



38 STUDIOS LICENSES UNREAL ENGINE 3

*– Number One Game Engine for Cross-Platform Game Development
to Power Front End for Upcoming MMOG –*

- 38 Studios' Second Engine Licensing Deal -

Maynard, MA, March 5, 2008 – 38 Studios (www.38studios.com), a pioneering entertainment force delivering a broad spectrum of immersive products, today announced the company has entered into an agreement with Epic Games to license Unreal Engine 3 to power its upcoming massively multiplayer online game (MMOG). This is 38 Studios' second engine licensing deal; the company recently announced that it has licensed the BigWorld Technology Suite for its backend, server-side capabilities.

"38 Studios is uniquely positioned to deliver an unparalleled Online Entertainment Experience," said Brett Close, CEO and President, 38 Studios. "Epic's Unreal Engine 3 is best-of-breed, empowering developers with superior content creation tools, extensive middleware integration, and exceptional visual quality and rendering. Epic gets what it takes to make great games, and its Unreal Engine 3 toolset will allow our development team to prototype efficiently and achieve the signature visual quality and excellence we are striving for."

"38 Studios really wanted to push the envelope with their client-side technology," said Jay Wilbur, Vice President, Epic Games. "Unreal Engine 3 will enable them to quickly iterate and define their look using high-end graphics and toolsets, integrated middleware, and collaborate with an entire community of developers. 38 Studios is comprised of some of the industry's top technological and creative minds, and we look forward to seeing what they do with our engine."

Led with the artistic vision of Todd McFarlane and the enthralling storytelling of R. A. Salvatore, 38 Studios is developing an original IP made up of fantastical elements, settings, characters, creatures, rules, and experiences. The IP will encompass multiple media forms including a massively multiplayer online game that is currently scheduled for release in late 2010. The company is utilizing a combination of Epic's Unreal Engine 3 toolset and BigWorld's server-side technologies to meet its requirements for achieving an unparalleled OEE™, the premier Online Entertainment Experience.

"History has taught us that the risk associated with building complex games is reduced significantly when the core infrastructure and toolsets are in place early on," explained Jon Laff, Chief Technology Officer, 38 Studios. "With both Unreal Engine 3 and BigWorld, 38 Studios is marrying two unbeatable technologies to give us the foundation to produce the highest quality MMOG we can while still allowing us to focus on making a game that is uniquely ours."

About Unreal Engine 3

The award-winning Unreal Engine is known for cutting-edge graphics and a best-of-breed toolset. Unreal Engine 3 maintains those features while adding massive world support, multi-processor support, next-generation console optimizations, and one of the most mature tool pipelines in the industry. Unreal Engine 3's advanced toolset is designed specifically to accelerate developers' productivity for ultra-complex, next-generation content. Additional

information on Unreal Engine can be obtained through the Unreal Technology web site at www.unrealtechnology.com.

About Epic Games

Epic Games, Inc., based in Cary, North Carolina and established in 1991, develops cutting-edge games and cross-platform game engine technology. The company has created multiple million-selling, award-winning titles in its *Unreal* series, recently shipping *Unreal Tournament 3* for PC and PlayStation 3. Epic's breakthrough game, *Gears of War*, sold over 4.5 million copies and was awarded overall Game of the Year for 2006 by the Academy of Interactive Arts & Sciences, Game Developers Choice Awards, GameSpot, GamePro and many others. Epic is also responsible for the Unreal Engine, which is the underlying technology for a wide range of games including the Game Critics Awards' Best Console Game and Spike TV's 2007 RPG of the Year *Mass Effect* by BioWare and the 2007 BAFTA Best Game and Spike TV Game of the Year *BioShock* by 2K Games. Epic's Unreal Engine 3 is the current holder, and three-time consecutive winner, of Game Developer magazine's Front Line award for Best Game Engine. Epic was also recognized as 2006 Studio of the Year by Spike TV, 2006 Developer of the Year by Official Xbox Magazine and 2007 Large Company of the Year by the North Carolina Technology Association. Additional information about Epic can be obtained through the Epic Games Web site at www.epicgames.com.

About 38 Studios

38 Studios, a media and entertainment company founded in 2006 by Curt Schilling, is in pre-production on an original fantasy IP driven by the creative and artistic visions of pop-culture icons R. A. Salvatore and Todd McFarlane. Entertainment products will include a massively immersive online entertainment experience that transcends the traditional MMO genre, novels, comics, toys, movies, TV, and more. For more information, visit <http://www.38studios.com>.

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