



NEWS RELEASE

Metasphere Labs Provides Clarifying News Release Regarding Its Acquisition of CarbonBot and ClimateBot

Vancouver, British Columbia – August 8, 2024 / Globe Newswire / – Metasphere Labs Inc. (formerly Looking Glass Labs Ltd., "Metasphere Labs" or the "Company") (Cboe Canada: [LABZ](#)) (OTC: [LABZF](#)) (FRA: [HIN](#)). As a result of a review by the British Columbia Securities Commission, the Company is issuing the following news release to clarify its disclosure in: (a) the news releases dated February 6 and 8, 2024 announcing the entering of a definitive agreement and subsequent closing of the acquisition of Bot Media Corp.'s ("**Bot Media**" or the "**Vendor**") climate and artificial intelligence (AI) web3 assets (the "**Purchased Assets**"); (b) the news release dated March 21, 2024 announcing a definitive agreement with Bluesphere Ventures Inc. ("**Bluesphere**"); and (c) the news release dated June 6, 2024 announcing a letter of intent with Ecoblox, Pure Sky Registry LLC ("**PureSky**") and Bluesphere, followed by the news release and material change report dated July 9, 2024 announcing the entering of a definitive agreement with Ecoblox and PureSky in connection with the previously announced letter of intent.

In addition to the information provided in the news releases dated February 6 and 8, 2024 mentioned above, the Company is providing additional information relating to the acquisition of the Purchased Assets, which is comprised of carbon.bot ("**CarbonBot**") and climate.bot ("**ClimateBot**"). Research and development of ClimateBot commenced in February 2023 and took place over the period from February 2023 to October 2023 with estimated development costs of \$167,000. CarbonBot was originally acquired by the Vendor from Bot Ventures Inc. ("**Bot Ventures**") and developed over the course of 2019 and 2020 with estimated development costs of \$184,000. There are no patents or licenses associated with the purchased assets relating to ClimateBot or CarbonBot. The Vendor was incorporated on May 29, 2023.

Subsequent to the acquisition of the Purchased Assets from the Vendor, the Company entered into a definitive agreement dated March 20, 2024 with Bluesphere whereby the Company will develop a presentation and website outlining Bluesphere's Ents World concept, features, and the impact on environmental restoration.

On June 6, 2024, the Company entered into a joint letter of intent with Ecoblox, PureSky, and Bluesphere to cofound a consortium dedicated to developing a carbon-aware routing protocol. As a result of the joint letter of intent, the Company entered into a definitive agreement with Ecoblox and PureSky on July 8, 2024 to jointly develop the carbon-aware routing protocol (the "**Protocol Development Agreement**"). Although a party to the joint letter of intent, Bluesphere withdrew from the proposed collaboration and did not enter into the Protocol Development Agreement. Under the Protocol Development Agreement, the parties thereto agreed to incorporate a new company (the "**Consortium Company**") to jointly develop the carbon-aware routing protocol. The Company will own 50% of the Consortium Company and each of Ecoblox and Puresky will own 25% of the Consortium Company, respectively. All intellectual property developed by the Consortium Company will be the property of the Consortium Company. Metasphere Labs will grant a royalty-free license to the Consortium Company to use the internet domain "carbon.bot". In addition, the shareholders of the Consortium Company will share their expertise and resources to develop the carbon-aware routing protocol. The Protocol Development Agreement does not require any shareholder of the Consortium Company to contribute a specific amount of capital to fund operations. Funding requirements will be determined on a case-by-case basis. The liability of the shareholders of the Consortium Company will be limited to any capital

contributed by such shareholder.

Bluesphere currently owns 64.2% of the Vendor and 47.7% of PureSky. Each of Bot Media, Bot Ventures, Bluesphere, and Pure Sky is under common control of Shidan Gouran and/or Eddie Soleymani. Mr. Shidan Gouran currently owns directly and indirectly 45.32% of Bot Media (through his 15.4% direct interest in Bot Media and 46.6% interest in Bluesphere); 91% of Bot Ventures; 46.6% of Bluesphere; and 22.23% of Pure Sky (indirectly through his 46.6% interest in Bluesphere). Similarly, Mr. Eddie Soleymani currently owns directly and indirectly 45.32% of Bot Media (through his 15.4% direct interest in Bot Media and 46.6% interest in Bluesphere); 46.6% of Bluesphere; and 22.23% of Pure Sky (indirectly through his 46.6% interest in Bluesphere).

About Metasphere Labs:

Based in Vancouver, British Columbia, Metasphere Labs develops solutions for the metaverse, DAOs, gamification, and Web3, addressing social challenges related to climate change and aiming for a positive planetary impact.

For more information, contact Natasha Ingram, CEO, at info@metasphere.earth

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 the carbon credit protocol initiative, other open metaverse projects and the development of virtual world 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, metaverse and blockchain markets; the availability of sufficient funding to carry out the Company's business development plans; favourable market conditions; and the market acceptance for its products.

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, metaverse and blockchain offerings; 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 digital 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.sedarplus.ca.

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: METASPHERE LABS INC.