

Livingstone Acquires Remaining Interest in its European Subsidiary – Webman Technology Limited

Livingstone is pleased to announce that it has entered into an agreement to acquire a further 25% in Webman Technology Limited ("Webman") from its minority shareholders. Following the acquisition, Webman will be a wholly owned subsidiary of Livingstone. The consideration for the 25% interest comprises the issue of 62,500 fully paid ordinary shares in Livingstone. These shares will be issued at 80 cents each. The acquisition also includes the assignment to Livingstone of \$61,500 of loans owing by Webman to the minority shareholders in consideration for a cash payment of \$37,500 and the issue of 30,000 fully paid ordinary shares in Livingstone at 80 cents each. The agreement is subject to due diligence by Livingstone. It is anticipated that formal settlement of the acquisition will take place by the middle of March 2000.

Webman is the entity based in London responsible for the development of the distribution channels for the WebSpy range of products in Europe. To date, distribution partners have been appointed in UK, Germany/Austria, Spain/Portugal, Hungary, Italy and Scandinavia. Negotiations are underway with prospective distributors in other key regions within Europe.

Since the launch of WebSpy in Europe in late January 2000, sales of approximately \$100,000 have been generated.

The shares to be issued under the acquisition agreement will rank equally (including dividend rights) with the fully paid shares currently on issue in Livingstone. Quotation of these shares on ASX will be applied for.

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