

LOOKINGGLASSLABS

NEWS RELEASE

Looking Glass Labs' Subsidiary House of Kibaa Joins DigiBC to Advance NFT and Metaverse Opportunities in British Columbia

House of Kibaa Joins Electronic Arts, Sony Pictures Imageworks, Animal Logic, Industrial Light & Magic and The Coalition (Microsoft) to Help Make British Columbia the World's Leading Centre for Creative Technology

Vancouver, British Columbia – January 4, 2022 / Cision / – Looking Glass Labs Ltd. (“LGL” or the “Company”), a digital platform specializing in non-fungible tokens (“NFTs”), utility non-fungible token (“uNFT”) architecture, immersive extended reality (“XR”) metaverse design and virtual asset royalty streams, is pleased to announce that its subsidiary House of Kibaa (“HoK”) has become a Video Game/IDM Company member of The Creative Technology Association of British Columbia (“DigiBC”). DigiBC is a non-profit industry group for the creative tech sector in British Columbia, where LGL recently established its global corporate headquarters. With member organizations in the video gaming, visual effects, augmented reality (“AR”) and virtual reality (“VR”) sectors including, but not limited to, major global conglomerates such as Electronic Arts, Sony Pictures Imageworks and *The Coalition* (Microsoft), DigiBC facilitates growth within the dynamic ecosystem of firms in the creative technology industry in British Columbia, which generates CAD 2.3 billion in annual sales provincewide.

DigiBC has successfully advocated for tax credits and fiscal policy changes in British Columbia, to the benefit of stakeholders in the creative technology space. The Interactive Digital Media Tax Credit, a digital media tax credit introduced through advocacy by DigiBC, was recently revised to include VR and AR works. Through DigiBC, LGL intends to explore opportunities for NFTs, uNFTs and metaverse-related technologies to potentially be added to the scope of interactive digital media in the context of public policy relating to digital art creations. Further, LGL plans to participate in several of DigiBC’s member offerings such as academic research partnerships, B2B networking and industry events.

For more information about DigiBC, please visit the following website: <https://www.digibc.org/cpages/home>.

Management Commentary

Dorian Banks, Chief Executive Officer of LGL commented, “Metaverse and NFT technologies really entered the mainstream in 2021 and, given their inherently artistic nature, we believe it is important for those in established areas of digital art (e.g., video game design, 3D animation) to be able to gain familiarity with how the metaverse and NFTs are fitting into various artistic disciplines, both now and in the future. I believe that LGL’s relationship with DigiBC can be a growth catalyst for us as we look to drive awareness of our offerings, build a team for our new global headquarters in Vancouver, and prepare for several

upcoming launches in the near future, such as the HoK metaverse. We are excited to be a member of DigiBC, and we look forward to becoming integrated with their community as we go into 2022.”

ABOUT LOOKING GLASS LABS

Headquartered in Vancouver, British Columbia, Looking Glass Labs is a digital platform specializing in non-fungible token (“NFT”) architecture, immersive extended reality (“XR”) metaverse design, and virtual asset royalty streams. Its leading brand, House of Kibaa (“HoK”), designs and curates a next generation metaverse for 3D assets, which allows functional art and collectibles to exist simultaneously across different NFT blockchain environments. HoK has successfully released digital assets to include *GenZeroes*, which completely sold out in just 37 minutes for total proceeds to LGL of \$6.2 million, in addition to a perpetual 5% royalty stream on secondary market sales. HoK plans to launch a hyper-realistic metaverse built on the *Unreal 5* engine in 2022.

On behalf of **LOOKING GLASS LABS LTD.**

“Dorian Banks”

Dorian Banks, Chief Executive Officer

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Forward-Looking Information

This news release contains “forward-looking statements.” Statements in this news release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations, or intentions regarding the future. Such forward-looking statements include, among other things: the Company's goal to become the leading digital studio specializing in NFT architecture, immersive metaverse design and virtual asset display monetization streams; and to build out a portfolio of perpetual NFT royalty streams through collaborations, accretive acquisitions and other arrangements, to potentially result in consistent, de-risked and passive revenue.

The material assumptions supporting these forward-looking statements include, among others, that: the Company could mitigate the risks associated with the blockchain and NFT industry; and the ability to compete with other businesses in the NFT market.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the continued growth and adoption of NFT and metaverse offerings by consumers; the cost of developing and designing NFTs and metaverses is economically viable; the Company being able to attract and retain a sufficient workforce with desired skillsets to develop the Company's NFT and metaverse offerings; the availability of offerings provided by third-parties in the NFT, metaverse development and online gaming market to identify potential transactions; the increasing adoption of NFTs as a solution for various online gaming, entertainment and collectible uses; the Company having the ability to mitigate the risks associated with the blockchain and

NFT industry; and the ability to compete with other businesses in the NFT, metaverse development, content creation and collectibles market.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the risk that the Company's offerings are not accepted by the consumer, the risk that other competitors may offer similar digital offerings; the risk that there may be negative changes in general economic and business conditions; the risk that the Company may have negative operating cash flow and not enough capital to complete the development of any of its technologies; the risk that the Company may not be able to obtain additional financing as necessary; the risk that there may be increases in capital and operating costs; the risk that the NFT technology may be subject to fraud and other failures; the risk that there may be technological changes and developments in the blockchain that make the NFT solutions obsolete; risks relating to regulatory changes or actions which may impede the development or operation of the blockchain solutions; the risk that other competitors may release similar blockchain offerings; the potential future unviability of the NFT market in general; the volatile cost of the amount of computational effort required to execute specific operations on the blockchain, and other general risks involved in the blockchain solutions.

Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure materials, including its reports filed with the Canadian securities regulators and which can be obtained from www.sedar.com.

Any of these risks may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Further, although the Company has attempted to identify factors that could cause actual results, levels of activity, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, levels of activity, performance or achievements not to be as anticipated, estimated or intended. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by applicable law, including the securities laws of the United States and Canada. Although the Company believes that any beliefs, plans, expectations and intentions contained in this news release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. The Company does not assume any liability for disclosure relating to any other company mentioned herein.