



## Sitestar (OTCBB:SYTE) Redeems 32.5% of its Outstanding Shares

FOR IMMEDIATE RELEASE

Lynchburg, VA/EWORLDWIRE/December 11, 2002 --- Sitestar Corp. (OTCBB:SYTE), a technology investment company, today announced that the Company entered into a Stock Redemption Agreement on December 4, 2002, with its two former officers and controlling shareholders, Frederick T. Manlunas and Clinton J. Sallee. Pursuant to the Agreement, the Company redeems Messrs. Manlunas and Sallee's remaining 32,483,346 shares of the Company's common stock in exchange for an aggregate purchase price of \$766,659, payable by the Company over a 23-month period. The redeemed shares will be returned to the Company's treasury over the next 23 months as they are redeemed. Upon completion of the redemption, the Company's outstanding shares of common stock will be reduced by approximately 32.5%.

"This stock buyback will significantly reduce our outstanding shares and enhance the ownership of all the remaining Sitestar shareholders," said Frank Erhartic, Jr., Sitestar's President and CEO. "It is our intent to use our positive cash flow to reduce outstanding shares, reduce debt and grow our revenues," added Erhartic.

### About Sitestar Corporation

Sitestar is a publicly held company that invests in emerging technology-based enterprises. Its primary focus is rural and secondary markets of the mid-Atlantic region of the United States. Sitestar's wholly owned subsidiaries provide narrow and broadband Internet access, electronic infrastructure development, Web-hosting and design services, computer sales and repair and other technology-related solutions to residential and business users.

Sitestar's wholly owned subsidiaries include Sitestar.net (<http://www.sitestar.net>), Sitestar Applied Technologies (<http://www.sitestarapplied.net>), Lynchburg.net (<http://www.lynchburg.net>), Computers by Design (<http://www.computersbydesign.com>), CBD Toner Recharge (<http://www.recharge.net>) and Advanced Internet Services (<http://www.advi.net>).

Statements regarding financial matters in this news release other than historical facts are "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Securities Litigation Reform Act of 1995. The company intends that such statements about the company's future expectations, including future revenues and earnings, the anticipated stock dividends and all other forward-looking statements, be subject to the safe harbors created thereby. Since these statements (future operational results and sales) involve risks and uncertainties and are subject to change at any time, the company's actual results may differ materially from expected results.

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<http://www.computersbydesign.com>, <http://www.recharge.net>, <http://www.advi.net>

**WEBSITES:** <http://www.sitestar.com>, <http://www.sitestar.net>, <http://www.netrover.com>,  
<http://www.surfwithus.net>, <http://www.lynchburg.net>, <http://www.computersbydesign.com>,  
<http://www.recharge.net>, <http://www.advi.net>

**KEYWORDS:** Virginia, Lynchburg, technology, investment, Internet, Sitestar, web, hosting, shareholder, meeting