

LOOKINGGLASSLABS

NEWS RELEASE

Looking Glass Labs Announces Metaverse Milestones as Part of Technical Product Update

The Company Also Announces the Appointment of Lucas Russell to its Board of Directors, in Place of Carl Chow who has Resigned to Pursue Other Endeavours

Vancouver, British Columbia – December 29, 2022 / Cision / – Looking Glass Labs Ltd. (“LGL” or the “Company”) (NEO: NFTX) (AQSE: NFTX) (OTC: LGSLE) (FRA: H1N), a leading Web3 platform specializing in immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies, announces that its wholly-owned subsidiary, House of Kibaa (“**HoK**”), has significantly advanced the development of its Pocket Dimension metaverse offering (the “**Pocket Dimension**”). Through the impending achievement of numerous avatar-based and architecture-related milestones, the Company expects to set a new standard for the metaverse industry.

Pocket Dimension has already reached, and will soon also reach, several new thresholds for its digital world:

- 10,000 unique generative avatars in ultra-high resolution via Unreal 5;
- 12,000 unique generative Gutter Cat Gang avatars in ultra-high resolution;
- Holders own their metaverse to use and design as they so choose;
- Holders of membership tokens are each entitled to receive a free metaverse; and
- A generative avatar project with a spin-off live-action video series, GenZeroes.

Previously, the Alpha Update of Pocket Dimension Alpha Update release in the fourth quarter of 2022 included the following upgrades for users:

- 11 unique four-acre parcels of ultra-realistic land;
- Two stock playable avatars;
- Four NFT art galleries displaying stock artwork;
- Non-player character host interactions;
- Mini games; and
- The Gutter Trap House in affiliation with the Gutter Cat Gang.

The 2022 end-of-year update to Pocket Dimension currently in progress includes the following enhancements:

- Ultra-high resolution art galleries to display a user’s NFTs from their connected wallet;
- A larger collection of approximately 60 stock playable avatars; and
- A patch manager for easier access to future updates (Windows build-only, at this time).

In early 2023, HoK will be working to add Unity 4 and pixel streaming to Pocket Dimension. This addition is designed to enable Pocket Dimension to be available on virtually any device and bandwidth connection, which is expected to be a milestone for the metaverse industry.

For a sample of the Pocket Dimension experience, please follow this link to view the Pocket Dimension Alpha Launch Cinematic Trailer: <https://vimeo.com/779389633/1abc25dbc0>.

Management Commentary

“By staying focused on the development of the best Pocket Dimension experience possible for our users, we already have and still are achieving new milestones for the metaverse industry on an ongoing basis. Creating unique, realistic and enjoyable experiences for our users in the virtual realm is our main priority. We firmly believe that the Pocket Dimension will continue to garner positive feedback as we roll it out more fully in 2023,” said Dorian Banks, Chief Executive Officer at LGL. “We are committed to heightening both user and client engagement by executing on innovative initiatives and, in turn, adding value to LGL as a company,” added Mr. Banks.

Change of Directors

The Company announces that Carl Chow has resigned from its Board of Directors to pursue other endeavours. The Board of Directors thanks Mr. Chow for his service to the Company over the past year. In his place, LGL announces that Lucas Russell has been appointed to the Board of Directors effective today.

Mr. Russell has over a decade of experience in the financial markets and has been involved with entrepreneurial businesses for over 15 years, including the development and financing of start-ups. He has served on boards and executive teams of several publicly traded companies, guiding them from private to public corporations including the turnaround and eventual sale of a cannabis company which was led from near bankruptcy to an eight-figure exit in under two years.

Mr. Russell has been an early and active investor in several successful crypto start-ups and currently serves as CEO & President of Cloud Nine Web3 Technologies (CSE: CNI), where he is actively developing new Web3 technologies and implementing its new business strategy and direction. Mr. Russell is passionate about building company value and finding accretive acquisitions for corporations.

Mr. Russell currently does not own any Common Shares of the Company.

Current Directorships	Former Directorships and/or partnerships (within the last five years)
Cloud Nine Web3 Technologies	
Valdor Technology International Inc	
Walrus Enterprises Inc	
Auraviva Development Inc	

In 2018 Mr Russell was sanctioned by the Mutual Fund Dealers Association of Canada (“MFDC”) for misconduct resulting in a fine of \$2,500 fine plus \$2,500 in costs, and “prohibited from conducting securities related business in any capacity while in the employ of or associated with a MFDA Member for a period of 6 months”. It is noted however that there was no client complaint and the MFDC found no evidence of client loss or harm or any evidence that Mr Russell received any financial or other benefits through his conduct.

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 continued development of Pocket Dimension, development of immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies; pursuing partnerships to monetize blockchain and Web3 opportunities; 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 achieve the milestone thresholds for the Pocket Dimension.

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.