



LookSmart to Make Premium Magazine and Periodical Content Available and Free Online

Search Infrastructure Leader Partners With the Gale Group; Enters Business and Premium Information Market With Revolutionary Model

SAN FRANCISCO--(BUSINESS WIRE)--May 23, 2000--LookSmart (Nasdaq:LOOK), the global leader in Internet search infrastructure, today announced an exclusive partnership with the Gale Group, a division of the Thomson Corporation (Toronto: TOC.TO) and global leader in research and reference publishing. The partnership will make business and premium magazine and periodical content, from a variety of publications ranging from Scientific American to Rolling Stone, available for free to users who search the LookSmart directory. Once the Gale collection is added to the LookSmart directory, users will be able to access business and magazine content for free by searching the Internet through any of LookSmart's 400 partner Web sites. LookSmart will be the first major search provider to offer Internet users free access to premium information online.

The partnership is based on an advertising model whereby Gale and publishers benefit from LookSmart's strength of selling targeted advertising inventory and from its distribution network, which reaches 74 percent of Internet users in the United States. With exclusive rights to Gale's magazine and periodical content, LookSmart will benefit by further differentiating its search offerings to business partners, expanding its reach and increasing its number of page views. LookSmart will generate revenue for itself, for Gale and for publishers by selling advertisements and e-commerce opportunities on Web pages with the magazine and periodical content. In addition, LookSmart's partners who want customized versions of the content will pay licensing fees.

Under the terms of the agreement, Gale will provide LookSmart with access to current and archived articles from hundreds of magazines and journals. LookSmart will integrate the collection of articles into its directory and make it available to LookSmart's distribution partners, including Microsoft's MSN, Excite@Home, AltaVista, Time Warner, Sony, BT, Road Runner, Prodigy, US West, NetZero, more than 370 Internet service providers and thousands of Web sites.

"Partnering with Gale to liberate hundreds of thousands of proprietary articles and make them free for all Web users creates further unique advantages for partners to choose LookSmart as their search infrastructure supplier," said Evan Thornley, chairman and chief executive officer of LookSmart. "The ability to distribute enriched magazine and periodical content to 52 million users in our distribution network and to monetize the valuable search traffic creates a large new pool of value to be shared with our partners and the owners of the original content. Business information is a multibillion-dollar market in the U.S. alone, and we are excited to bring a Web-native approach to disintermediating this industry. By adopting this approach to proprietary information, the traditional pay-per-play model is relegated to dinosaur status."

"We're delighted to partner with LookSmart. We're very impressed with their dedication to editorial integrity and vast distribution network," said Allen Paschal, chief executive officer of the Gale Group. "We feel that LookSmart is wonderfully equipped to present our content to users in a relevant fashion and on a dramatic scale."

LookSmart and Gale will integrate the magazine and periodical content into the search results early this summer. Going forward, the offering will be enhanced with the addition of more titles, data sources and proprietary reference materials.

About LookSmart

LookSmart (Nasdaq:LOOK) is the global leader in Internet search infrastructure, dedicated to helping the world find useful information quickly. LookSmart's search service reaches more than 52 million people a month -- 74 percent of all Internet users in the United States -- through LookSmart's Web properties and partner sites. LookSmart provides its search solutions to leading Internet portals, ISPs and Web sites including Microsoft's MSN, Netscape Netcenter, Time Warner, Excite@Home, Sony, BT, Road Runner, Prodigy, US West, AltaVista, NetZero, more than 370 Internet service providers and thousands of Web sites. LookSmart's search solutions include a collection of over 1.8 million high-quality URLs organized into more than 170,000 categories. LookSmart has built Web directories for 30 countries, including the United States, United Kingdom, Canada, Australia, Japan, Korea, Mexico and Brazil. Through its partnership with Cox Interactive Media, LookSmart also offers one of the largest collections of quality local Web content in more than 70 U.S. markets. LookSmart is the official search infrastructure provider for www.Olympics.com, the official Web site of the Sydney 2000 Olympic Games. The company is headquartered in San Francisco and can be contacted at 415/348-7000.

About the Gale Group

The Gale Group (www.galegroup.com), a unit of the Thomson Corporation (www.thomson.com), is a world leader in publishing for libraries, businesses and information technologists. Best known for its accurate and authoritative reference content as well as its intelligent organization of full-text magazine and newspaper articles, the company creates and maintains more than 600

databases that are published in print, online and in such portable media as CD-ROM. In addition to serving the library community, Gale also licenses its proprietary content for integration within Web-based information services. Nearly 100 organizations -- including LookSmart, Borders, Dow Jones, WebMD and Thomson Financial -- presently enjoy strategic business distribution partnerships with Gale. For more information on how you can enhance your site with quality content from Gale, please contact directly Gale's Business Development department at 800/347-4253, extension 128, or consult Gale's Web site at www.gale.com/about/bizdev/index.html. The Gale Group is based in Farmington Hills, Michigan, with additional offices elsewhere in the United States and in Australia, Malaysia and the United Kingdom.

Forward-Looking Statement

This press release contains forward-looking statements based on our current expectations and projections about our industry, our management's beliefs and assumptions made by us. Words such as "expects," "intends," "plans," "believes," "may," "will" and variations of these words or similar expressions are intended to identify forward-looking statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. These statements are not guarantees of future performance and are subject to risks and uncertainties. Our actual results could differ from those expressed in these forward-looking statements, including our potential inability to integrate Gale content into our directory in a timely fashion, if at all; our ability to create custom directories for our partners; the possibility that LookSmart search users will not utilize our directory services at projected levels; our potential failure to establish an effective working relationship with Gale and other partners; our potential inability to aggregate a large amount of Internet traffic from the Gale content and monetize that traffic through advertising and other revenue streams; and other risks outlined in our annual report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission.

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