)	(150,000)
	<u>100,000</u>	<u>100,000</u>
<b>Goodwill</b>		
At cost	5,132,469	5,132,469
Less: Impairment of assets	(2,632,469)	(2,132,469)
	<u>2,500,000</u>	<u>3,000,000</u>
<b>Internally developed software</b>		
At cost	223,062	-
Less: Impairment of assets	-	-
	<u>223,062</u>	<u>-</u>
<b>Customer contracts</b>		
At cost	65,025	-
Less: Impairment of assets	-	-
	<u>65,025</u>	<u>-</u>
Total written down value of intangible assets	<u>2,938,087</u>	<u>3,150,000</u>

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Notes to Sections 3, 4 & 5.

##### 9. Current liabilities - Payables

	Consolidated	
	2009	2008
	\$	\$
Trade payables	2,477,631	995,181
Other creditors	965,097	778,285
Sundry creditors and accruals	236,849	318,291
	<u>3,679,577</u>	<u>2,091,757</u>

##### 10. Current liabilities - Other

	Consolidated	
	2009	2008
	\$	\$
Webfirm unearned revenue	864,893	692,894
	<u>864,893</u>	<u>692,894</u>

##### 11. Current provisions

	Consolidated	
	2009	2008
	\$	\$
Current:		
Employee benefits	152,733	123,833
	<u>152,733</u>	<u>123,833</u>
Non current:		
Employee benefits	20,767	-
	<u>20,767</u>	<u>-</u>

##### 12. Contributed equity

	Consolidated	
	2009	2008
	\$	\$
Balance at the beginning of the year	35,714,937	31,670,567
Issue of shares by the Group	1,643,236	4,044,370
Balance at the end of the financial year	<u>37,358,173</u>	<u>35,714,937</u>

##### 13. Other reserves

	Consolidated	
	2009	2008
	\$	\$
Share based payment option reserve		
Balance at the beginning of the year	3,630,720	3,405,553
Share based payment option expense	374,309	225,167
Balance at the end of the financial year	<u>4,005,029</u>	<u>3,630,720</u>
Foreign currency translation reserve		
Balance at the beginning of the year	-	-
Foreign currency translation - loss	(29,526)	-
Balance at the end of the financial year	<u>(29,526)</u>	<u>-</u>
Total other reserves	<u>3,975,503</u>	<u>3,630,720</u>

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

*Notes to Sections 3, 4 & 5.*

#### 14. Accumulated losses

	Consolidated	
	2009	2008
	\$	\$
Accumulated losses at the beginning of the financial year	(35,579,266)	(28,858,600)
Net loss attributable to members of the Group	(4,150,364)	(6,720,666)
Accumulated losses at the end of the financial year	<u>(39,729,630)</u>	<u>(35,579,266)</u>

#### 15. Reconciliation of operating loss after income tax to net cash inflow from operating activities

	Consolidated	
	2009	2008
	\$	\$
Operating loss after income tax	(4,150,364)	(6,720,666)
Depreciation and amortisation	238,650	180,520
Impairment of intangibles	500,000	2,442,469
Share based payments	433,309	295,167
Impairment of receivables	321,730	220,016
Loss on asset write off	262,406	-
Change in operating assets and liabilities		
Receivables	(1,344,445)	2,075,367
Payables and other provisions	1,809,486	(1,045,587)
Net cash outflow from operating activities	<u>(1,929,228)</u>	<u>(2,552,714)</u>

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

Notes to Sections 3, 4 & 5.

#### 16. Segment reporting

##### Primary Reporting - Business Segments

	Display Media	Search Media	Website Services	Head Office & Eliminations	Consolidated
<b>Segment Revenue</b>					
Year ended 30 June 2009	<u>889,500</u>	<u>5,666,039</u>	<u>4,245,883</u>	<u>-</u>	<u>10,801,422</u>
Year ended 30 June 2008	<u>1,944,977</u>	<u>6,618,757</u>	<u>3,586,742</u>	<u>-</u>	<u>12,150,476</u>
<b>Segment Result</b>					
Year ended 30 June 2009	<u>(448,984)</u>	<u>(322,749)</u>	<u>(996,140)</u>	<u>(1,016,001)</u>	<u>(2,783,874)</u>
Year ended 30 June 2008	<u>(831,139)</u>	<u>591,239</u>	<u>(494,779)</u>	<u>(3,259,859)</u>	<u>(3,994,538)</u>
<b>Segment Assets</b>					
Year ended 30 June 2009	<u>82,674</u>	<u>1,656,821</u>	<u>2,140,333</u>	<u>2,442,188</u>	<u>6,322,016</u>
Year ended 30 June 2008	<u>450,017</u>	<u>740,011</u>	<u>3,108,950</u>	<u>2,375,897</u>	<u>6,674,875</u>
<b>Segment Liabilities</b>					
Year ended 30 June 2009	<u>(207,574)</u>	<u>(2,480,180)</u>	<u>(1,287,460)</u>	<u>(742,756)</u>	<u>(4,717,970)</u>
Year ended 30 June 2008	<u>(614,850)</u>	<u>(609,979)</u>	<u>(1,433,704)</u>	<u>(249,951)</u>	<u>(2,908,484)</u>

	Consolidated	
	2009	2008
	\$	\$
<b>Segment result</b>	<b>(2,783,874)</b>	(3,994,538)
Interest expenses	(303)	(6,862)
Share based and other expenses	(777,790)	(276,797)
Impairment of intangibles	(500,000)	(2,442,469)
Income tax expenses-prior period	(88,397)	-
<b>Profit after tax from continuing operations</b>	<b>(4,150,364)</b>	<b>(6,720,666)</b>

#### 17. Discontinued Operations

Nil.

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

*Notes to Sections 3, 4 & 5.*

#### 18. Business Combinations

2009

##### Human Traffic Pty Ltd

On 5 May 2009 Webfirm Pty Ltd (a subsidiary of Webfirm Group Limited) acquired the business assets and customers of Human Traffic Pty Ltd as entity also involved in website design and hosting operating in Perth. This business combination only involved the acquisition of intangible assets and goodwill associated with Human Traffic Pty Ltd and appointment by Webfirm Pty Ltd of the founder and one staff member of that entity. All assets and liabilities, revenue and expenses associated with Human Traffic Pty Ltd as at close of business 4 May 2009 remained with that entity, with any new business generated by Human Traffic Pty Ltd (and corresponding expenses, assets and liabilities) written in name of Webfirm Pty Ltd commencing 5 May 2009.

The purchase consideration was made up of cash and equity and payable in four tranches as follows:

	\$
Tranche 1 paid 29 June 2009	
Equity - 385,000 fully paid ordinary share @ 6.5 cents per share	25,025
Tranche 2 payable 23 July 2009	
Cash	20,000
Tranche 3 payable 31 August 2009	
Cash	10,000
Tranche 4 payable 30 September 2009	
Cash	10,000
Total consideration	<u><u>65,025</u></u>

Intellectual property consisted of customer contracts.

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

Notes to Sections 3, 4 & 5.

#### 18. Business Combinations (cont.)

2008

##### Webfirm Pty Ltd and Searchworld Pty Ltd

On 31 May 2007 Webfirm Group Limited acquired all of the assets and liabilities of Webfirm Pty Ltd and 100% ownership in Webfirm's subsidiary Webfirm Search Pty Limited, a premier website design and online media company operating in Perth.

The purchase consideration was made up of cash and equity and payable in three tranches as follows:

	\$
Tranche 1 paid 31 May 2007	
Cash	1,500,000
Equity - 15,000,000 fully paid ordinary share @ 7.6 cents per share	1,140,000
Tranche 2 paid 4 July 2007	
Cash	1,000,000
Equity - Number of shares (3,722,854) to equal a fair value of \$360,000	360,000
Tranche 3 paid 31 October 2007	
Cash	1,000,000
Monthly cash earn out payments based on July to Oct EBIT performance	113,462
Transaction costs	435,028
Total consideration	<u><u>5,548,490</u></u>

##### Details of net assets acquired and goodwill are as follows:

	Acquiree's carrying amount \$	Fair value \$	31 May 2007 \$
Purchase consideration			5,548,490
<b>Fair value of net identifiable assets acquired:</b>			
Cash and cash equivalents	142,364	142,364	
Trade debtors less unearned revenue	61,716	61,716	
Property plant and equipment	89,412	89,412	
Intellectual property	-	200,000	
Payables	<u>(77,471)</u>	<u>(77,471)</u>	
<b>Net identifiable assets acquired</b>	<u>216,021</u>	<u>416,021</u>	416,021
<b>Goodwill</b>			<u><u>5,132,469</u></u>

Intellectual property consisted of domain names and customer contracts.

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

##### 19. Post Balance Date Events

On 20 July 2009 Webfirm Group Limited announced its intention to take acquire a 20% shareholding in Adslot Pty Ltd. The consideration is to be \$1.5 million (aggregate) in cash and shares payable in three instalments commencing on or about 1 December 2009 and completing on or about June 2010. 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 at an increase in average yield.

On 20 July 2009 the Company announced a capital raising program consisting of the issue of fully paid ordinary shares in the Company at an issue price of \$0.06 per share in two tranches, as follows:

- i) the issue of 20,338,720 fully paid ordinary shares to sophisticated investors and specialist institutions in July 2009 to raise \$1.2m; and
- ii) the issue of up to 41,221,680 fully paid ordinary shares to sophisticated investors and specialist institutions subject to shareholder approval being sought in September 2009, to raise up to \$2.5m.

On 31 July 2009 the Company called an extra ordinary general meeting of the members in order that shareholders be given an opportunity to approve the issue of shares and options to directors, and to ratify the various elements of the capital raising program (referred to in paragraph above).

**6** *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made

**7** *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved

**8** *A statement of retained earnings showing movements.*

See Statement of Changes in Equity

**9** *Net tangible assets per security with the comparative figure for the previous corresponding period.*

Reporting Period	Cents	1.16
Previous Corresponding Period	Cents	3.37

**10** *Details of entities over which control has been gained or lost during the period.*

**10.1** *Name of the entity.*

Not applicable

**10.2** *The date of the gain or loss of control.*

Not applicable

**10.3** *Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.*

Not applicable

**Appendix 4E**

**Preliminary final report**

**Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities**

**11** *Details of associates and joint venture entities including the following.*

**11.1** *Name of the associate or joint venture entity.*

Not applicable

**11.2** *Details of the reporting entity's percentage holding in each of these entities.*

Not applicable

**11.3** *Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.*

Reporting Period	\$'000	N/A
Previous Corresponding Period	\$'000	N/A

**12** *Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.*

Refer to explanatory notes above

**13** *For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).*

Not applicable

## Appendix 4E

### Preliminary final report

#### Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities

**14** *A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.*

**14.1** *The earnings per security and the nature of any dilution aspects.*

	Consolidated <b>2009</b> Cents	2008 Cents
Basic earnings per share	(3.10)	(6.11)
Diluted earnings per share	(3.10)	(6.11)
<b>Weighted average number of shares used as the denominator</b>		
Weighted average number of shares used as the denominator in calculating basic earnings per share	<b>133,684,230</b>	110,061,305
<b>Diluted Earnings per share</b>		
Weighted average number of shares used as the denominator in calculating diluted earnings per share	<b>133,684,230</b>	110,061,305

**14.2** *Returns to shareholders including distributions and buy backs.*

None made

**14.3** *Significant features of operating performance.*

Refer to section 2.6

**14.4** *The results of segments that are significant to an understanding of the business as a whole.*

Refer to note 16

**14.5** *A discussion of trends in performance.*

Refer to section 2.6

**14.6** *Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.*

Refer to section 2.6

**Appendix 4E**

**Preliminary final report**

**Webfirm Group Limited (formerly Ansearch Limited) ABN 70 001 287 510 and controlled entities**

**15** *A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed.*

The preliminary final report is based on accounts which are in the process of being audited by BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd.

**16** *If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.*

At the date of this report, there is neither any dispute with the auditor nor any likelihood that the accounts will be subject to qualification.

**17** *If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.*

No dispute or qualification known at the date of lodgement of this report.



(Director)

**Andrew Barlow**

Print Name

28th August 2009

Date