

**MATERIAL CHANGE REPORT
FORM 51-102F3**

Item 1. Name and Address

AI/ML Innovations Inc. (the "Company")
#203, 645 Fort Street
Victoria, BC
V8W 1G2

Item 2. Date of Material Change

January 19, 2023

Item 3. News Release

The news release describing the material change was disseminated on January 24, 2023, through Accesswire and filed on SEDAR.

Item 4. Summary of Material Change

The Company announced the closing on January 19, 2023 of its previously announced (December 16, 2022) warrant exercise incentive program (the "Program").

Pursuant to the Program, the holders exercised 1,845,000 Eligible Warrants for proceeds of \$138,375 which will be used for general working capital. Participating holders were issued 1,845,000 additional common share purchase warrant (an "Incentive Warrant"). Each Incentive Warrant entitles the holder to purchase one additional Common Share until 5:00 p.m. (Vancouver time) on January 19, 2024 at a price of \$0.10 per Common Share, subject to the right of the Corporation to accelerate expiry upon 30 days notice if the shares of the Corporation trade on the Canadian Securities Exchange at or above \$0.20 for a period of 10 days, including days where no trading takes place.

4.1 Full Description of Material Change

The Company announced the closing on January 19, 2023 of its previously announced (December 16, 2022) warrant exercise incentive program (the "Program") intended to encourage the exercise of up to 5,648,000 unlisted common share purchase warrants of the Company (the "Eligible Warrants") exercisable for one common share of the Company (each a "Common Share") at a price of \$0.075 per Common Share.

Eligible Warrants that remain unexercised following the completion of this early exercise program continue to be exercisable for Common Shares on the original terms as they existed prior to the Program.

Pursuant to the Program, the holders exercised 1,845,000 Eligible Warrants for proceeds of \$138,375 which will be used for general working capital. Participating holders were issued 1,845,000 additional common share purchase warrant (an "Incentive Warrant"). Each Incentive Warrant entitles the holder to purchase one additional Common Share until 5:00 p.m. (Vancouver time) on January 19, 2024 at a price of \$0.10 per Common Share, subject to the right of the Corporation to accelerate expiry upon 30 days notice if the shares of the Corporation trade on the Canadian Securities Exchange at or above \$0.20 for a period of 10 days, including days where no trading takes place.

The Incentive Warrants and any Common Shares issuable on the exercise thereof will be subject to a four-month hold period from the date of issuance of the Incentive Warrants pursuant to applicable Canadian securities laws.

4.2 Disclosure for Restructuring Transactions

Not applicable.

Item 5. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 6. Omitted Information

No information has been omitted in respect of this material change.

Item 7. Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Dave Cross, Chief Financial Officer
Telephone: 604-558-4300

Item 8. Date of Report

January 25, 2023.