



DARK BLUE SEA LIMITED
ACN 091 509 796

Company Announcement

Date: 8 October, 2009

Additional Information on Go Daddy Domain Sales Agreement

This announcement provides additional information on the “New Go Daddy Domain Sales Agreement” announcement made to the Australian Stock Exchange dated 6 October 2009.

In February 2007, Dark Blue Sea and Go Daddy entered into a domain sales agreement. The agreement covered secondary market domain name sales made on the GoDaddy.com website and could be terminated by either party on 30 days notice.

In March 2008, the Company entered into a five year performance option agreement with Go Daddy to sell the Company’s domain names. As part of the performance options agreement, Go Daddy were issued 6.5 million performance options with an expiry date of 7 June 2013 and an exercise price of 65 cents per DBS share. The options were available to be exercised progressively during the five year period based on Go Daddy achieving specific sales targets made under the domain sales agreement. The sales targets were based on the cumulative number of sales during the five year period. Details of these options is contained in the “Appendix 3B” lodged with the Australian Stock Exchange, dated 7 March 2008.

On July 13 2009, Go Daddy provided notice to terminate the original domain sales agreement. Upon receipt of the termination notice, the Company made a release to the Australian Stock Exchange advising that the domain sales agreement with Go Daddy had been terminated and that it may have had a material adverse effect on future revenue and profit. On August 13, 2009, as per the domain sales agreement, Go Daddy stopped selling Dark Blue Sea’s domain names via the GoDaddy.com web site. Since this date, domain sales revenue has been adversely affected.

On 6 October, 2009, the Company entered into a new domain sales agreement with Go Daddy. The new agreement allows for the Company to recommence selling domain names via the GoDaddy.com website. Actual sales of the Company’s domain names have not yet recommenced; they will recommence once the new agreement has been implemented. Prior to implementation, it is too early to assess the financial impact of the new agreement. The commercial terms of the new domain sales agreement are similar to the original domain sales agreement; it has no fixed term and is cancellable on 30 days written notice by either party.

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Under the terms of the performance options agreement, Go Daddy is currently able to exercise 1.6 million of the 6.5 million performance options. As the original domain sales agreement has been terminated, the remainder of the options expired. The Company has not entered into a new performance option agreement.

For further information, please contact:

Mr Greg Platz
Chief Executive Officer
Dark Blue Sea
(07) 3007 0000

Level 10, 243 Edward St, Brisbane Qld 4000, Australia
GPO Box 278, Brisbane QLD 4001, Australia
Phone: +61 (0)7 3007 0000 Fax: +61 (0)7 3007 0001
www.darkblueseas.com

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