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NEWS RELEASE

For Immediate Release

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STOCK PROMOTION COMPANY ORDERED TO CEASE VIOLATIONS: Refunds Ordered For Affected Idaho Investors

Boise, Idaho . . . Gavin Gee, Director of the Idaho Department of Finance, today announced that the honorable Kathryn A. Sticklen, District Judge of the Fourth Judicial District Court in Boise, entered a Judgment and Permanent Injunction against Pacific Rim Capital, Inc., a Delaware company that operates from Santa Monica, California. The Judgment was entered after Pacific Rim failed to defend itself against the State's lawsuit that was filed during September 1999. Losses in Idaho are estimated to be in excess of \$150,000 and the State's lawsuit continues against one remaining defendant.

The Court's Order includes findings that Pacific Rim violated Idaho law and imposed a permanent injunction barring future violations of Idaho securities statutes. The Court Ordered that the defendant a) make refund offers to affected Idaho investors, b) pay \$15,000 in fines and attorney costs, and c) be restricted in their future Idaho business activities.

As alleged in the Complaint and found by the Court, Pacific Rim offered securities to Idaho residents in violation of the registration and anti-fraud provisions of the Idaho Securities Act. More specifically, the complaint had alleged that the defendant, through its agents had:

- misrepresented that the shares sold were freely tradable when the shares being offered were subject to possible restrictions on their transferability,
- failed to inform investors that one of the companies had been the subject of an enforcement proceeding initiated by the U.S. Securities and Exchange Commission that alleged the fraudulent distribution of unregistered securities,
- failed to disclose that some of the shares offered had originally been distributed "offshore", had not been registered for sale, and were subject to certain restrictions when resold and distributed in the U.S. markets,
- failed to inform investors that they were not registered with the Idaho Department of Finance as required under the Idaho Securities Act.