

**Report Pursuant to National Instrument 62-103  
and Section 5.2 of Multilateral Instrument 62-104**

**1. Security and Reporting Issuer**

This report is made pursuant to the provisions of the securities legislation referred to above in connection with a certain acquisition of securities of AI/ML Innovations Inc. (the “Company” or “AIML”), #203, 645 Fort Street, Victoria, BC, V8W 1G2. The transaction was effected through a private placement and not through the facilities of any stock exchange.

**2. Identity of Acquirer**

ThreeD Capital Inc.  
130 Spadina Avenue, Suite 401  
Toronto, ON, M5V 2L4

The acquisition described in item 1 above took place through a private placement ending in recent weeks, and involved the following joint actor of ThreeD Capital Inc. (“ThreeD”):

- Sheldon Inwentash, 126 Old Forest Hill Road, Toronto, ON, M5P 2R9  
(the “Joint Actor”)

**3. Interest in Securities of the Reporting Issuer**

Through the completion of a private placement (the “Acquisition”), ThreeD and the Joint Actor acquired ownership and control of an aggregate of 3,565,000 common shares (the “Subject Shares”) and 3,565,000 common share purchase warrants (the “Subject Warrants”) and together with the Subject Shares, the “Subject Units”) of the Company. The Subject Shares represented approximately 3.5% of all issued and outstanding common shares of AIML at the time of the Acquisition. As a result of the Acquisition, the percentage ownership held by ThreeD and the Joint Actor increased by greater than 2% from the last early warning report filed.

Immediately prior to the Acquisition, ThreeD and the Joint Actor owned and controlled an aggregate of 3,339,000 common shares, 8,500,000 common share purchase warrants, and 500,000 stock options of the Company, representing approximately 3.7% of all issued and outstanding common shares of AIML (or approximately 12.3% on a partially diluted basis, assuming exercise of the warrants and options held). Of this total, ThreeD held an aggregate of 3,339,000 common shares and 7,500,000 common share purchase warrants, representing approximately 3.7% of the issued and outstanding common shares of AIML (or approximately 11.0% on a partially diluted basis, assuming exercise of the warrants held). The Joint Actor held an aggregate of 1,000,000 common share purchase warrants and 500,000 stock options, representing 0.0% of the issued and outstanding common shares of AIML (or approximately 1.6% on a partially diluted basis, assuming exercise of the warrants and options held).

Immediately following the Acquisition, ThreeD and the Joint Actor own and control an aggregate of 6,904,000 common shares, 12,065,000 common share purchase warrants, and 500,000 stock options of the Company, representing approximately 6.8% of all issued and outstanding common shares of AIML (or approximately 17.0% on a partially diluted basis, assuming exercise of the warrants and options held). Of this total, ThreeD held an aggregate of 6,339,000 common shares and 10,500,000 common share purchase warrants, representing approximately 6.2% of the issued and outstanding common shares of AIML (or approximately 14.9% on a partially diluted basis assuming the exercise of the warrants held). The Joint Actor held an aggregate of 565,000 common shares, 1,565,000 common share purchase warrants, and 500,000 stock options, representing 0.6% of the issued and outstanding common shares of AIML (or approximately 2.5% on a partially diluted basis, assuming exercise of the warrants and options held).

**4. Consideration Paid**

The Subject Units were acquired for total consideration of \$178,250 or \$0.05 per Subject Unit.

**5. Purpose of the Transaction**

The holdings of securities of the Company by ThreeD and the Joint Actor are managed for investment purposes. ThreeD and the Joint Actor could increase or decrease its investments in the Company at any time, or continue to maintain its current position, depending on market conditions or any other relevant factor.

**6. Agreements, Arrangements, Commitments or Understandings with respect to Securities of the Company**

Not Applicable.

**7. Change in Material Fact.**

Not Applicable.

**8. Exemption.**

Section 2.3 of National Instrument 45-106 on the basis that each of ThreeD and the Joint Actor is an “accredited investor” as defined therein.

**9. Certification**

The undersigned certifies that the information herein is true and complete in every respect.

**DATED** this 24<sup>th</sup> day of July, 2024

**THREED CAPITAL INC.**

*“Matthew Davis”*

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Matthew Davis

Chief Financial Officer and Corporate Secretary