

Applied Inventions Management Announces Entering Into Letter of Intent to Acquire World Defense Holdings and Non-Brokered Private Placement

TORONTO, ONTARIO – May 13, 2016 – Applied Inventions Management Corp. ("**AIM**" or the "**Company**") is pleased to announce that pursuant to a letter of intent dated as of May 12, 2016 (the "**LOI**") among the Company, Mr. Stavros Daskos and World Defense Holdings WDH Ltd. ("**WDH**") AIM is proposing to acquire all of the issued and outstanding shares of WDH ("**WDH Shares**"), a Montréal, Québec based company specializing in providing program based defense services in South America, the Middle East and to certain U.S. allied countries to combat terrorism and to ensure global security (the "**Transaction**"), subject to the Company's due diligence and entering into a definitive agreement with Mr. Daskos and WDH. The Company expects the Transaction to close on or about May 31, 2016, and it is expected that upon closing of the Transaction, Mr. Daskos will join AIM's board of directors and serve as the Chief Executive Officer of WDH where he will focus on growing WDH's core business and expanding its service offerings across other geographic regions.

WDH is a special advisory service company consisting of a combination of seasoned professionals with extensive military experience, including individuals that have operated within the U.S. Joint Special Operations Command (JSOC), industry and government. WDH holds exclusive license agreements with corporations that offer proprietary products and services with an extensive track record servicing the military and public safety industry, including government contracting and procurement services to a wide range of police and military organizations across the world. WDH provides expertise in the areas of engineering design, systems development, assembly, integration and testing of diverse and complex military products, including project management and integrated logistics support management, training programs, maintenance programs for existing equipment being operated and sourcing and advising on certain military equipment. Additionally, WDH works closely with certain industrial firms to develop products for their operations that WDH offers to governments worldwide under exclusive licensing.

WDH places the needs and requirements of end users first. Its core value is to build on long term trust and develop skilled trade programs worldwide. The amalgamation of these bodies strategically position WDH to establish the appropriate channels offering multiple countries with a program based sales approach to meet their nation's specific mission requirements. Due to a very unique international, political, corporate network and program based approach, WDH has deep access and is able to provide countries tailor made solutions as per the definition and execution requirements of a country's public safety agencies mission requirement. WDH's unique network is its intellectual property and ultimate building block that secures revenue on a continued basis.

Mr. Daskos is a lawyer by training and a graduate of the John F. Kennedy School of Government. He has extensive experience in the defense contracting sector and has completed various initiatives over the past 10 years where he has set up maintenance repair and overhaul facilities in South America, and has assisted the U.S. Defense Security Co-operation Agency on providing allied countries in the Middle East with mine resistant ambush protected (MRAP) vehicles. In addition to his current role as President of WDH, he currently is interim President of Encanto Potash Corp. a reporting issuer listed on the TSX Venture Exchange, where he was instrumental in negotiating a contract with the Government of India through MMTC Limited, India's largest public sector undertaking trading in metals and minerals, for an estimated \$600 million dollars annually.

The WDH team also includes Joe Varner, a former Director of Policy to the Minister of National Defence, Minister of Justice and the Attorney General of Canada, former senior personnel from Canadian and U.S. Special Operations Command, including a former senior advisor to General David Patreus at the CIA, who will continue to act as a special advisor to WDH upon closing of the Transaction.

In consideration for the WDH Shares, it is proposed that Mr. Daskos will receive an aggregate of 4,000,000 units (each, a "**Consideration Unit**") at a deemed price of CDN\$0.25 per Consideration Unit and that 3,000,000 Consideration Units will be held in escrow for a three-year period, to be released to Mr. Daskos upon WDH achieving certain revenue and gross margin targets, or otherwise cancelled. Each Consideration Unit will consist of one Class A subordinate voting share of the Company (each, a "**Share**") and one share purchase warrant (each, a "**Consideration Warrant**"). Each Consideration Warrant will be exercisable into one Share at a price of CDN\$0.50 for a period of two years from closing of the Transaction. In connection with the Transaction, AIM may pay a broker fee by issuing up to an aggregate of 200,000 Shares at a deemed price of \$0.25 per Share to the person that introduced the parties.

AIM is also pleased to announce that the Company intends to complete a non-brokered private placement offering for aggregate gross proceeds of up to CDN\$500,000 (the "**Offering**"). Pursuant to the terms of the Offering, the Company will issue an aggregate of up to 4,000,000 units (the "**Financing Units**") at a price of CDN\$0.25 per Financing Unit. Each Financing Unit will consist of one Share and one share purchase warrant (each, a "**Financing Warrant**"). Each Financing Warrant will be exercisable into one Share at a price of CDN\$0.50 for a period of two years from closing of the Offering. AIM intends to use the proceeds of the Offering for ongoing general corporate and working capital purposes. The Shares and Financing Warrants (and any Shares issued upon the exercise of any Financing Warrants) issued pursuant to the Offering will be subject to a statutory four-month hold period.

In connection with the Offering, the Company may pay to certain eligible persons (the "**Finders**") a cash fee of 8% of the gross proceeds raised through each Finder under the Offering and issue compensation warrants equal to 8% of the total number of Financing Units (the "**Compensation Warrants**") issued through each Finder under the Offering. Each Compensation Warrant will entitle the holder upon exercise to acquire one Share at \$0.50 for a period of two years from closing of the Offering.

CONTACT INFORMATION

Applied Inventions Management Corp.
Michael Stein
President
416-410-7722