

LOOKSMART TO DELIST FROM THE ASX

LookSmart, Ltd (**LookSmart**) announces details of its proposed delisting from the official list of ASX Limited (**ASX**) effective from the close of market on 2 July 2007.

Shareholders that hold their shares through LookSmart's Australian Computershare sub-register (for trading on the ASX) hold such interests in the form of CHESS Depository Interests (**CDIs**). CHESS is the electronic settlement system used in Australia.

LookSmart common shares are currently listed for trading on the NASDAQ Global Market (**NASDAQ**). Following the delisting from the ASX, LookSmart common shares will continue to trade on NASDAQ.

LookSmart was admitted to the official list of the ASX on 24 February 2000.

Since that time, increasing numbers of CDI holders have sought to convert their CDIs to common shares. As a result, CDIs representing LookSmart common shares now represent approximately 6% of LookSmart's issued and outstanding capital stock.

LookSmart's decision to delist is due to the low level of CDIs now quoted on the ASX compared to LookSmart's current issued share capital and the low level of trading on the ASX compared to NASDAQ. These factors make it unlikely that LookSmart would seek to raise further equity capital via its ASX listing. In these circumstances, LookSmart wishes to avoid the administrative costs of an ASX listing, including the higher level of regulatory compliance costs associated with multiple listings.

Delisting Process

LookSmart will send CDI holders a letter providing details of the delisting process which will outline:

- the Share Sale Facility that will be established by LookSmart and managed by Citigroup Global Markets Australia Pty Ltd, to enable Australian registered CDI holders to sell their CDIs in the 3 months following the date of LookSmart's removal from the official list of the ASX; and
- the arrangements, after the Share Sale Facility closes, for conversion of any remaining LookSmart CDIs to common shares listed for trading on NASDAQ.

For more information on LookSmart, please see <http://aboutus.looksmart.com>.

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