

AI/ML Innovations Inc., formerly AIML Resources Inc., announces acquisition and trading on the CSE

Toronto, ON. – January 8, 2021, AI/ML Innovations Inc. (“**AIML**” or the “**Company**”) announces that it has completed the previously announced acquisition of 70% ownership of a private technology company (the “**Acquisition**”) operating in the digital health care space, as announced on August 19, 2020. In conjunction with this Acquisition, the Company completed a private placement of \$1,000,000 by the issuance of 4,000,000 units at \$0.25 per unit, a name change and settled debt of \$1,000,000 by the issuance of 4,000,000 units at \$0.25. Additionally, management has changed to reflect the new direction of the Company.

The Company has been advised by The Canadian Securities Exchange (the “**CSE**”) that its shares will start trading on the CSE under its current symbol “AIML” on January 11, 2021. A current listing statement has been filed on SEDAR and on the CSE website for those wishing more information.

The Acquisition

The Company has acquired a 70% equity interest in Salu Design Group Inc. (hereinafter referred to as “Health Gauge”), a private arms-length company by the issuance of 3,000,000 common shares at a deemed price of \$0.25 per share and 7,000,000 performance which are exercisable into 7,000,000 common shares, free of cost, subject to the following performance conditions being met by Health Gauge:

- a) 2,000,000 common shares upon Health Gauge generating aggregate sales revenue within any six consecutive month period of \$600,000, within 2 years of December 15, 2020, and
- b) 5,000,000 common shares upon Health Gauge generating aggregate sales revenue within any six consecutive month period of \$1,200,000, within 3 years of December 15, 2020.

The Company has the exclusive option to acquire the remaining 30% of the common shares from the Health Gauge shareholders for a period of 36 months from December 15, 2020 (the “Option”) as follows:

- a) 10,000,000 common shares of the Company upon exercise of the Option, and
- b) An additional 5,000,000 performance warrants which are exercisable into up to 5,000,000 common shares, free of cost, upon Health Gauge achieving aggregate sales revenue of not less than \$7.5 million within any consecutive 6-month period over the 2 years following closing of the exercise of the Option
- c) If Health Gauge achieves aggregate sales revenue of \$9 million during any consecutive 6-month period within the option period, the Option will automatically trigger such that AIML will acquire all remaining shares of Health Gauge for the full 15,000,000 common shares.

2,394,793 common shares and 4,888,100 performance warrants are subject to an escrow agreement that will see 10% released on listing and then 15% released every 6 months thereafter for a period of 3 years.

The balance of the 3,000,000 common shares are subject to trading restrictions of 9 months and 12 months.

About Health Gauge

Health Gauge's patent-pending solution is a personal health monitoring & management system, which combines the latest wearable health monitors with sophisticated artificial intelligence software tools and proprietary cloud computing software, to help caregivers, patients, and healthcare professionals access and utilize relevant data, resulting in better recovery outcomes and healthy living objectives through the ability to make immediate and better health choices.

Health Gauge is currently working to develop strategic partnerships with leading channel partners, health benefits providers, and end-users. Its products have completed beta testing in 2020 are expected to be commercially available and implemented during the first quarter of 2021.

Management Change

In conjunction with closing of the Acquisition, the founders of Health Gauge, Randy Duguay and Bruce Matichuk have been appointed to the board of directors of the Company and have taken over the rolls of President and CEO and Chief Technical Officer, respectively. John Cook has resigned as CEO but remains a director Ken Ralfs has resigned as a director, and the Company thanks him for his past service and wishes him well in his future endeavors.

Randy Duguay has a B.Sc. (Electrical / Computer Engineering), an M.Eng. (Management), and completed executive development programs at U of T (Rotman Business School). Randy served in senior management with TELUS Health Solutions, Canada's most significant digital health services company. There, Randy played a lead role on several multi-million dollar commercialized service initiatives, ventures reviews and product development.

Bruce Matichuk has a M.Sc. (Computer Science) and over 25 years of experience in managing innovative teams and deploying cutting edge software technology. Bruce has extensive background in machine learning, artificial intelligence, and software engineering. Bruce served as CTO of a number of AI Tech companies that worked on significant products for fortune 500 companies and have achieved product success.

The Financing

In conjunction with the Acquisition, the Company completed a private placement of \$1,000,000 by the issuance of 4,000,000 units, each unit consisting of one common share and one warrant. Two warrants entitle the holder to subscribe for one additional common share at \$0.50 for a period of one year from listing date, subject to the right of the Company to accelerate expiry if the commons shares trade at or above \$0.60 for a period of 10 days.

Securities issued pursuant to the financing are subject to trading restrictions until May 1, 2021. Proceeds will be used for working capital for Health Gauge and for general working capital.

Debt Settlement

The Company also entered into a number of settlement agreements with creditors and debt holders to convert \$1,000,000 into 4,000,000 equity units, each unit consisting of one common share and one warrant entitling the holder to subscribe for one additional common share for \$0.50 for a period of two years from the listing date. These securities are subject to trading restrictions until May 1, 2021.

About AI/ML Innovations Inc.

AI/ML Innovations Inc. has realigned its business operations to capitalize on the burgeoning areas of artificial intelligence (AI) and machine learning (ML), with an initial focus on emerging companies in the digital healthcare space. AI/ML's shares are traded on the Canadian Securities Exchange under the symbol "AIML". For detailed information please see AI/ML's website at <https://aiml-innovations.com/> or the Company's filed documents at www.sedar.com.

Contact

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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.

Cautionary and Forward-Looking Statements

Certain information in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including but not limited to, the uncertainty of competition by other industry players, the impact of general economic conditions, industry conditions, dependence upon regulatory approvals and the ability to raise additional capital as may be needed in the future. Readers are cautioned that the assumptions used in preparing such information, although considered reasonable at the time of preparation, may prove imprecise and undue reliance should not be placed on forward-looking statements. Forward-looking statements in this press release are expressly qualified by this cautionary statement.

The forward-looking statements in this press release are made as of the date of this press release, and the Company undertakes no obligations to update publicly or to revise any of the included forward-looking statements, whether because of new information, future events or otherwise, except as expressly required by applicable securities law.