



Contact: Nicole Tanner
Foundation 9 Entertainment
nicolet@f9e.com

For Immediate Release:

FOUNDATION 9 ENTERTAINMENT, INC. ACQUIRES PIPEWORKS SOFTWARE

*Latest Strategic Move Adds Additional Talent and Technology To
North America's Largest Independent Developer*

LOS ANGELES and EUGENE, OR – April 12, 2005 – Foundation 9 Entertainment, Inc., North America's largest independent developer, today announced that it has reached a definitive agreement to acquire Pipeworks Software, an independent studio focusing on development of entertainment software titles for major software publishers. After the transaction is completed, Pipeworks will continue to develop video games for the Sony PlayStation®2 computer entertainment system, the Xbox® video game system from Microsoft, and the Sony PSP™ handheld entertainment system at its Eugene, Oregon studio. Additionally, Pipeworks President and Co-Founder, Dan Duncalf, will join the board of Foundation 9 Entertainment.

“Dan Duncalf, Dan White, and their team will be a tremendous asset for Foundation 9,” said Andrew Ayre, founding partner and co-president of Foundation 9 Entertainment, Inc. “We expect their excellent technology and superb production processes to propagate across the company. We started growing our relationship with Pipeworks through joint business development and product development over the past few months, and we look forward to the contributions the Pipeworks team will bring to Foundation 9.”

“Joining a larger company makes a lot of sense for us right now, as it allows us to focus on making great games and opens up a deluge of creative opportunities for all of our people,” said Dan Duncalf, president of Pipeworks. “Foundation 9 has thrown out the welcome mat, which is a rare feeling in the game industry, and we look forward to playing on a larger stage, reaching a bigger audience, and helping build something truly exciting.”

This latest move follows the recent announcement of the formation of Foundation 9 Entertainment, which itself is the product of a merger between well known independent development companies, The Collective, and Backbone Entertainment. Foundation 9 develops games for a wide variety of platforms and genres. Notable forthcoming titles include *Marc Ecko: Getting Up Contents Under Pressure* as well as *Star Wars Episode III: Revenge of the Sith*, both from The Collective, and Backbone's original title, *Death, Jr.* which is being published by Konami. The Company has extended beyond video games with product development and merchandising efforts in comic books, t-shirts, action figures and more.

Pipeworks is probably best known for its Godzilla titles but team members have also worked on a

number of notable games including *Space Quest*, *Pro Pilot*, *Populous*, *Aces*, *3D Ultra*, *Front Page Sports*, and *Coaster*. The studio's Spigot engine is already in use in upcoming Foundation 9 Entertainment titles. Pipeworks is currently working on unannounced projects for the PSP, PlayStation 2, and the next generation Xbox.

Details of the transaction are not being disclosed.

About Foundation 9 Entertainment, Inc.

Foundation 9 Entertainment is a premier developer of interactive entertainment products and properties, and the largest independent games developer in North America. With studios in the San Francisco Bay Area, Vancouver, Boston, Los Angeles, Newport Beach, Eugene, and Honolulu, Foundation 9 is a development powerhouse, positioned to maximize the value of entertainment properties across all entertainment genres.

Through its studios and core brands, Backbone, The Collective, Pipeworks, ImaginEngine, and Digital Eclipse, Foundation 9 Entertainment has worked with the largest names in the game publishing world. The company creates titles for all age groups and all platforms, through licensed and original IP, as well as contract development and its studios have developed more than 300 titles, including more than 30 in 2005 alone. For more information, please visit: www.F9E.com.