

**For Immediate Release
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Avatar Reality Names VSE as Developer of First Blue Mars City

Avatar Reality's SDK Offers Renowned Third Party Developer the Opportunity to Create Scenic Attraction for Upcoming MMVW, Blue Mars; Development Tour Available at SIGGRAPH Booth Number 727

HONOLULU – Aug. 6, 2008 – Avatar Reality Inc., a development entity dedicated to the advancement of online community building, today announced San Anselmo, Calif. – based virtual world developer, Virtual Space Entertainment, Inc. (VSE), as the newest addition to their Third Party Developer Program. VSE's team of talented designers, led by renowned futurist Syd Mead, will create an entirely new, unique attraction that will serve as the first fully functional city for the upcoming massively multiplayer virtual world (MMVW) Blue Mars, which will launch in beta format at the end of 2008. At SIGGRAPH 2008, VSE will preview the development of their Blue Mars city at Avatar Reality's booth, number 727.

"It is extremely gratifying to add a brilliant team, such as VSE, to our line-up of Blue Mars Third Party Developers," said Kazuyuki Hashimoto, president of Avatar Reality. "Our goal is to provide a variety of unique, high-quality attractions to Blue Mars users and VSE's perspective is sure to add to this vision."

Visitors to VSE's virtual Blue Mars city will experience the future of entertainment, social networking, commerce and education. Retail shopping centers, entertainment venues, museums and more will give visionary entrepreneurs the best commercial opportunities of the 22nd century.

"We are thrilled to be developing the first city on Blue Mars," said Richard Childers, CEO of VSE. "By combining the talents of our designers and the inspiration of Syd Mead's magnificently appointed environment with Avatar Reality's brilliant team, we expect to set a new benchmark for virtual worlds."

Avatar Reality's Third Party Developer Program gives game developers, CG artists and interested business partners an opportunity to create a variety of in-world attractions, 3D art assets and promotions for Blue Mars.

For additional information about Avatar Reality and Blue Mars, please visit www.avatar-reality.com. Further details regarding VSE may be obtained at www.virtualspaceentertainment.com.

To view images of VSE's virtual Blue Mars city, please visit www.avatar-reality.com/press_v/

User ID: arpress
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About Blue Mars

Set in Terraformed Mars in the year 2177 AD, Blue Mars will feature stunning graphics, realistic characters and endless gaming attractions that will allow players to build and simulate real-life scenarios by creating personalized characters, or avatars. The MMVW will launch in a public beta version at the end of 2008.

About Avatar Reality Inc.

Founded in December of 2006, Avatar Reality Inc. is developing a new massively multiplayer virtual world (MMVW), called Blue Mars, 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, New Platforms at Electronic Arts (EA) and chief technical officer of Square USA.

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

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