

**EARLY WARNING REPORT
(Form 62-103F1)**

**Made Pursuant To
NATIONAL INSTRUMENT 62-103
*The Early Warning System and Related Take-Over Bid and
Insider Reporting Issues***

ITEM 1 – SECURITY AND REPORTING ISSUER

- 1.1 **State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

Securities: Class B multiple voting shares.

Issuer: Applied Inventions Management Corp. (the "**Corporation**")
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

- 1.2 **State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable. See Item 2.2

ITEM 2 – IDENTITY OF THE ACQUIROR

- 2.1 **State the name and address of the acquiror.**

Michael Stein (the "**Purchaser**")
7071 Bayview Avenue, Suite 304
Thornhill, Ontario L3T 7Y8

- 2.2 **State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On April 27, 2016 the Corporation issued to WFE Investments Corp. ("**WFE**"), a company controlled and directed by the Purchaser, a secured multiple voting debenture in the amount of \$302,000 (the "**Multiple Voting Debenture**"), bearing interest at the rate of ten percent (10%) per annum. Accrued interest at ten percent (10%) per annum from April 27, 2016 to May 30, 2017 is \$33,013 for a total amount owing of \$335,013. All or any portion of the outstanding principal amount of indebtedness or any outstanding interest payments under the Multiple Voting Debenture is convertible at the option of the holder into units (the "**Multiple Voting Units**") at a conversion price of \$0.05 per Multiple Voting Unit. Each Multiple Voting Unit consists of one (1) Class B multiple voting share (the "**Multiple Voting Shares**") and one (1) detachable Class A warrant (the "**Warrants**"). Each Warrant entitles the holder thereof to acquire one (1) Class A subordinate voting share (the "**Subordinate Voting Shares**") at a price of \$0.06 per Subordinate Voting Share until May 30, 2019.

On May 30, 2017, WFE converted the Multiple Voting Debenture and as a result the Purchaser acquired control over 6,700,260 Multiple Voting Shares and 6,700,260 Warrants of the Corporation pursuant to the conversion of the Multiple Voting Debenture (the "**Conversion**").

2.3 State the names of any joint actors.

WFE.

ITEM 3 – INTEREST IN SECURITIES OF THE REPORTING ISSUER

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.

The Purchaser acquired control, through WFE, of 6,700,260 Multiple Voting Shares and 6,700,260 Warrants.

Prior to the Conversion, the Purchaser had direct and indirect ownership of an aggregate 937,418 Multiple Voting Shares of the Corporation representing approximately 82.27% of the then issued and outstanding Multiple Voting Shares, and 20,337 Subordinate Voting Shares of the Corporation representing approximately 5.23% of the then issued and Subordinate Voting Shares on a non-diluted basis.

Following the Conversion, the Purchaser has ownership and control of an aggregate 7,637,678 Multiple Voting Shares representing 97.42% of the issued and outstanding Multiple Voting Shares and 20,337 Subordinate Voting Shares of the Corporation representing approximately 5.23% of the Subordinate Voting Shares. Assuming the exercise of the Warrants, the Purchaser would have direct and indirect ownership of 94.8% of the Subordinate Voting Shares, on a partially diluted basis.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

The Purchaser acquired ownership of the securities.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Please see Item 3.1 above.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which:

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.1 above.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 **If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 **If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 **If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

ITEM 4 – CONSIDERATION PAID

- 4.1 **State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

Not applicable.

- 4.2 **In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

The securities were acquired by WFE pursuant to the conversion of the Multiple Voting Debenture.

- 4.3 **If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

The securities were issued upon conversion of the Multiple Voting Debenture.

ITEM 5 – PURPOSE OF THE TRANSACTION

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) a material change in the reporting issuer’s business or corporate structure;**
- (g) a change in the reporting issuer’s charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**

(k) an action similar to any of those enumerated above.

The Purchaser currently has no other plans or intentions that relate to, or would result in the matters listed in clauses (a) to (k), above. Depending on market conditions, general economic and industry conditions, the Corporation's business and financial condition and/or other relevant factors, the Purchaser may develop such plans or intentions in the future.

ITEM 6 – AGREEMENTS, ARRANGEMENTS, COMMITMENTS OR UNDERSTANDINGS WITH RESPECT TO SECURITIES OF THE REPORTING ISSUER

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

ITEM 7 – CHANGE IN MATERIAL FACT

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

ITEM 8 – EXEMPTION

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

ITEM 9 – CERTIFICATION

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: May 31, 2017.

"Michael Stein"

Michael Stein