#### LIZARDTECH ANNOUNCES GENERATION III OF ITS MRSID IMAGING LANGUAGE

'Imaging 2000' Initiative Puts Most Advanced Image Encoding Technology Into Hands of Consumers

Seattle - LizardTech(TM) Inc, the leading developer of imaging technologies, today announced Generation III of its MrSID(TM) Imaging Language, technology that makes images easy to manipulate and extremely portable for a variety of networked and Internet applications. In addition, the company announced "Imaging 2000," an initiative to put LizardTech image encoding technology into the hands of businesses and consumers through popular applications and new uses. Generation III of MrSID provides a variety of enhancements, including totally lossless 2:1 encoding of image files for sharing over networks or the Internet.

"Over the last five years, MrSID became the standard in the high-end, professional imaging markets," said John. R. Grizz Deal, LizardTech president and CEO. "With Generation III and the 'Imaging 2000' initiative, LizardTech is addressing a much broader user base than was possible before. Several key enhancements to MrSID give everyday consumers digital image features and power that up until now was only dreamed of in motion picture special effects."

Generation III of the MrSID Imaging Language adds powerful features such as lossless image encoding; on-demand, reproduction-quality pixel streams; instant display; and patented quality-on-demand rendering. The evolution of ISO/ASA standards in the upcoming JPEG 2000 standard provides LizardTech additional opportunity to bring its powerful imaging technology to business-to-business and consumer applications by making the technology increasingly interoperable across the Internet.

# :: Making imaging work everywhere

MrSID technology is integrated into more than 165 products, including applications from Adobe(R), Autodesk(R) and ESRI(TM). It's available as a plug-in for popular imaging applications, such as Photoshop(R) and QuarkXPress(TM). MrSID is used by millions of professionals for applications ranging from geospatial and medical diagnostic imaging to graphic design and consumer digital photography.

LizardTech's "Imaging 2000" initiative will facilitate the deployment of the technology in hundreds of popular business and consumer applications. Components of MrSID Generation III are available now within shipping products; general availability is slated for June 2000. Software Developer Kits (SDKs) are available now from LizardTech.

### :: Technology at a glance

LizardTech's MrSID technology doesn't just reduce image file sizes, but instead encodes them via wavelet-based algorithms that efficiently reduce file size while protecting vital file information. With MrSID's patented lossless encoding, image files don't lose information yet their size is reduced by a ratio of more than 2:1. The image can be returned to the original image space with the information being identical bit for bit, while providing the ability to instantly serve the image via the Internet at virtually any resolution.

#### :: MrSID Generation III features include

On-demand, user definable image quality called pixel streams

Mathematically invertible (lossless, and therefore reversible) image quality

Instant image rendering, even across the Internet

Additional hooks for third-party developer features and enhancements

A strategy for compound documents

Improved image enhancement so that lower-quality originals can be used as multipurpose images

Virtually unlimited image resolution

## :: Market growth

Internet imaging is experiencing significant growth as consumers, e-tailers and businesses use the medium to share visual information. CAP Ventures forecasts the market for large-format graphics technologies alone will grow from \$2.41 billion in 1998 to \$6.51 billion in 2003. As more people and companies store, transmit and manipulate images, technologies to repurpose image files and make them easier to manage become more critical.

#### :: About LizardTech

Founded in 1992, LizardTech is a privately held company focused on developing innovative software that provides users of all levels with instant access to high-resolution digital images and multimedia content. The company licensed Generation I of its MrSID technology from Los Alamos National Laboratory (LANL) for the commercialization of products in the private sector.

LizardTech's innovative technology has been recognized by its customers and integration partners, including Boeing, Graphic Arts Center (GAC), the Library of Congress, Lockheed Martin, Sir Speedy and hundreds of others worldwide. In 1998, LizardTech was voted the Washington Software Alliance's Most Promising Company. Additional information about the Seattle-based company can be found on the World Wide Web at www.lizardtech.com.

Note: LizardTech, MrSID and their associated marks are trademarks of LizardTech, Inc. All other trademarks are the property of their respective owners.

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