Avatar Reality, Inc. Licenses Crytek's CryENGINE2 to Develop New MMVW

Recently Announced Virtual World is First Online Development to License New Engine; CryENGINE2 Debuts at GDC

SAN FRANCISCO – March 7, 2007 – Avatar Reality, Inc., a new development entity dedicated to the advancement of online community building, today announced that they will become the first company to license Crytek's new game middleware, CryENGINE™2, for use in creating their recently announced massively multiplayer virtual world (MMVW). Set in Terraformed Mars, Avatar Reality's MMVW will allow players to live their fantasy lives by creating personalized characters, or avatars, in a beautiful environment.

"CryENGINE2 is able to render the most beautiful images, in real-time, that I've ever seen in my 20 years in the computer graphics industry," said Kazuyuki Hashimoto, president of Avatar Reality, Inc. "We are certain that the quality of these stunning, realistic images stemmed from the technology and not just talented artists. After viewing the images, there is no question that CryENGINE2 is the perfect engine for us to use to build our massively multiplayer virtual world."

First demonstrated to the public today at The Game Developers Conference (GDC) in San Francisco, CryENGINE2 provides multiple state-of-the-art features including a next-generation real-time renderer, multi-threaded physics engine, character animation system, integrated WYSIWYP sandbox editor, sound editor with interactive dynamic sound system, advanced AI system, resource compiler and a network client and server system.

"We are very proud to have been chosen as a technology partner for Avatar Reality," said Cevat Yerli, president and CEO of Crytek. "They possess creativity and talent that is extremely rare for our industry and combining that with our technology, we are sure that the new MMVW will be a huge success!"

About Avatar Reality, Inc.

Founded in December of 2006, Avatar Reality, Inc. is developing a new massively multiplayer virtual world (MMVW) featuring stunning graphics, realistic characters and endless social bonding opportunities. The Honolulu-based company consists of multiple well-known and award-winning game developers including Henk Rogers, founder of Blue Planet Software, Blue Lava Wireless and The Tetris Company and Kazuyuki Hashimoto, former vice president of technology at Electronic Arts (EA) and chief technical officer of Square USA. Prominent members of Avatar Reality's advisory board also include: Minoru Arakawa, former president of Nintendo America and Alexey Pajitnov, creator of Tetris.

For more information about Avatar Reality, please visit www.avatar-reality.com.

About Crytek

Crytek®, Best Independent European Studio 2004 and Best Independent New Studio 2004 worldwide, creator of the multiple awards winning true next-generation first person shooter *Far Cry* and the upcoming blockbuster *Crysis*, is an interactive entertainment development company located in Frankfurt/Main, Germany. Crytek is dedicated to create exceptionally high quality Video Games for PC and the next-generation consoles, with their proprietary cutting edge 3D-Game-Technology CryENGINE®

For further information please visit www.crytek.com

# # # #

Crysis and CryENGINE are trademarks of Crytek. All rights reserved. Other trademarks belong to their respective owners.

For more information, press only:
Liaison Inc. for Avatar Reality, Inc.
Heidi Lowell, 503-796-9822, heidi@liaisonpr.com
Tracy Brawley, 503-796-9822, tracy@liaisonpr.com

Reader Contact:
Avatar Reality Inc.
55 Merchant Street, Ste. 1700
 Honolulu, HI 96813
info@avatar-reality.com
www.avatar-reality.com