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PRESS RELEASE

BITS CORP PLC

Games Magnet Ltd ("GML"), the online gaming subsidiary of Bits Corp plc announces a new sponsorship deal for its Virtual Athlete game with Microsoft's worldwide internet portal ("MSN").

MSN is promoting Virtual Athlete on its worldwide home page (www.msn.com) and free email service (www.hotmail.com), as well as on its search pages. MSN joins a host of existing Virtual Athlete sponsors offering similar high profile exposure that includes, amongst others, AOL, Netscape, Sports.com, Kelloggs and gamespot.co.uk.

On creating this new partnership, Nicole Gilesby, Content Manager for MSN stated:

"MSN are excited to be involved with such an innovative application, as Virtual Athlete. This game will extend our rich media offerings and help us to provide another benefit to our loyal users."

Foo Katan, CEO of Bits Corp plc, said:

"We are delighted to welcome MSN as a Virtual Athlete sponsor and are excited by their support and commitment in promoting us on their global home pages, which are amongst the most visible advertising space on the web."

Virtual Athlete, GML's first 3D Internet game comprising five track events, was launched in August of this year. From its worldwide registered user base, the winners of the two events to date have originated from the USA and Slovenia. Forthcoming features are scheduled for television, including the gaming programmes "Cheats" and "Game Over", as well as inclusion in the front cover cd's of magazines PC Zone, PC Gamer and PC Magazine. These, together with the MSN promotion, will create further public awareness of the final three events scheduled for November, December and January, sharing a prize pool of \$70,000.

For further information please contact:

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