



Imagination Park signs LOI for Exclusive Worldwide Joint Venture with InterKnowlogy to Develop & Sell Augmented Reality/Mixed Reality Solutions

Vancouver, BC – July 5, 2017 – Imagination Park Entertainment Inc. (CSE: IP) (OTCQB: IPNFF) (“**Imagination Park**” or the “**Company**”) is pleased to announce the execution of a binding letter of intent (“**LOI**”) with InterKnowlogy, LLC (“**InterKnowlogy**”) in connection with the establishment of a joint venture company (“**JVC**”) where, pursuant to the terms, ownership will be divided on a 50/50 basis between Imagination Park and InterKnowlogy.

The JVC will be formed to exclusively develop and sell InterKnowlogy’s Augmented Reality software tools and products, as well as custom client Augmented Reality and Mixed Reality solutions starting in the Fall of 2017.

About InterKnowlogy

InterKnowlogy is a privately-held limited liability company formed under the laws of the State of California and is focused on the development of natural user experiences (“**NUI**”) in several digital environments including Virtual Reality (“**VR**”), Augmented Reality (“**AR**”) and Mixed Reality (“**MR/holographic experiences**”) with machine learning and artificial intelligence.

Tim Huckaby, Chairman and Founder of InterKnowlogy, stated, “We are extremely pleased to enter into this exclusive global joint venture with Imagination Park. InterKnowlogy has for many years been developing NUI software tool sets and applications for many of the top technology companies in the world, with a focus in AR and MR/holographic experiences. Along with Imagination Park’s original immersive content we together now have a complete client solution for the developing AR /MR marketplace.”

Tim continued, “The AR unity tools we have developed allow gaming companies to easily integrate Unity® developed experiences with wearable AR headsets provided by major manufacturers including Microsoft HoloLens® starting this Fall. Our licensed toolset has over two years of advanced research in the worldwide marketplace for gaming developments with InterKnowlogy-created unique user interactions for AR headsets.”

Joint Venture Mixed Reality Showroom

Later this year, and as a result of this joint venture, Imagination Park and InterKnowlogy will also launch a Mixed Reality Showroom product developed to allow major brand companies and advertisers to integrate 3D holographic images with AR headsets. The Mixed Reality Showroom is established to impact viewers by drawing them deeper into engaging experiences and will additionally support an advertiser's existing 3D content. The solution includes a cloud-based content management system for 3D holographic images automatically downloaded to AR headsets and rendered dynamically.

Under the terms of the LOI, Imagination Park and InterKnowlogy will establish a newly incorporated JVC. The LOI provides for the following key terms:

- a. Imagination Park will contribute US\$500,000 in initial seed funds to the JVC over 12-months from the date of formation of the JVC, anticipated on or about July 31, 2017.
- b. InterKnowlogy will contribute substantial technology and intellectual property as identified in the LOI for AR/MR solutions. These include development tools for AR/MR manufactured headsets; toolkits to bi-directionally communicate between disparate devices via Bluetooth; and existing and in-progress R&D in building communication technology including, but not limited to, the utilization of devices off-board from the AR/MR hardware for interactions.
- c. The JVC will initially have a board of directors of three individuals, one chosen by Imagination Park, one chosen by InterKnowlogy and one mutually acceptable to both. The initial sole officer of the JVC will be Alen Paul Silverrstieen, CEO of Imagination Park.
- d. Imagination Park has also today granted an aggregate of 240,000 Imagination Park incentive stock options to certain founders of InterKnowlogy, each option exercisable for a period of five years from the date of grant at a price of C\$0.26 per option.

Market for AR & MR

According to Markets and Markets[®], a B2B research firm, the global AR market is expected to reach US\$117.40 billion by 2022, at a CAGR of 75.72% between 2016 and 2022. Tractica[®], a market intelligence firm, believes AR's 342.8 million monthly active users (MAU) in 2015 will grow to 1.9 billion by 2022 and annual AR mobile app revenue rising from US\$749 million to US\$18.5 billion over the same period.

Alen Paul Silverrstieen, CEO of Imagination Park, stated "With this joint venture, Imagination Park is uniquely positioned to be a global leader in producing original content integrated with AR & MR software technology. We are confident this joint venture will generate significant recurring licensing revenues as well as new revenue opportunities with major corporations."

Alen Paul concluded, "Please join us for an investor conference call to update our shareholders and the market generally."

Investor Conference Webcast/Conference Call

Imagination Park and InterKnowlogy will co-host an Investor Conference Call on Thursday, July 6, 2017 at 10:00 a.m. (California time).

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/750491925>

You can also dial in using your phone.

United States: +1 (646) 749-3129

Access Code: 750-491-925

More phone numbers

Canada: +1 (647) 497-9350

About InterKnowlogy

InterKnowlogy is a custom application development services company focused on mobile, cloud, large screen immersive touch, and augmented/mixed reality solutions. Founded in 1999, InterKnowlogy builds enterprise-grade solutions for many of the Fortune 1000 like Microsoft, CNN, ABC, NBC, NASA, and Nike. For more information, visit our website at www.interknowlogy.com.

<http://interknowlogy.com/>

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About Imagination Park

Imagination Park Entertainment Inc., a publicly traded company in Canada (CSE: IP) and the USA (OTC: IPNFF) is an emerging digital content production company, working with talented filmmakers around the world to bring conventional as well as virtual reality, augmented reality, and mixed reality content to life. The Company headquarters are located in Vancouver, BC, Canada with an office in Studio City, Hollywood, California. Imagination Park has recently expanded into the China market and also maintains local executive representation.

For more information or to explore working with Imagination Park, please email info@imaginationpark.com, visit www.imaginationpark.com, or call (818) 850-2490.

ON BEHALF OF THE BOARD,

Alen Paul Silverstien
President & CEO

<https://www.facebook.com/imaginationparkentertainment/>

<https://www.instagram.com/imaginationparkentertainment/>

<https://twitter.com/imaginationpent?lang=en>

The Canadian Securities Exchange has neither approved nor disapproved the contents of this press release.

This press release may include 'forward-looking information' within the meaning of Canadian securities legislation, concerning the business of the Company. The forward looking information is based on certain key expectations and assumptions made by Imagination Park's management. Although Imagination Park believes that the expectations and assumptions on which such forward- looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Imagination Park can give no assurance that it will prove to be correct. These forward-looking statements are made as of the date of this press release, and Imagination Park disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.