



BlueFreeway (ASX: BLU) Announcement

*Tuesday 24th April 2007
Sydney, Australia*

BlueFreeway to acquire three leading Australian digital design agencies

Announcement Highlights

- **BlueFreeway has completed agreements to acquire three leading digital design agencies: Queensland-based Digicon; Queensland and Melbourne based JSA Digital; and Perth-based Internet Business Corporation Limited**
- **The combined revenues of the three companies are forecast to contribute an additional \$5.275M to the BlueFreeway group**

BlueFreeway (ASX: BLU), a leading global provider of digital and interactive marketing services, is pleased to announce that it has completed agreements to acquire three leading digital design agencies based in Brisbane, Melbourne, and Perth. The combined revenue of the three companies is forecast to contribute an additional \$5.275M to the BlueFreeway group and to expand its presence in Queensland, Victoria and West Australia.

All three businesses are profitable and the acquisitions are expected to be revenue and earnings accretive to BlueFreeway. BlueFreeway is acquiring 51% of each of the three entities for a combined sum of approximately \$1.2M with additional payments as per the standard BlueFreeway earnout model over a three to five year period. All three agencies will retain their brand identity.

Chief Executive Officer Richard Webb comments on the announcement "There are a number of drivers underpinning our acquisition strategy one of which is to expand our geographic footprint by acquiring best of breed digital agencies in cities around the world. We are thrilled to bring these three agencies into the group, all of whom have a significant track record in servicing business and government in their regions."

Queensland-based Digicon Pty Ltd (www.digicon.com.au), founded in 1996, provides design, application development, hosting and search engine marketing to its clients. It has a strong track record of servicing government accounts including Department of Local Government Sport and Recreation, Residential Tenancies Authority of Queensland and Department of Energy Queensland, as well as other locally based corporates. Many of its clients provide annuity based revenue streams.

Digicon Managing Director, Lola Weller, is an advocate of the BlueFreeway model and the value it can bring her business "Digicon is keen to offer the combined strategic, design and technical power of BlueFreeway, providing a level of service to our clients beyond the capability of any single firm."

Also based in Brisbane and with an office in Melbourne, JSA Digital (www.jsadigital.com.au) was founded in 2000 and has grown an admirable stable of clients including Dianna Ferrari, Credit Union Australia, Franklins, Rio Tinto and Bank of Queensland, amongst others. In addition to digital design it provides interactive video services and e-marketing solutions for its clients.

"We are excited about bringing the BlueFreeway suite of solutions to better service our existing clients and to work with the BlueFreeway Brisbane General Manager Louisa Dahl, to bring the expertise and technology solutions to this market" said Karen Scully, JSA Managing Director.

Internet Business Corporation (www.ibt.com.au) is one of Perth's foremost digital agencies focussing on custom built online business software solutions for web, intranets and extranets. It also owns a subsidiary business *Tentacle* (www.tentacle.com.au) which specialises in providing highly creative digital marketing solutions. Private sector clients include Spotless Services Australia, Ashley and Martin, Thomson Learning and Australian Institute of Management (SA), amongst others. IBC has a significant government client base including: Disability Services Commission, Department of Consumer and Employment Protection, Economic Regulation Authority and Department of Health.

"The team at IBC are excited to be part of the BlueFreeway group. BlueFreeway enables us to offer a vast range of additional services to the West Australia market, knowing these services are fully backed and supported by other members of the group. Both IBC and our interactive marketing agency, Tentacle, will be expanding considerably with the additional services and expertise from the group, which will bring huge benefits to our clients. Being part of BlueFreeway is an expansion strategy that makes sense for our existing and prospective clients as well as for our business and our staff. It's a true win-win" said Managing Director Richard Keeves.



About Blue Freeway

www.bluefreeway.com

BlueFreeway (ASX: BLU) is an Australian-based global digital and interactive marketing communications company with stakes in fourteen digital and interactive marketing specialists, as well as BlueCentral, one of Australia's largest web hosting companies. The company has offices in Australia, the United States, the United Kingdom, France, and India.

BlueFreeway offers a suite of end-to-end, internet and mobile marketing solutions, to major corporate and government advertisers. The Portfolio Companies in the BlueFreeway group include Agency Fusion, BlueCentral, Cogentis, Communicator Interactive, Deepend Sydney, Digicon, eHound, Forty Two International, IBC, IXION, JSA Interactive, MassMedia Studios, SageMetrics, Spin Communications and Tentacle.

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