

LOOKINGGLASSLABS

NEWS RELEASE

Looking Glass Labs Closes Private Placement Financing and Debt Settlement

Vancouver, British Columbia – 23 November, 2023 / Globe Newswire / – Looking Glass Labs Ltd. (“LGL” or the “Company”) (NEO: NFTX) (AQSE: NFTX) (OTC: LGSLF) (FRA: H1N) is pleased to announce that further to the new releases dated 10 November 2023, it has closed a non-brokered private placement offering (“**Offering**”) of 10,005,000 units (the “**Units**”) at a price of \$0.10 per Unit, for gross proceeds of \$1,000,500. Each Unit will consist of one (1) common share in the capital of the Company (each a “**Share**”) and one common share purchase warrant (each a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one (1) additional Share of the Company at an exercise price of \$0.10 for a period of two (2) years from the closing date of the Offering.

The gross proceeds from the Offering will be used by the Company for general corporate and working capital purposes.

The Company also advises that its board of directors has approved the settlement of \$1,000,000 in debt (the “**Debt Settlement**”) through the issuance of 10,000,000 Units of the Company to arm’s length creditors for outstanding promissory notes. The Units will be issued on the same terms and conditions as the Offering. The Company agreed to satisfy this outstanding indebtedness with Units to preserve the Company's cash for working capital.

All securities issued pursuant to the Offering and Debt Settlement will be subject to a statutory hold period of four months plus a day from issuance in accordance with applicable securities laws.

An application will be made to the Aquis Stock Exchange (“**Aquis**”) for the 20,005,000 new Shares to be admitted to trading. Admission is expected to take place, and dealings on Aquis in the Shares are expected to commence, at 08:00 on or around 29 November 2023.

Following Admission, the Company will have 21,990,764 Shares in issue. Since the Company currently holds no shares in treasury, the total number of voting rights in the Company will therefore be 21,990,764. These figures may therefore be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Closing of the Offering and Debt Settlement has been approved by the NEO Exchange Inc., now operating as Cboe Canada (the “**Exchange**”). Under section 10.10(1) of the Exchange Listing Manual, the Company must obtain security holder approval of the Offering and Debt Settlement since (i) the number of Shares of the Company being issued (on a fully diluted basis) constitutes more than 25% of the issued and outstanding Shares and (ii) the security price less than the Maximum Discount to Market Price (as defined in the Exchange Listing Manual), unless it replies on the exemption under section 10.10(2) of the Exchange

Listing Manual. The Company will not seek for security holder approval for the completion of Offering and Debt Settlement pursuant to section 10.10(2) of the Exchange Listing Manual on the following basis: (i) the Company is in serious financial difficulty, (ii) no Related Persons (as defined in the Exchange Listing Manual) of the Company is participating in the Offering and Debt Settlement; and (iii) the independent directors have determined that the Offering and Debt Settlement are in the best interests of the Company, is reasonable in the circumstances and that it is not feasible to obtain security holder approval or completed a rights offering to existing security holders on the same terms.

The Company is currently seeking and will need to secure additional sources of working capital to continue operations. The Company's plan is to actively secure additional sources of funds, including possible equity and debt financing options, while at the same time focus on exercising careful cost control to sustain operations and, if necessary, the Company will curtail spending. Financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. As a result of challenging current capital market conditions and the Company's business market sector, comprised of blockchain technology, metaverse development and nonfungible token product offerings, experiencing economic challenges, the Company has had difficulty securing sufficient equity funding for working capital.

Under the current circumstances as summarized above, the independent directors of the Company, acting in good faith, have determined that the Company is in serious financial difficulty, that the Offering and Debt Settlement are designed to improve the Company's financial position in the near term and that the terms of the Offering and Debt Settlement are reasonable in the Company's circumstances. Furthermore, no related parties will be participating in the Offering. The Company's independent directors have also determined that a rights offering to existing securityholders on the same terms as the Offering would not be feasible to complete.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the 1933 Act and applicable state securities requirements or pursuant to exemptions therefrom. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

The Directors of Looking Glass Labs take responsibility for this announcement.

ABOUT LOOKING GLASS LABS

Headquartered in Vancouver, British Columbia, Looking Glass Labs ("**LGL**") specialises in consumer engagement applications to leverage immersive metaverse environments, gamification and Web 3.0 / blockchain monetisation strategies.

On behalf of

LOOKING GLASS LABS LTD.

“Dorian Banks”

Dorian Banks, Chief Executive Officer

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Forward-Looking Information

This press release contains statements that constitute "forward-looking information" within the meaning of Canadian securities laws ("forward-looking statements"), which are based upon our current expectations, estimates, projections, assumptions, and beliefs. All information that is not clearly historical in nature may constitute forward-looking statements. Forward-looking statements are typically identified by the use of terms such phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would" and "should", and similar terms and phrases, including references to assumptions.

Forward-looking statements, by their nature, are based on assumptions and are subject to known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the forward-looking statement will not occur. The forward-looking statements in this press release speak only as of the date hereof and reflect several material factors, expectations, and assumptions. Undue reliance should not be placed on any predictions or forward-looking statements as these may be affected by, among other things, changing external events and general uncertainties of the business. A discussion of the material risks applicable to us can be found in our current Management Discussion and Analysis and Annual Information Form, each of which have been or will be filed on SEDAR+ and can be accessed at www.sedarplus.ca. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and we disclaim any intention and assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. 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.

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.sedarplus.ca.

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