

FOR IMMEDIATE RELEASE

ContentWatch Inc., Leader in Internet Filtering & Parental Controls Technology, Acquires Net Nanny from LookSmart Ltd.

– Converged solutions to provide greater functionality and increased market presence –

SALT LAKE CITY – Jan. 23, 2007 – ContentWatch, the leading provider of parental controls solutions, today announced the acquisition of Net Nanny from online media and technology company LookSmart Ltd. (NASDAQ: LOOK, ASX: LOK). Net Nanny is a trusted brand of Internet parental control and filtering software, an industry in which ContentWatch has been recognized as a technology leader.

Through this acquisition, ContentWatch will increase Net Nanny's functionality and market presence for consumers. Likewise, ContentWatch will expand its reach in the consumer marketplace with the help of Net Nanny's strong channel presence, as well as its trusted and popular brand.

"We recognize and acknowledge Net Nanny as a strong and longstanding market leader," said Jack Sunderlage, president and CEO of ContentWatch, Inc. "ContentWatch is a newer and emerging leader in Internet filtering and parental controls that has been strongly acknowledged as the technology leader in competitive product reviews. ContentWatch is installed in over 125 countries to date and through this acquisition we are able to provide the best of all worlds to our combined set of customers, as well as rapidly accelerate our plans for aggressive worldwide market growth."

Sunderlage pointed out that in addition to the technology and excellent customer support this acquisition will provide Net Nanny customers, ContentWatch also brings to Net Nanny a close partnership with Microsoft as an advanced filtering alternative that is tightly integrated with Vista.

"The sale of Net Nanny serves the market, the brand and LookSmart stockholders best", said John Simonelli, CFO for LookSmart Ltd. "While the parental control market is no longer relevant to LookSmart's long term strategy, we recognize the asset's value to consumers. We believe that ContentWatch's attributes of technology leadership and strong industry partnerships will add to the value of the Net Nanny brand."

Under the terms of the agreement, ContentWatch is acquiring all of the assets of Net Nanny from LookSmart Ltd. ContentWatch will adopt the Net Nanny brand for its consumer offerings. The company will also bring Net Nanny into its existing expansion plans and industry partnerships that include ContentProtect's key partnership with Microsoft and integration with Vista.

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ContentWatch will continue to develop and expand ContentProtect as its business offering; however, customers of both products can anticipate expanded functionality as the integration and further development plans for the two product lines progress.

ContentWatch assumes responsibility for Net Nanny's customer support and further development. The company anticipates it will add new employees as needed at its corporate headquarters in Salt Lake City.

Sunderlage further noted that Net Nanny helps ContentWatch to enhance a spectrum of internet protection offerings that range from home and consumer to all sizes of businesses and organizations. At the higher end, ContentWatch recently launched ContentProtect Pro Server Appliance, a client-server or server Internet filtering appliance that supports up to 1,000 users per server device—further rounding out its product offering.

About Net Nanny

Net Nanny is one of the most trusted brands of internet parental control and filtering software on the market. With more than a decade of experience in providing safety solutions for parents, Net Nanny has become a brand that parents and family rely upon. While children need to be able to access much of the Web for its informational, educational and entertainment content, many sites contain material that is inappropriate and potentially damaging, such as illicit content or material that promotes hate and violence. Net Nanny was developed in 1994 to help families and children use the Internet safely, protecting them from encountering upsetting and unwanted material found on the Web.

About ContentWatch

Based in Salt Lake City, ContentWatch delivers Internet management solutions for the home, library, education, government, and small/medium business markets.

ContentWatch's mission is to be the world leader in thought and technology by creating Internet management tools and services that provide homes and businesses with a safer, more productive Internet experience through its patent-pending contextual analysis engine. ContentWatch has product installed in over 125 countries today. For more information on ContentWatch products, visit <http://www.contentwatch.com>.

About LookSmart, Ltd.

LookSmart is an online advertising and technology company that provides relevant solutions for advertisers, publishers and consumers. LookSmart offers advertisers targeted, pay-per-click (PPC) search advertising and banners via its consumer Web properties and a monitored ad distribution network, a customizable set of private-label solutions for publishers, and vertical search sites and web tools for consumers.

LookSmart is based in San Francisco, California. For more information, visit www.looksmart.com or call 415-348-7000.

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