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Democrasoft Announces Three Collaborize Classroom Milestones

Launch of Topic Library; 10,000+ Teacher-launched sites; New Website

Santa Rosa, CA., August 31, 2011 - Democrasoft, Inc. (OTC: PINKSHEETS: DEMO) today announced three milestone developments related to *Collaborize Classroom™*, the company's flagship web-based education platform. Democrasoft announced (1) the official launch of the revolutionary *Collaborize Classroom Topic Library™*; (2) that over 10,000 teachers worldwide have launched their own *Collaborize Classroom* sites and (3) a newly redesigned *Collaborize Classroom* website (<http://CollaborizeClassroom.com>).

Today marks the official launch of Democrasoft's *Collaborize Classroom Topic Library*, a free community resource that enables teachers to take the best individual topic-based lessons that they create and share them with other teachers around the world. All teachers using *Collaborize Classroom* will now gain access to topics that have already proven successful for other teachers utilizing the free *Collaborize Classroom* online learning platform. The click-and-go curriculum functionality makes it possible for teachers to easily populate their own *Collaborize Classroom* sites in a matter of minutes, with individual discussion topics and lessons from the global *Topic Library*, on almost any subject and for any grade level, at no cost. Teachers can also share the discussion topics that they create with other teachers on the *Collaborize Classroom* network, providing the foundation for a 24 x 7 global repository of peer-reviewed topic-based lessons.

According to Democrasoft Chairman & CEO Richard Lang, “We believe that the introduction of our groundbreaking *Topic Library* has the potential to revolutionize how education is delivered around the world, and, while the library is already well-stocked, we look forward to an exponentially increasing number of topic-based lessons becoming available to educators everywhere, as teachers continue to share their most successful work.”

Collaborize Classroom also announced the achievement of another key milestone goal this week: more 10,000 teachers worldwide have now launched their own *Collaborize Classroom* sites. The number of sites launched by teachers has been growing by at least 34% per month since January of this year, except for June and July, when the adoption rate increased by 60% in those months.

“We are extremely gratified to see the adoption of *Collaborize Classroom* continue to climb,” said Lang. “We have gone from nine teachers using our free online learning platform last October to over 10,000 today, and we expect today’s launch of our global *Topic Library* to further enhance our adoption rate in the coming months and beyond.”

Democrasoft also announced that the company’s central *Collaborize Classroom* website has been redesigned and now contains new features to further help teachers engage their students in the learning process. CollaborizeClassroom.com features new sections containing (1) free teacher resources, (2) professional development materials, and (3) on-demand webinars.

Collaborize Classroom has emerged as a preferred choice in education technology because of its simple and engaging design, its ease of use, the “fun factor” reported by students, and its ability to embed documents, video and other multimedia directly into online discussion topics. The free, collaborative online learning platform also provides teachers with student participation reports, and teachers using the system have found the quantified results of online student discussions very helpful. In fact, last week, the company received the following unsolicited thank-you note

from a teacher in New Jersey, even before the official introduction of the Topic Library: *“Beginning my 20th year next week and this ol’ dog is so psyched about this site and the possibilities! Thanks for such an amazing new strategy for my teacher toolbox.”*

For more information on *Collaborize Classroom*, the new *Topic Library*, to arrange for a demonstration or to schedule an interview with Democrasoft senior management, please contact Shana Ray, Digital Media & PR Manager at: shana@collaborizeclassroom.com or call 888-993-8683 x 706.

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About Democrasoft:

Democrasoft, Inc., headquartered in Santa Rosa, CA, is a 20-year-old public company (OTC: PINKSHEETS: DEMO) with a history of pioneering technology. The Company's flagship product, Collaborize®, is a web-based solution for organizing groups with a common purpose into powerful, decision-making communities. It is designed to empower groups of all sizes - educators, businesses, non-profits, organizations, governments, their members and citizens - to resolve real problems and drive toward actual implementation of collective solutions. Democrasoft is dedicated to facilitating a vision of online “social networking with purpose.” For more information, please visit <http://democrasoft.com>.

This Press Release contains forward-looking statements similar to those covered by the safe harbor provisions under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are clearly subject to numerous uncertainties and risks, and actual results and developments could differ materially from our expectations. We do not undertake any responsibility for providing any updates with respect to the information contained in this Press Release.