



Comment from the Chief Executive Officer

Entropia Universe participants enjoyed many improvements in 2011. One was the launch in May of Entropia's fourth planet, Planet Arkadia. The existing planets of Calypso, RockTropia and Next Island received numerous content updates and patches to expand and improve the overall user experience.

We continued to re-implement older game systems into the CryEngine2 environment, such as make-up and robot beacons. Several new game systems were developed, including an achievements system, space travel and combat, fort PvP events, and wave spawn logic for boss-level creatures.

Another exciting event of 2011 was the announcement of Calypso Land Deeds. They allow avatars to become citizens of Planet Calypso and receive a share of the Planet Partner Gross Revenue. Each of the 60,000 land deeds will provide the holder with voting rights in a new political system, which will allow avatars to have a direct influence on the future development of Calypso.

During 2012, we are looking forward to welcoming two exciting new planets into the universe: the sci-fi themed **Planet Cyrene**, and the Arabian themed **Planet Toulan**.

We will also ramp up development and marketing efforts substantially. One main goal is to increase retention of current participants. Another goal is to convince more inactive participants to become active again. A third goal is increase prospect influx and conversion into new participants.

The most important ingredient for a successful virtual universe is a dedicated and enthusiastic community of participants. Mindark, Entropia Universe and its planet partners enter 2012 with solid plans for growth and the ambition to further improve the user experience for current and future participants.

I hope that you share my excitement and outlook for the bright future of Entropia Universe.

David Simmonds

Chief Executive Officer,

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