

CYBERPLEX INC. ANNOUNCES AGREEMENT TO ACQUIRE TSAVO MEDIA

Tuesday, May 18, 2010

TORONTO, ON -- (Marketwire – May 18, 2010) - Cyberplex Inc. (TSX: CX) a global leader in performance-based online marketing and technology solutions today announced that it has entered into agreements with respect to a series of transactions involving:

- The acquisition of leading online media publisher, Tsavo Media, in a transaction valued at approximately US\$75 million (the "Tsavo Acquisition"); and
- A C\$30.25 million bought deal private placement of subscription receipts.

The Tsavo Acquisition is subject to customary closing conditions and is expected to be completed on or about June 8, 2010.

The Tsavo Acquisition

"We are focused on delivering the best performance marketing solutions to our clients," said Geoffrey Rotstein, President and CEO of Cyberplex. "This is a highly strategic and transformational event for us as it takes our leadership position in developing performance based advertising campaigns and combines it with a leader in targeted distribution. By matching Tsavo's media properties and search marketing capabilities with Cyberplex's network of over 10,000 publishing partners, Cyberplex will offer an unprecedented value proposition to tier one advertising clients and an extremely targeted advertising platform. The individual capabilities of Cyberplex and Tsavo are complementary and together the combined entity will constitute one of the largest online advertising companies in Canada."

Tsavo's ability to drive search traffic to the hundreds of campaigns being promoted through the Cyberplex network will provide for an enhanced client experience and represents considerable growth potential for both organizations. Search marketing is and continues to be one of the most effective methods to target and understand consumer intent and is an essential part of performance marketing.

Headquartered in Waterloo, Ontario, Tsavo Media is a leading online publisher, featuring a dynamic and diverse family of Web properties. The company has a demonstrated track record of growth and profitability and in 2009 generated revenue of approximately US\$110 million and EBITDA of approximately US\$16.7 million, excluding management fees paid to its owners. Tsavo Media's current portfolio includes over 300 unique consumer websites, informational properties and social media blogs which generate over 30 million unique visitors per month. Ted Hastings, President and CEO of Tsavo Media, will take on the role of President in the combined organization and all other senior executives of Tsavo Media will remain with the organization. It is expected that this transaction will be immediately accretive for the combined entity.

"We are thrilled to be combining our efforts with Cyberplex," said Hastings. "There are meaningful synergies between our two companies that will provide value to our combined customer base. We have been investing in our traffic platform for several years and believe that the combination of our business with Cyberplex will allow us to leverage those investments and diversify our revenues while expanding margins. By bringing together two of Canada's top Internet companies and their respective expertise and skills, we are creating the foundation for a next generation Internet company – integrated performance from the initial click to a desired outcome for our

clients."

"This is the largest and most impactful acquisition in the history of Cyberplex. We believe that it represents the next phase of growth in building a dominant Internet media company that will create significant value for our clients, shareholders and employees," said Vernon Lobo, Chairman and co-founder of Cyberplex.

Under the terms of the Tsavo Acquisition, the total purchase price payable is US\$75,000,000, subject to post-closing adjustments. The purchase price is to be satisfied as to: (i) US\$40,000,000, payable as to approximately US\$37,800,000 in cash, funded partially by the Offering (as described below), and as to approximately US\$2,200,000 in exchangeable shares which are exchangeable into common shares at the same price as the Offering, and if exchanged would result in approximately 4,160,000 common shares being issued (the "Exchanged Shares"); and (ii) US\$35,000,000 by way of vendor take-back notes pursuant to a credit agreement to be entered into between the Tsavo parent entity being acquired by Cyberplex, as borrower, and certain lenders arranged by the vendors to be secured against a first priority security interest on all of the assets of, and equity interests in, the Tsavo parent entity and Tsavo's assets. Other than the future issuance of the Exchanged Shares, the Tsavo Acquisition is being satisfied entirely in cash and through the new senior credit facility.

As an inducement for three of Tsavo's existing key management personnel to enter into contracts of full time employment with Cyberplex, Cyberplex will loan such personnel an aggregate of approximately \$1.185 million to purchase an aggregate of approximately 2,154,545 Subscription Receipts (as defined below) pursuant to the Offering. Each such arrangements will represent less than 2% of the issued and outstanding common shares, and hence such arrangements are being made in accordance with an exception from security holder approval under TSX rules.

It is expected that the combined management teams of Cyberplex and Tsavo will invest, by way of cash or share rollover approximately \$4.6 million into Cyberplex as part of the Offering and Tsavo Acquisition (collectively, the "Transaction").

The Tsavo Acquisition is subject to certain conditions, including completion of the Offering (as described below) and receipt of all required approvals and consents. Cyberplex will be required to pay a break fee of US\$1.5 million if the Tsavo Acquisition agreement is terminated under certain circumstances.

The Private Placement

To finance a portion of the Tsavo Acquisition, Cyberplex has entered into an agreement with a syndicate of underwriters led by GMP Securities L.P. and including Paradigm Capital Inc., M Partners Inc. and Scotia Capital Inc. (collectively, the "Underwriters"), pursuant to which Cyberplex has agreed to sell on a bought deal private placement basis, 55,000,000 subscription receipts of Cyberplex (the "Subscription Receipts") at a price of \$0.55 per Subscription Receipt (the "Offering Price") for gross proceeds of \$30,250,000 (the "Offering"). In addition, Cyberplex has granted to the Underwriters an over-allotment option, exercisable up to 48 hours prior to closing of the Offering, to purchase up to an aggregate of 8,250,000 additional Subscription Receipts at the Offering Price for an additional \$4,537,500 in gross proceeds, on the same terms and conditions as set forth above.

Each Subscription Receipt will be exercisable, at no additional cost, into one common share in the capital of Cyberplex, subject to the terms and conditions described in greater detail below. The Offering is expected to close on or about June 8, 2010.

The gross proceeds of the Offering less the costs and expenses of the Underwriters and any fees payable to retail brokers in connection with the Offering (the "Escrowed Funds") will be held in

escrow and released to Cyberplex to complete the Tsavo Acquisition following the satisfaction of certain release conditions, including, receipt of all required approvals for the Offering, including written shareholder consent and regulatory consents, and the satisfaction of all conditions precedent to the Tsavo Acquisition, other than payment of the purchase price thereof (the "Release Conditions"). If the Release Conditions are not satisfied on or before 5:00 p.m. (EST) on July 30, 2010, or the Tsavo Acquisition is abandoned or terminated prior to such date, holders of Subscription Receipts will receive in exchange for each Subscription Receipt an amount equal to the Offering Price.

Each Subscription Receipt will be exercisable by the holder thereof at any time following the date on which the Release Conditions are satisfied (the "Escrow Release Date") and all unexercised Subscription Receipts shall be deemed to be exercised automatically (for no further consideration and with no further action on the part of the holder thereof) into one common share in the capital of Cyberplex, subject to adjustment in certain events, upon: (a) satisfaction of the Release Conditions; and (b) the earlier of: (i) the date that is four months following the closing date of the Offering, and (ii) the fifth business day after a receipt is issued for a (final) prospectus by the securities regulatory authorities in each of the provinces of Canada where Subscription Receipts are issued and sold qualifying the distribution of the common shares of Cyberplex to be issued upon the exercise of the Subscription Receipts.

Cyberplex has agreed to use commercially reasonable efforts to qualify the distribution of the common shares issuable on exercise of the Subscription Receipts within 30 days following the Escrow Release Date.

Cyberplex currently has 68,486,468 common shares issued and outstanding on a non-diluted basis. The TSX has conditionally approved the Transaction, subject to meeting all of the requirements of the TSX, including without limitation, that no more than 67,410,000 common shares be issued in total pursuant to all components of the Transaction, the receipt of shareholder approval (as discussed below) and compliance with the other requirements of the TSX. If the maximum number of common shares are issued pursuant to the Transaction, this will result in the issuance of 67,410,000 common shares, representing an increase equal to approximately 98.4% of the currently outstanding common shares.

The Transaction will result in the issuance of greater than 25% of the currently outstanding common shares. The rules of the TSX require that Cyberplex obtain approval of the Offering from the holders of a majority of the common shares. However, the rules of the TSX also provide that such approval may be obtained in writing from shareholders holding more than 50% of the common shares outstanding without the requirement to convene a shareholders' meeting for such purposes. Cyberplex intends to rely on this exemption in connection with obtaining the necessary shareholder approval for the Offering.

In accordance with the rules of the TSX, to enable management, the board of directors and all other insiders of Cyberplex (collectively, "Insiders") to provide written approval for the Offering, Insiders will be limited to purchasing such number of Subscription Receipts as is equal to 10% of the common shares outstanding, after giving effect to any issuances to insiders of common shares or other securities convertible into common shares during the six month period prior to the closing of the Offering. It is anticipated that this will limit Insider participation in the Offering to a maximum of 6,240,000 Subscription Receipts.

About Cyberplex

Cyberplex Inc. (www.cyberplex.com) is a leader in providing advertising solutions, online customer acquisition strategies and technology development. The Company, through its subsidiaries, leverages its proprietary affiliate network, robust advertising relationships and experience, along with technology design, development and solutions specialists to develop and

implement web-based programs and solutions that have a proven record in delivering results.

With over 16 years of experience serving Fortune 1000 clients including FTD, Vista Print, Sony Canada, IAC, Atlantic Lottery Corporation, Vista Print, Aecon, Ontario Power Generation, Scotia Bank and the Royal Bank of Canada, Cyberplex is frequently the firm of choice for business leaders looking for effective and reliable online solutions. Cyberplex serves clients across Canada and the US and is headquartered in Toronto, Canada.

About Tsavo Media

Based in Waterloo, Ontario, Tsavo Media develops highly relevant content experiences for today's digital consumers, as well as niche content monetization services to publishers. Fundamental demand for Tsavo's offering continues to grow with the inevitable transition of online pricing models from clicks to actions. The ability to intelligently identify consumer intent and accurately match it with relevant and timely offers, will be critical for delivering value for advertisers as they consistently move online in the future. Tsavo has more than 300 websites offering consumer information in five strategic categories – health & wellness, technology, lifestyle, education and finance. Its network of sites attracts more than 30 million visitors each month.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This press release may contain forward-looking statements. The statements concerning Cyberplex's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance and condition of Tsavo Media, its subsidiaries and Cyberplex are forward-looking statements. The words "believe", "expect", "anticipate", "estimate", "intend", "may", "will", "would" and similar expressions and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are subject to important assumptions, including the following specific assumptions: the ability of Cyberplex and Tsavo Media to meet their respective revenue targets; the ability to achieve cost synergies; the completion of the Tsavo Acquisition in accordance with its terms; general industry and economic conditions; changes in Cyberplex's and Tsavo Media's relationships with their customers and suppliers; pricing pressures and other competitive factors; and changes in regulatory requirements affecting the businesses of Cyberplex and Tsavo Media. Cyberplex has also made certain macroeconomic and general industry assumptions in the preparation of such forward-looking statements. While Cyberplex considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: failure to obtain written shareholder approval of the Offering; general economic and business conditions; financing risk; risks inherent in the business of operating Cyberplex and Tsavo Media, including the inability to attract and retain qualified employees; competition; disruptions in business operations; interest rate and foreign currency fluctuations; existing governmental regulations and changes in, or the failure to comply with, governmental regulations; and liability and other claims asserted against Cyberplex. Furthermore, the amounts set out in this press release are based on foreign currency exchange rates in effect on the date hereof and there is no assurance that such foreign currency exchange rates will not fluctuate in a manner that is adverse to Cyberplex. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

All of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Cyberplex. Forward-

looking statements are given only as at the date hereof and Cyberplex disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Forward-Looking Statements

This news release may contain forward-looking statements that are based on management's current expectations and are subject to known and unknown uncertainties and risks, which could cause actual results to differ materially from those contemplated or implied by such forward-looking statements. Cyberplex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or otherwise.

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