

July 17, 2012

# LiveDeal CEO Issues Letter to Shareholders

LAS VEGAS, NV--(Marketwire -07/17/12)- LiveDeal, Inc. (LIVE), a provider of web-based customer acquisition products and developer of mobile technology solutions for local businesses, issued today a letter to shareholders from President and CEO Jon Isaac. The following letter outlines the Company's recent achievements, strategic business plan and market opportunities for growth.

Dear Fellow Shareholders:

I would like to start by saying that I am honored to serve as LiveDeal's President and CEO. Since January of this year, LiveDeal has made tremendous progress, including a significant reorganization of our corporate activities and the development of a new suite of products and solutions to bring to our customers.

First, I'd like to share with you some of our corporate milestones achieved year-to-date:

- We have focused on cleaning up our balance sheet and in the process retired debt with an 18% interest rate. All of the company's assets were secured by this note. I am pleased to announce that this note has been paid in full and our assets have been released from this lender.
- We are now fully compliant with all the requirements pertaining to our Nasdaq listing.
- In addition to relocating offices in Las Vegas, we opened an office in San Diego, California. Combined, we have reduced overhead costs and expenditures to achieve greater operational efficiencies.
- Following 39 consecutive months of losses, I am happy to announce that LiveDeal achieved profitability in the month of April, 2012. This result is based on unaudited financials, and does not predict any future performance of the Company.

## **The LiveDeal Mission -- To Provide Local Commerce Solutions for Local Businesses Worldwide**

Second, I'd like to discuss our mission for the future and the opportunities that we are readily capitalizing on. LiveDeal has a long history of serving local businesses. We wish to remain in this space because we believe there exists tremendous opportunity.

The local commerce segment is estimated to be in the hundreds of billions of dollars. However, in order for us to succeed in the long term, we need to add value for merchants and continue to cultivate our relationships with them. Our business strategy is built around the following:

- Mobile applications will be our primary focus for product development.
- We are developing strategic relationships with larger, well-known companies in the industry that can add value to our local merchant customer base.
- We plan to leverage these strategic relationships and alliances to move quickly to market a suite of state-of-the-art local commerce solutions based on patentable technology.
- We will target our existing subscribers, as well as new customers, for our product line.
- We anticipate to finalize discussions with several large strategic partners, and announce formal agreements with them in the very near future.

### **LiveDeal: Not a 'Daily-Deal' Company**

Third, I want to be clear that LiveDeal is not a "daily deal" company, nor do we have plans to enter into this market segment at this time. Based on our research, we do not believe that the daily deal model is a successful or profitable one. We do not believe that taking 50% of merchants' revenue is a long term value add proposition for our clients. Instead, we have decided to focus on adding value for our merchants. We are in the late stages of releasing a suite of mobile technology applications, which may present ground-breaking solutions to better serve our local business customers. We anticipate that these new products can deliver significant revenue opportunities for our customers.

I believe that we are building a very strong foundation from which our targeted business objectives can be achieved. I hope that you will share in my excitement for LiveDeal's future outlook. I am extremely happy to be part of a company poised for tremendous growth. As always, thank you for your continued support and interest in our Company.

Sincerely,

Jon Isaac  
President & CEO  
LiveDeal, Inc.

### **About LiveDeal, Inc.**

LiveDeal, Inc. provides local customer acquisition services and related products for small businesses to deliver an affordable way for businesses to extend their marketing reach to target customers via the Internet. For more information, visit [www.livedeal.com](http://www.livedeal.com).

### **Forward-Looking and Cautionary Statements**

This press release contains "forward-looking" statements that are based on present circumstances and on LiveDeal's predictions with respect to events that have not occurred, that may not occur, or that may occur with different consequences and timing than those now assumed or anticipated. Such forward-looking statements, including any statements of the plans and objectives of management for future operations, are not guarantees of future performance or results and involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements.

Forward-looking statements are made only as of the date of this release and LiveDeal does not undertake and specifically declines any obligation to update any forward-looking

statements. Readers should not place undue reliance on these forward-looking statements.