

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

AI/ML INNOVATIONS INC. (the “Company”)
#203, 645 Fort St., Victoria, British Columbia, V8W 1G2

Item 2 Date of Material Change

April 15, 2025

Item 3 News Release

A news release announcing the material change was disseminated on April 15, 2025 through the facilities of Accesswire and was subsequently filed on SEDAR+ at www.sedarplus.ca.

Item 4 Summary of Material Change

On April 15, 2025, the Company announced that the previously announced non-brokered private placement offering was completed on April 15, 2025 on an oversubscribed basis. Due to demand, and with the approval of the Canadian Securities Exchange, the Company has accepted subscriptions for 43,318,000 Units for total gross proceeds of \$2,165,900.

The Company also announces that it has modified the terms of an aggregate of 14,827,792 existing share purchase warrants and 411,800 broker warrants which were issued in two tranches on June 8, 2023 and July 4, 2023. Pursuant to the Warrant Modifications, each 2023 Warrant and each 2023 Broker Warrant will now be exercisable to acquire one common share of the Company at an exercise price of \$0.20 (the current exercise price). All other terms and conditions of the 2023 Warrants and 2023 Broker Warrants remain unchanged.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please refer to the Company’s news release dated April 15, 2025, which is attached as Schedule “A” to this Material Change Report.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7 Omitted Information

Not Applicable.

Item 8 Executive Officer

Contact: Paul Duffy, Chief Executive Officer
Telephone: (778) 405-0882
Email: info@aiml-innovations.com

Item 9

Date of Report

April 15, 2025

Schedule "A"
News Release



CSE: AIML
OTCQB: AIMLF
FWB: 42FB

NEWS RELEASE

AI/ML INNOVATIONS INC.

AIML Announces Closing of Oversubscribed Private Placement

Vancouver, Canada – April 15, 2025 – **AI/ML Innovations Inc.** ("AIML" or the "Company") (CSE: AIML; OTCQB: AIMLF; FWB: 42FB) is pleased to announce that Company completed its previously announced non-brokered private placement offering on April 15, 2025 on an oversubscribed basis.

On April 7, 2025, the Company announced a proposed private placement of up to 40,000,000 units ("Units") at a price of \$0.05 per Unit for gross proceeds of up to \$2,000,000. Due to demand, and with the approval of the Canadian Securities Exchange, the Company has accepted subscriptions for 43,318,000 Units for total gross proceeds of \$2,165,900 ("**Private Placement**").

Each Unit is comprised of one Common Share and one warrant which will be exercisable into one (1) Common Share of the Company (each a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one (1) additional Common Share at an exercise price of \$0.15 per Warrant at any time until April 15, 2028.

The net proceeds from the Private Placement are expected to be used for general working capital. All securities issued pursuant to the Private Placement will be subject to a statutory hold period ending August 16, 2025.

In connection with the Private Placement, aggregate finder's fees of \$101,815 were paid, and 1,917,300 finders warrants (each a "**Finder's Warrant**") were issued to arms length parties. The Finder's Warrants have the same terms as the Warrants.

Paul Duffy, CEO and Executive Chairman, comments "We are extremely grateful for the confidence and support shown by our investors in this oversubscribed financing. Their participation is a strong vote of confidence in our vision and strategic direction. These funds will help accelerate our mission to bring AI and machine learning innovations to the healthcare space and create long-term value for all stakeholders."

Insider Participation

Mr. Paul Duffy (through a company owned and controlled by him), the Company's CEO, and Mr. Peter Kendall (through a company owned and controlled by him), the Company's President, (together, the "**Insiders**") each participated in the Private Placement by acquiring 4,250,000 Units in the case of Mr. Duffy and 3,000,000 Units in the case of Mr. Kendall. As a result of the participation of the Insiders in the Private Placement, the Private Placement constitutes a "related party transaction" under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**").

Pursuant to sections 5.5(a) and 5.7(1)(a) of MI 61-101, the Company is exempt from obtaining a formal valuation and minority approval of the Company's shareholders as the fair market value of each of the Insider's participation, individually, and in aggregate, in the Private Placement is below 25% of the Company's market capitalization as determined in accordance with MI 61-101.

A material change report including details with respect to the related party transaction could not be filed less than 21 days prior to the closing of the Private Placement as the Company did not receive prior confirmation of such participation and the Company deemed it reasonable in the circumstances so as to be able to avail itself of potential financing opportunities and complete the Private Placement in an expeditious manner.

June 2023 Financing – Warrant Acceleration Clause Update

The Company also announces that it has modified the terms of an aggregate of 14,827,792 existing share purchase warrants (the "**2023 Warrants**") and 411,800 broker warrants (the "**2023 Broker Warrants**") which were issued in two tranches on June 8, 2023 and July 4, 2023 (the "**Warrant Modifications**"). Each 2023 Warrant and each 2023 Broker Warrant was originally exercisable to acquire one common share of the Company for a period of five years from the date of issuance (subject to acceleration), at an exercise price of \$0.10 for the first year from the date of issuance, \$0.20 for the second year from the date of issuance; \$0.30 for the third year from the date of issuance, \$0.40 for the fourth year from the date of issuance and \$0.50 for the fifth year from the date of issuance. Pursuant to the Warrant Modifications, each 2023 Warrant and each 2023 Broker Warrant will now be exercisable to acquire one common share of the Company at an exercise price of \$0.20 (the current exercise price). All other terms and conditions of the 2023 Warrants and 2023 Broker Warrants remain unchanged. For further details with respect to the 2023 Warrants and 2023 Broker Warrants, please refer to the press releases of the Company dated June 13 and June 30, 2023 available on SEDAR+ at www.sedarplus.ca.

For more information about AIML:

For detailed information please see AIML's website or the Company's filed documents at www.sedarplus.ca.

For further information, contact: Blake Fallis at (778) 405-0882 or info@aiml-innovations.com.

About AI/ML Innovations Inc. <https://aiml-innovations.com/>

AIML Innovations Inc. has realigned its business operations to capitalize on the burgeoning fields of artificial intelligence: (AI) and machine learning (ML), with an initial investment focus on emerging digital health and wellbeing companies that leverage AI, ML, cloud computing and digital platforms to drive transformative healthcare management solutions and precision support delivery across the health continuum. Through its 100% owned Quantum Sciences Ltd., NeuralCloud Solutions Inc. and AI Rx Inc., its strategic partnership with Health Gauge Inc. (95.2% owned by AIML), and other planned accretive investments, the Company continues to capitalize on expanding growth areas, to the benefit of all the Company's stakeholders. AIML's shares are traded on the Canadian Securities Exchange under the symbol "AIML", the OTCQB Venture Market under "AIMLF", and the Frankfurt Stock Exchange under "42FB".

On behalf of the Board of Directors:
Paul Duffy, Executive Chairman

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Readers are

cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.