

## **News Release**

# **Dynasty Signs Formal Agreement with China's Sohu to be Games Content Provider & Operator**

**Montreal, Canada.....29 January 2007.....**Dynasty Gaming Inc. (TSXV: "DNY") ("Dynasty") today announced the signing of a Formal Agreement with Beijing Sohu New Era Information Technology Co. Ltd., a subsidiary of Sohu.com Inc., (NASDAQ: "SOHU") ("Sohu"). Acknowledged as a leading portal, Sohu has more than 100 million registered users, and it is one of the most widely used interactive online sources for information, entertainment and communications in China. Sohu is also the first official Internet category sponsor for the 2008 Olympics.

Under the Agreement, both parties will cooperate on content and marketing matters related to Dynasty's Mahjong game on Sohu's casual game platform. Such cooperation could be expanded to cover other Asian online games provided by Dynasty.

Albert Barbusci, Chief Executive of Dynasty stated, "This Agreement with Sohu represents an important building block in our China strategy and provides us with a powerful, established channel for broadening and deepening Dynasty's distribution reach in China. It is important to note that this agreement focuses both on Mahjong and an additional suite of Asian games. This signals an expansion of Dynasty's value proposition from being a single software provider for the world's most played game, to that of a provider and operator of multiple Asian games delivered through multiple channels, supported by powerful channel partners like Sohu."

Dr. Charles Zhang, Sohu's founder, Chairman and Chief Executive, said, "Since our launch 10 years ago, we have been committed to providing the most advanced interactive online source for information, entertainment and communication in China. We believe that a formalized relationship with Dynasty will enable us to further enrich the value of our brand through our entertainment and games offering. Moreover, by integrating Dynasty's product, including a game that is regarded as a national sport in China, we will be providing yet another reason why Sohu is simply indispensable in the lives of Chinese people."

Dynasty has already established a relationship with Beijing Junnet Science and Technology Company Limited, one of the largest prepaid card distributors in China, for the marketing and distribution of prepaid cards for accessing play-for-points game sites. As well, Dynasty has partnered with Sun Media Investment Holdings Limited, China's largest privately owned multi-media company, which provides a channel for reaching millions of people through multiple electronic and print media networks, and with Betex (Group) plc, the first non-Chinese company granted the right to co-manage a number of the government-owned sports lotteries and to be officially involved in lottery operations in mainland China.

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It has been reported that the Government of China is committed, over the next three years, to capturing much of the currently illegal gaming market, estimated by Peking University's Center for Lottery Research, at around \$75 billion. "These links with Sohu, Betex, Junnet and Sun are all part of our larger distribution strategy and all involve revenue sharing," says Barbusci.

*The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved of the contents of this news release.*

#### **Forward-looking Statements**

This press release contains certain forward-looking statements with respect to the Corporation. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated. We consider the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control, may ultimately prove to be incorrect.

#### **About Dynasty Gaming Inc.**

Through its wholly owned subsidiaries, Dynasty Gaming is aggressively pursuing agreements with major companies in the People's Republic of China for the development, marketing and distribution of government-approved online applications for its proprietary Mahjong software. Success to date includes the establishment of a relationship with Beijing Junnet Science and Technology Company Limited ([www.junnet.cn](http://www.junnet.cn)), one of the largest prepaid card distributors in China, for the marketing and distribution of prepaid cards for accessing a play-for-points version of Mahjong on sites in China. Dynasty has also entered into a formal agreement with Sohu.com Inc. ([www.sohu.com](http://www.sohu.com)), one of China's most widely used interactive online sources for information, entertainment and communications incorporating a leading portal with more than 100 million registered users. Additionally, Dynasty has developed a relationship with Sun Media Holdings Limited ([www.chinasunmedia.com](http://www.chinasunmedia.com)), China's largest privately owned multi-media provider that represents a powerful channel through which to create enhanced awareness of an online version of mahjong, a national sport in China. An agreement also exists with Betex ([www.betexgroup.plc.uk](http://www.betexgroup.plc.uk)), which further expands the range of distribution channels through which Dynasty-sourced content will be marketed and managed in China. Commencement of multi-site online play of mahjong in China is expected to begin by end-March 2007, subject to completion of a government-required public test period. Competition for seats at a World Cup of Mahjong event, scheduled for the second quarter of 2007 in Macau, PRC, will serve as an incentive for a large universe of players.

Dynasty Gaming's 91.6 million common shares, issued and outstanding, are widely held by Canadian and U.S. investors. Full information on Dynasty Gaming can be found at [www.dynastygaming.com](http://www.dynastygaming.com).

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