



NEWS RELEASE

Looking Glass Labs Forms Strategic Development Partnership with Cavnus to Deliver Clear Metaverse Innovation and Commercialization Strategy

Brands and Creators Will Have Access to Powerful User-Friendly Metaverse Builder and Deployment Tools to Create Unique Experiences Using State-of-the-Art Technology that Brings the Partnership, the Community and Brand Applications to the Industry Forefront

Vancouver, British Columbia – December 19, 2022 / Cision / -- Looking Glass Labs Ltd. (“LGL” or the “Company”) (NEO: NFTX) (AQSE: NTFX) (OTC: LGLSF) (FRA: H1N), a leading Web3 platform specializing in immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies, announces that it has signed a Strategic Development Agreement (the “Agreement”), which forms the basis of a Strategic Development Partnership (the “SDP”), with Cavnus, Inc. (“Cavnus”).

The primary objective of the Agreement is to co-develop immersive metaverse experiences for consumer brands, through the expansion of LGL’s Pocket Dimension metaverse by deploying to multiple operating and mobile systems for increased user accessibility, and the delivery of seamless, user-friendly metaverse builder and deployment tools, which is expected to result in the ability to fast-track Pocket Dimension products to other brands and partners.

The SDP leverages the complementary strengths of both parties to provide early Web3 adopters with a comprehensive and seamless approach to metaverse engagements. To do so, the companies will share documentation, APIs and work cooperatively on go-to-market activities such as sales and marketing.

Cavnus is a brand that aims to push the limits of creativity in the metaverse sector. It offers brands, like LGL, versatility, stability, and security to build and share immersive metaverse experiences that inspire connection among users across space and time. Cavnus is the leading provider of a scalable, security-first, enterprise-class metaverse builder and deployment platform. In addition to its full stack SaaS products, Cavnus has recently announced the Cavnus Metaverse Connector™ plugin for Unreal Engine, which allows UE developers to easily turn their application instantly into a metaverse experience. It is now available in a limited-beta release. Cavnus also has relationships with companies like Epic Games, AWS, Meta and others as listed on their website. More information about Cavnus can be found by visiting <https://www.cavrn.us>.

Pocket Dimension is a hyper-realistic digital world that is being built using the latest version of Unreal Engine in order to offer users a premium virtual experience. Each Pocket Dimension features one of eleven

different environments including Archipelago, Countryside, Dale, Dunes, Fjord, Marsh, Savanna, Tundra, Woodland and Zen, as well as the aforementioned Genesis Moon environment exclusively for Genesis Membership holders. Each environment offers users various forms of utility including but not limited to hosting events with their community, integrating custom structures and adding digital assets.

Pocket Dimension is a private space representing an area size of approximately four acres, in which owners can visit, invite friends, display NFTs, create settings, collaborate with others or facilitate experiences through various utilities and uses. Parcels provide their owners with additional unique benefits, such as being blockchain agnostic with wide NFT compatibility (Polygon, Ethereum, etc.), an extensive avatar system, a unique Non-Playable Characters host system and more.

“We are excited to collaborate with Cavnus in this way. Their expertise is complementary to ours and we expect the outcome of our joint focus to be quite positive,” said Dorian Banks, Chief Executive Officer at LGL. “In order to evolve in the metaverse sector, we believe that strategic relationships are vital and we want to continue to create user-friendly and fulfilling metaverse experiences for Pocket Dimension holders,” added Mr. Banks.

ABOUT LOOKING GLASS LABS

Headquartered in Vancouver, British Columbia, Looking Glass Labs (“LGL”) is a leading Web3 innovation platform specializing in consumer engagement applications to leverage immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies. 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 CAD 6.2 million, in addition to a perpetual 5% royalty stream on secondary market sales.

To view LGL’s current investor presentation, please visit <https://www.lgl.io/investors>.
To join LGL’s mailing list, please subscribe via the following link: <https://www.lgl.io/contact-us>.

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

“Dorian Banks”

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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 development of Pocket Dimension, the Company's goal to become the leading digital studio specializing in NFT architecture, immersive metaverse design and virtual asset display monetization

streams; intention 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; and the near-term projects and future projects.

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; the ability to compete with other businesses in the NFT market; the availability of sufficient funding to carry out the Company's business development plans; favourable market conditions; the ability of HoK to sell all or substantially all of its product offerings; the market acceptance for its products; and the ability to leverage the complementary strengths of both Cavnus and LGL in order to provide consumer facing brands and early Web3 adopters with a comprehensive and seamless approach to metaverse engagements.

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 the consumer market; 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.

SOURCE: LOOKING GLASS LABS LTD.