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**ONE SMALL STEP FOR MAN,
ONE GIANT LEAP FOR AVATAR KIND:
ENTROPIA UNIVERSE MAKES STELLAR GRAPHICS UPGRADE**

***Virtual World Entropia Universe Launches Graphics Upgrade of its In-World Avatars
and Avatar Apparel***

(Gothenburg, Sweden) – October 9, 2007 - Entropia Universe, the leading virtual world platform for online entertainment, social networking and e-commerce using a real cash economy, today launched revolutionary graphics enhancements for its in-world avatars, making Entropia the most real-looking massive multiplayer online game ever.

MindArk PE AB's Chief Marketing Officer Carl Uggla says, "We will soon achieve cinematic quality in our virtual universe. We are now providing a platform that offers the richest possible visual experience to our users, which can be utilized by the movie and fashion industries as a convergence point for special events and unique content-delivery. We really can't wait to show it off at the E for All Expo in Los Angeles next week."

MindArk's Chief Information Officer and Community Director Marco Behrmann adds, "Our global community has reacted extremely well to the previews we've released for this upgrade. As in any social situation, an avatar's appearance in Entropia Universe is just as important as a person's appearance is in the real world. Our participants spend millions of dollars every year on clothing and beauty services. Owning a great looking avatar is a pop culture status symbol and we are proud to now offer the best free-to-use avatar creation process online."

Regular content updates are just part of Entropia Universe's innovative strategy since its launch in 2003. Created by Swedish visionaries at MindArk, the game has remained at the forefront of virtual world development, illustrated through the Entropia ATM Card, which allows users to withdraw their virtual earnings from over 1 million ATM machines worldwide, or through the unique auctioning of the first virtual bank licenses, which totaled over \$400,000. In fact, this update to the Entropia Universe sees the inauguration of the bank buildings and services in several of Entropia's cities. The company is now in its twelfth consecutive quarter of profitability.

Entropia Universe's Real Cash Economy also facilitates the selling of both real world and virtual goods as well as digital content using its unique in-world currency, PED, which has a fixed exchanged rate of 10: 1 with the US Dollar. The PED is completely transferable in and out of the virtual universe.

Entropia Universe was recently selected by CRD, a Beijing company owned in part by the Chinese government, to become the primary virtual world for the Chinese market. Plans are underway to expand the universe to support up to 150,000,000 users. In 2008, the major graphics engine upgrade using the acclaimed CryENGINE 2 will expand Entropia Universe into a space age economy introducing multiple planets privately owned and operated by major global media companies. Travel to and from the planets will be via spaceship through treacherous pirate infested space lanes. "We are planning the biggest virtual reality event in history to celebrate this new era of Entropia Universe," says Jan Welter Timkrans, CEO of MindArk. "Our new hyper realistic graphics engine combined with economic impact of the new planets will make Entropia Universe the biggest virtual universe available with the potential to provide millions of full time participants the opportunity to derive meaningful income from their pursuits."

About Entropia Universe

The heart of Entropia Universe is a distant planet named Calypso, which encompasses two continents with animal-filled wildernesses and large expanding cities that offer a variety of entertainment and social interaction for its participants. In Entropia, participants can create their own persona, or avatar, via a character-generation system, and then have the option of choosing a suitable life and virtual existence for their avatar. Characters are able to enter the evolving worlds of Entropia Universe, which are full of unexplored and uncultivated lands. Participants can join a community or even create a civilization of their own. Entropia offers a new avenue for individuals to pursue dreams, fantasies, and adventures in an astoundingly 'real' virtual universe.

Entropia Universe was launched in January 2003 and has grown to over 640,000 registered accounts from 200 plus countries, its business model is entirely unique as the client software is free to download from the internet and there are no monthly subscription fees. As the only virtual universe whose currency, the PED, has a fixed exchange rate of 10:1 with the US Dollar, Entropia Universe provides a means for new players to immediately start exploring and earning cash without having to deposit money. The funds acquired in Entropia Universe can easily be withdrawn into real life cash.

In December 2004 a world record for virtual property was set when an island on the planet Calypso, Treasure Island, was sold to a 22 year old Australian by name David "Deathifier" Storey at a price of 26,500 USD. This record was entered into the Guinness Book of World Records. In October 2005 the famous Entropia colonist Jon "Neverdie" Jacobs bought a newly discovered asteroid, situated close to the planet Calypso, at a price of 100,000 USD, thereby beating the old record. This property has now gone up in price to a staggering 1 million USD and is registered in the 2008 edition of Guinness Book of World Records as the most valuable virtual property ever. In May 2007 five banking licenses were sold to three colonists and two "real world" banks operating on the planet Earth. The total sum for the five licenses was 404,000 USD. In June 2007 MindArk announced the signing of a cooperation agreement with the Chinese company CRD (Cyber Recreation District) of Beijing. CRD will introduce the Entropia Universe in China thus creating a gigantic virtual world with a turnover in the billions of USD.

Entropia Universe is a registered trademark of MindArk PE AB. MindArk supports and monitors the services and maintenance of the Entropia Universe site. MindArk PE AB began in April of 2003 in Sweden, and has expanded to have partners throughout the world. Entropia Universe was launched in 2003 and has reached over 640,000 registered accounts. For more information or to download the free Entropia Universe software please visit www.entropiauniverse.com. For more information about Entropia Universe's developer, MindArk PE AB, please visit www.mindark.com.