

CRYSTAL REFERENCE SYSTEMS CLOSES EARLY-STAGE FUNDING ROUND AND APPOINTS NEW NON-EXECUTIVE DIRECTOR

Submitted by: Pirate Communications

Wednesday, 2 February 2005

Crystal Reference Systems, the parent company of Crystal Semantics, a context targeting company, and Crystal Reference, a leading provider of reference content, today announced that it has closed its early-stage fundraising at £1,030,000 (\$1,938,000). Additionally the company has announced that Evan Rudowski, formerly managing director of Excite Europe, has joined its board as a non-executive director

Evan Rudowski has worked in the online and internet industries for the past 17 years across both Europe and the US. Evan's considerable experience and knowledge of the industry will help further guide Crystal Semantics' strategic direction and continued growth.

As a management executive at Excite.com Evan played a key role in the development of the company's portal strategy and turned Excite's City.net travel service into the number one travel site on the web.

As managing director of Excite Europe from 1998 to 2001 Evan oversaw all aspects of the company's activities, employing 190 employees across Europe and generating annual revenues of \$30 million.

Evan began his online career at Times Mirror's Newsday and New York Newsday, where he worked on the development and launch of some of the earliest online newspaper ventures in the US. Evan is currently the founder and managing partner of Atlantic Leap Ventures Ltd, which specialises in helping interactive media, commerce and technology companies to successfully enter and expand in Europe.

Evan joins the board of Crystal Reference Systems at a significant time in its development, as it has announced that its early-stage fundraising has closed, following further investment from current shareholder Finance Wales, the investment and lending house that is backed by private and public sector funding partners.

Other investors include: the National Assembly of Wales and HSBC. The funding will enable Crystal Semantics to engage further staff and resources, and follow up the successful launch of Textonomy Advance, its next-generation contextual advertising product, in November 2004. It is anticipated that a second-round of funding will be opening in 2005.

Ian Saunders, managing director of Crystal Reference Systems, said: "We are delighted to welcome Evan to our board of directors. He brings considerable experience and expertise to the Crystal team. His appointment and the closing of our early-stage fundraising mark a step-change in our development and will enable us to launch more products based on our formidable Textonomy technology."

Commenting on the company's fundraising and prospects, Finance Wales Senior Investment Manager Michael Bakewell said, "Text-based data solutions are used everyday in applications such as search engines, contextual advertising and e-commerce activity, and they represent huge potential market opportunities for this company.

"Crystal's technology helps these businesses increase the accuracy of their offering enormously and we feel these latest developments will help the company attract significant market share."

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About Crystal Semantics (www.crystalsemantics.com)

Crystal Semantics has developed Textonomy, the first Sense Engine to deliver significantly more accurate and powerful Internet search and contextual results. By applying human "senses" and concepts that current algorithms, semantic systems and other statistical techniques cannot match, Textonomy uniquely uses human linguistic intuition, tapping into the semantic relationships between words and the contexts in which they occur. The Textonomy suite of products includes solutions for search and navigation, e-commerce and contextual advertising.

Based in Holyhead, UK, Crystal Semantics is a division of Crystal Reference Systems Limited – a context targeting company. The company was founded in 2001 by Professor David Crystal, a world authority in linguistics, and managing director, Ian Saunders. It has provided online content for many major publishers including Penguin Books, A&E Television Networks and Webster Publishing and is one of the fastest growing online content publishers in Europe.

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