

RIVERS RUN RED WINS BT BUSINESS ESSENCE OF THE ENTREPRENEUR AWARD

London, UK January 20, 2008 - Rivers Run Red, the creators of the Immersive Workspaces™ solution, was today announced as a winner in the annual BT Business Essence of the Entrepreneur competition, judged by a panel including Dragons' Den star Peter Jones – proving that British business can still succeed in the current economy.

Rivers Run Red was one of twenty inspiring entrepreneurs to be recognised by BT Business as winners by demonstrating that they had found new directions to succeed in business with the help of technology.

Rivers Run Red was founded in direct response to the ever-changing ways content is consumed and distributed both by consumers and enterprises alike. One of the main goals of Rivers Run Red was to address the significant impact of travel affecting enterprises in particular, and the company began creating enterprise solutions harnessing virtual world technology in late 2006. In October 2008, Rivers Run Red publicly released the Immersive Workspaces™ solution, a premium collaboration solution allowing enterprises to significantly reduce their corporate carbon footprint, encouraging employees to use 3D immersive spaces for meetings and group work rather than air travel. Furthermore, in a world where work/life balance matters more than ever, the Immersive Workspaces solution allows teleworkers, particularly working parents, to reduce and/or eliminate commutes while still being counted as essential members of their corporate teams.

“This award is a great honour as it demonstrates the real potential Immersive Workspaces and virtual world technology have to offer business looking for the most cutting-edge innovations to solve real business problems,” said Justin Bovington CEO of Rivers Run Red. “With our solution in place at some of the world’s largest companies, we are confident our team has hit the nail on the head in delivering technology solutions that speak to the ecological and work-life balance issues facing the majority of enterprise workers today.”

Now in its third year the Essence of the Entrepreneur competition celebrates the entrepreneurial spirit in the UK and, despite the current economic climate, Rivers Run Red proves this enthusiasm is still strong. To honour this, Justin Bovington, CEO of Rivers Run Red has had the essence of their business captured in a stunning portrait by renowned photographer Rankin. The images will be displayed in an exhibition at the gallery@oxo on London’s South Bank from 29th January – 1st March 2009.

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About BT

BT is one of the world’s leading providers of communications solutions and services operating in 170 countries. Its principal activities include the provision of networked IT services globally; local, national and international telecommunications services to our customers for use at home, at work and on the move; broadband and internet products and services and converged fixed/mobile products and services. BT consists principally of four lines of business: BT Global Services, Openreach, BT Retail and BT Wholesale. In the year ended 31 March 2008, BT Group’s

RIVERS RUN RED™

THE IMMERSIVE SPACES COMPANY

revenue was £20,704 million with profit before taxation and specific items of £2,506 million.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

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About Immersive Workspaces and Rivers Run Red

Immersive Workspaces™ is a premium collaboration solution, enabling enterprises to communicate and collaborate in a rich, 3D environment. Developed exclusively for the Second Life Grid™ platform and private networks, Immersive Workspaces harnesses the potential of virtual worlds and 3D immersive environments to help solve ecological, collaboration and communication issues facing many organizations today. For more information about Immersive Workspaces, please visit <http://www.immersivespaces.com>.

Rivers Run Red is an immersive spaces™ company, developing content, applications and business solutions for the emerging 3D Web. As an industry-leading development company, instrumental in the evolution of the virtual worlds market, Rivers Run Red works with some of the world's largest companies in the extension of their digital strategies. Rivers Run Red is located in London and San Francisco. For more information about Rivers Run Red, please visit <http://www.riversrunred.com>.