

LOOKINGGLASSLABS

NEWS RELEASE

Looking Glass Labs Provides Commercial Guidance for First Half of 2022 and Recaps Recent Accomplishments

With Many Milestones Achieved to Date, the Company is Planning to Pursue Ventures in New Areas Including Play-to-Earn Gaming Opportunities Over the Coming Year

Vancouver, British Columbia – February 3, 2022 / Cision / – Looking Glass Labs Ltd. (“LGL” or the “Company”) (NEO: NFTX), a leading Web3 platform specializing in non-fungible token (“NFT”) architecture, immersive metaverse environments, play-to-earn tokenization and virtual asset royalty streams, today announces that it continues to execute on its growth initiatives, revenue milestones as well as utility NFT (“uNFT”) and metaverse development pipeline. Accordingly, the Company is pleased to provide a summary of its most significant developments as well as commercial guidance for the first half of 2022.

LGL’s most notable events to date include the following:

- Realized considerable value throughout 2021 from the rapid growth of engagement within the community of its flagship studio, House of Kibaa (“HoK”), which is working to launch a hyper-realistic metaverse on the Unreal Engine 5 this year;
- Sold all 10,000 GenZeroes NFTs in just 37 minutes in October for net proceeds of CAD 6.2 million;
- Reported strong financial results for the first fiscal quarter of 2022 with CAD 5.7 million of total comprehensive income generated by the Company on revenues of CAD 6.5 million for the period ended October 31, 2021;
- Earned approximately 18.12 ETH in aggregate NFT royalty revenue from October 1, 2021 through February 1, 2022 from the resale of the HoK Genesis and GenZeroes NFTs, from which the Company earns perpetual royalties of 10% and 5%, respectively;
- Retained to produce metaverse-ready 3D asset collection for Gutter Cat Gang and also produced the 3D asset based on the Bored Ape Yacht Club;
- Launched its media production subsidiary, GenZeroes Productions Inc. (“GZP”), and announced the upcoming release of “GenZeroes”, which is a ten-episode, live-action series that will be the first of its kind to be released as an NFT and developed under the leadership of award-winning filmmakers and actors to include Aleks Paunovic, Jeremy Smith and Matt Venables;

- Established its global corporate headquarters in Vancouver and began hiring personnel in technical, creative, administrative and executive roles, with the development of the integrated *LGL Headquarters Metaverse Visitor Experience* set to begin in 2022;
- Became a member of the DigiBC industry organization, alongside other global organizations such as Electronic Arts, Sony Pictures Imageworks, Animal Logic, Industrial Light & Magic and The Coalition (Microsoft);
- Hosted a private event at NFT.NYC in New York City following the successful launch of the GenZeroes NFTs; and
- Achieved the listing of all 10,000 HoK GenX NFTs on the Rarity.tools ranking database.

The Company is also pleased to provide the following guidance for the first half of 2022, the projects of which are expected to include:

- An early-stage walkthrough of the HoK metaverse, which is code-named “Project Origin”, in the third quarter of 2022;
- A major sale of land in connection with the launch of the HoK Project Origin metaverse;
- A play-to-earn (“**P2E**”) game title under the GenZeroes brand;
- A proprietary token for transactions in the Project Origin metaverse, as well as in the GenZeroes P2E game;
- Free monthly drops of NFTs for HoK “Genesis” holders, such as the *Gems* collection released in January 2022;
- The continuing rollout of the *GenZeroes* NFT-based live-action series by GZP, under the leadership of award-winning actors and writers Aleks Paunovic, Jeremy Smith and Matt Venables; and
- Maintaining a presence at major industry events such as ComicCon San Diego, NFT LA and NFT.NYC, among others.

Additionally, LGL’s Chief Executive Officer, Dorian Banks, has been featured and quoted in several media articles as an expert on blockchain technologies, cryptocurrencies, the metaverse, NFTs and similar subjects, such as:

- [How do you pick a good cryptocurrency fund? \(Wealth Professional, December 3, 2021\);](#)
- [Best penny cryptocurrency to invest in 2022: From metaverse to meme coins \(Currency.com, December 25, 2021\);](#)
- [Six NFT Stories In 2021 That Demonstrated Vancouver’s Web3 Emergence \(Techcover, December 21, 2021\);](#)
- [The rise of NFT companies floating on the stock market \(Capital.com, December 10, 2021\);](#) and

- [Nike just snapped up a virtual sneaker brand with a huge valuation. The CEO of a digital agency behind a \\$4.5 million NFT sale shares 3 ways fashion brands could shape the metaverse — and an under-the-radar virtual world to watch.](#) (Insider, December 16, 2021).

Management Commentary

Dorian Banks, Chief Executive Officer of LGL said, “We are excited to provide investors with an opportunity to gain access and exposure to the NFT, cryptocurrency and metaverse ecosystems through our strategic pursuit to generate long-term value. Our core areas of focus saw significant mainstream adoption over the past year from the consumer, enterprise and institutional user categories. As such, we believe that our expertise in these disciplines is positioning LGL as a leader in these dynamic spaces, as some of the world's most influential brands, individuals and organizations embrace NFT and metaverse technologies as defining pillars of the digitally immersive era that we are now entering.”

ABOUT LOOKING GLASS LABS

Headquartered in Vancouver, British Columbia, Looking Glass Labs is a leading Web3 platform specializing in non-fungible token (“NFT”) architecture, immersive metaverse environments, play-to-earn tokenization 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 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

Twitter: [@DorianBanks](#)

For further information, please contact:

Dorian Banks

Toll-Free: +1 833 LGL-NFTX (833-545-6389)

Email: info@lgl.io

Twitter: [@LGL_io](#)

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; 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 development of "Project Origin"; sale of land in the HoK Project Origin metaverse; the launch of the play-to-earn game title under the GenZeroes brand; development of a proprietary token for transactions in the Project Origin metaverse as well as the

GenZeroes P2E game; continued monthly drops for HoK "Genesis" holders; the rollout of the GenZeroes NFT-based live-action series; and maintaining presence at major industry events.

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

SOURCE: LOOKING GLASS LABS LTD.