LIBBY K ANNOUNCES FILING OF FILING STATEMENT FOR PROPOSED QUALIFYING TRANSACTION WITH PLURILOCK SECURITY SOLUTIONS

Vancouver, BC, August 24, 2020. Libby K Industries Inc. ("**Libby K**") (TSX-V: LBB.P) is pleased to announce that, further to its news release dated June 23, 2020 (the "**Comprehensive News Release**"), it has received conditional approval from the TSX Venture Exchange ("**TSX-V**") in respect of its previously proposed "qualifying transaction" with Plurilock Security Solutions Inc. ("**Plurilock**") and 01243540 B.C. Ltd., a wholly-owned subsidiary of Libby K. In connection with the qualifying transaction and pursuant to TSX-V requirements, Libby K has filed a filing statement dated August 20, 2020 (the "**Filing Statement**") on its SEDAR profile at www.sedar.com on August 21, 2020.

Plurilock Shareholder Approval

Libby K is also pleased to announce that Plurilock has received approval from its shareholders to complete the qualifying transaction at a special shareholder meeting held on July 13, 2020. At the meeting, 97% of the outstanding shares were voted, resulting in unanimous approval of the qualifying transaction, among other items.

Concurrent Financings

In accordance with the policies of the TSX-V, Libby K has clarified the terms of the concurrent financings (the "**Concurrent Financings**") in the Filing Statement. The Comprehensive News Release specified that the Concurrent Financings would be comprised of aggregate proceeds of "up to $2.7 million". The Filing Statement now refers to the Concurrent Financings as "being subject to a minimum offering amount of $2 million and a maximum of $2.7 million."

All other terms of the Concurrent Financings are the same as described in the Comprehensive News Release; specifically, the Concurrent Financings will be conducted in two components: (a) by Libby K, for retail investors who are subscribing under the prospectus exemption for certain distributions through an investment dealer (the "**Investment Dealer Exemption**") pursuant to BC Instrument 45-536 (the "**Libby K Brokered Component**"); and (b) by Plurilock, for investors who are subscribing under all other prospectus exemptions (the "**Plurilock Brokered Component**").

Unless such terms are amended with the approval of the Libby K board of directors and Plurilock board of directors, investors in the Libby K Brokered Component will be subscribing for units of the resulting issuer (the "**Resulting Issuer**") (each, a "**Resulting Issuer Unit**") with a subscription price of $0.30 per unit. Each Resulting Issuer Unit will be comprised of one common share of the Resulting Issuer (each, a "**Resulting Issuer Share**") and one-half of a common share purchase warrant of the Resulting Issuer (each whole such common share purchase warrant, a "**Warrant**"). Each Warrant will be exercisable for one Resulting Issuer Share for two (2) years from the closing (the "**Closing**"), at an exercise price of $0.40 per share.

Investors subscribing in the Plurilock Brokered Component will be subscribing for subscription receipts of Plurilock at a price of $0.30 per subscription receipt. Each subscription receipt will entitle the holder to receive, for no additional consideration, one (1) Resulting Issuer Unit at the Closing.

The Resulting Issuer Units issued pursuant to the Libby K Brokered Component will have a four month hold period, while the Resulting Issuer Units issued pursuant to the Plurilock Brokered Component are expected to be free trading following the Closing (subject to any escrow or hold period requirements that may be imposed by the TSX-V).

In accordance with the requirements of the Investment Dealer Exemption, Libby K advises that, as at the date hereof, there is no material fact or material change in respect of Libby K that has not been generally disclosed.

As previously disclosed, Libby K intends to use the net proceeds from the Concurrent Financings, including the Libby K Brokered Component, to complete the Transaction, to implement Plurilock's growth strategy, including sales & marketing, for product development and for general working capital.

Business Updates of Plurilock

Libby K is also pleased to announce that Plurilock has continued to make progress in its business expansion, including a renewed contract with a major department of the US government and receipt of advisory services and funding from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) for a research and development project.

The qualifying transaction is scheduled to close on or about September 9, 2020 and remains subject to, among other things, TSX-V approval.

More details on these and other developments can be found on Plurilock's website at https://www.plurilock.com/company/press-and-coverage/.

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Forward Looking Information

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect Libby K's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information.

The forward-looking statements and information in this press release include information relating to the business plans of Libby K, Plurilock and the Resulting Issuer, the Concurrent Financings and the qualifying transaction (including TSX-V approval and the closing of the qualifying transaction).

Such statements and information reflect the current view of Libby K. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or *other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

The forward-looking information contained in this press release represents the expectations of Libby K as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward looking information and should not rely upon this information as of any other date. While Libby K may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

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