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AVATAR REALITY RAISES \$4.2 MILLION IN ADDITIONAL CAPITAL

Trent Ward, Games Industry Veteran, Joins Management Team as VP of Design

HONOLULU, HI, March 23, 2010 — Avatar Reality, creator of the massively multiplayer online virtual world platform Blue Mars, announced today that it has raised an additional \$4.2 million from venture capitalists including Henk Rogers and Kolohala Ventures. To date, more than \$13 million has been invested in Avatar Reality.

"We are extremely pleased with the progress the Avatar Reality team has made with Blue Mars," said Henk Rogers, co-founder of Avatar Reality. "Blue Mars is the inevitable next step in immersive 3D virtual worlds."

"For the past three years, we've been laying the foundation for Blue Mars so developers can create extraordinary 3D experiences and share them in their own personalized virtual world that is scalable and secure. This investment is a strong endorsement of the progress we've made towards providing the next generation in virtual world platforms," said Jim Sink, CEO of Avatar Reality. "With that goal in mind, I'm thrilled to announce that Trent Ward has joined Avatar Reality as our new vice president of Design. Trent has a track record for creating amazing user experiences and he is leading our efforts to make Blue Mars a more intuitive, effective, and fun destination for participants at every level."

"This is really the culmination of a dream for me. Blue Mars makes it possible for anyone to bring their own high definition 3D worlds to life and occupy them together with thousands of others from everywhere in the globe simultaneously. Using Blue Mars, anyone can create games, meeting places, and social media experiences that reward users, encourage community and really push what's possible online," said Trent. Prior to his work with Avatar Reality, Trent served as creative director for Foundation9, Ubisoft, and Electronic Arts. Last year he was named by Edge Magazine as one of the *Hot 100 Game Developers of 2009*.

About Blue Mars and Avatar Reality Inc.

Developed and launched by Avatar Reality in 2009, Blue Mars is a premium 3D virtual world platform featuring unparalleled fidelity, scalability, security and connectivity. Blue Mars enables artists, game, and application developers to create and distribute amazing 3D games and applications for a global audience. Blue Mars launched in Open Beta in October 2009 and began selling virtual land to third party developers in January of 2010.

Avatar Reality was founded in 2006 by interactive entertainment visionaries Henk Rogers - best known for introducing Tetris to the world - and Kazuyuki Hashimoto, former CTO of Squaresoft and vice president at Electronic Arts. The Avatar Reality team includes world-class experts in casual games, PC games, console games, virtual worlds, and virtual economies with leadership experience at Microsoft, Sony, Electronic Arts, Ubisoft, Linden Lab, and Foundation9. Privately held, Avatar Reality is led by CEO Jim Sink, and has more than 30 employees in Honolulu and San Francisco. For more information, visit http://www.bluemars.com/.