

22 July 2005

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**121Media, Inc (“121Media” or the “Company”)**

**Placing of 517,500 new common shares of \$0.001 (the “Placing Shares”) at 200 pence per share (the “Placing Price”) to raise approximately £1million before expenses (the “Placing”)**

121Media, the online contextual advertising company, today announces that Canaccord Capital (Europe) Limited, on behalf of the Company, has conditionally placed 517,500 new common shares of \$0.001 ("Common Shares") at 200 pence per share to raise £1,035,000 (£950,000 net of expenses). The Placing is conditional, inter alia, upon admission of the Placing Shares to trading on AIM and upon the necessary shareholder resolution having been duly passed at a special meeting of shareholders of the Company convened for 8 August 2005 in order to disapply and remove the share pre-emption rights contained in the Company's Certificate of Incorporation that would otherwise apply to the issue of the Placing Shares.

Application will be made for the Placing Shares to be admitted to trading on AIM and trading of the Placing Shares is expected to commence on 9 August 2005. The Placing Shares will represent approximately 6.5 per cent of the enlarged issued common share capital of the Company.

121Media delivers and manages targeted, contextual online advertising campaigns on behalf of its clients. These clients are primarily the owners of well known consumer brands or online advertising agencies.

**Summary:**

- 121Media will receive £1,035,000 before expenses (approximately £950,000 net of expenses)
- 121Media intends to use the proceeds from the Placing to continue development of its PageSense Javascript application as announced in the Company's AGM statement on 23 June 2005. This particular application does not require the participation of any other party and is aimed at optimising the value of untargeted advertising, which comprises most of today's online market, by turning it into targeted advertising at a premium rate.
- Since December 2004, 121Media has increased its average daily user base by 50 per cent and its operational staff by 40 per cent.

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Kent Ertugrul, Chief Executive of 121Media, said:

“121Media has achieved substantial progress in a relatively short period of time; by raising these funds now, we have the opportunity to accelerate the momentum of the Company and specifically our unique PageSense Javascript offering.

In the past six months we have seen the rapid development of new opportunities related to PageSense and with these funds we are well placed to take full advantage of those opportunities.”

-Ends-

Enquiries:

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