
APPOINTMENT OF CEO

The Company is pleased to announce the finalisation of the appointment of Mr Declan Monahan, executive director, as CEO of WebSpy Limited. Mr Monahan has been the driving force in the Marketboomer Group's international success since joining the group of entities in 1999 and has the necessary reputation and experience in international business development to lead the Company through this critical cycle of growth.

Information required by ASX Companies Update No 03/03

In accordance with ASX Listing Rule 3.1, the Directors of WebSpy Limited provide the following disclosures in respect of the employment agreement entered into with the chief executive officer, Mr Declan Monahan (**Agreement**).

Mr Monahan, Managing Director and Chief Executive Officer, has entered into an employment agreement with the Company effective from 1 January 2010. The agreement specifies the duties and obligations to be fulfilled by Mr Monahan in his role as Managing Director and Chief Executive Officer of the Company.

The remuneration payable to Mr Monahan under the Agreement is €126,000 per annum (**Fixed Annual Salary**) and €49,500 per annum of specified additional benefits. Mr Monahan may qualify for an annual cash bonus of:

- (a) 30% of the Fixed Annual Salary, subject to the achievement of specified measures of revenue growth in the Marketboomer business unit; and
- (b) a further 10% of Fixed Annual Salary, subject to the achievement of double those specified measures of revenue growth in the Marketboomer business unit.

Mr Monahan may also qualify for an annual bonus by way of the issue of 6,000,000 fully paid ordinary shares in the Company upon the achievement of one of four performance hurdles:

- (a) exceeding a specified number of purchaser organisations (defined as individual businesses, hotels, restaurants etc);
- (b) exceeding a specific number of processed transactions over any consecutive three month period;
- (c) sustaining a specified 30 day VWAP in the WebSpy share price; or
- (d) achieving a specified annualised revenue.



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Only one performance hurdle may be claimed in any 12 month period and any issue of shares is subject to shareholder approval.

The Agreement is terminable by the Company giving 4 months written notice and the payment of all unpaid remuneration accrued up to and including the date of termination, accrued annual leave and long service leave to which Mr Monahan may be entitled and the Fixed Annual Salary that, but for the termination would have been payable to Mr Monahan for a 4 month period following the date of termination. Mr Monahan may terminate the Agreement by giving 4 months written notice. The Agreement is otherwise terminable by the Company in the event of any misconduct by Mr Monahan.

The Agreement otherwise contains provisions standard for an agreement of employment including in relation to annual, long service and sick leaves, confidentiality and other general provisions.

AUTHORISED BY:

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About WebSpy Ltd

WebSpy is a global vendor of software solutions that transform the raw data in log files into manageable information, providing a transparent view over organisations' Internet, email and network usage. WebSpy enables organisations to protect and maximize their Internet investment, reducing costs related to unproductive behaviour, bandwidth usage and legal liability, whilst still allowing enjoyment of the benefits of a web-enabled environment.

For more information visit: <http://www.WebSpy.com>.

Marketboomer is an Internet based procurement and materials management system that provides its clients with the tools, information and control to transition from their current approach to procurement to industry best practice. The solution facilitates a more competitive market enabling businesses to trade with each other more effectively by allowing purchasers to buy from suppliers at the best possible price at a given point in time, and by improving processes.

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