

Michael Stein Announces Conversion of Debt and Exercise of Warrants with Applied Inventions Management Corp.

October 15, 2018

TORONTO, ONTARIO - Effective October 15, 2018 Michael Stein, a director and President of Applied Inventions Management Corp. ("**AIM**" or the "**Corporation**") converted \$115,000 (the "**Conversion**") of a secured subordinated voting debenture in the approximate amount of \$430,486, including interest (the "**Subordinated Voting Debenture**"), and as a result Mr. Stein acquired direct ownership of 2,300,000 units (the "**Units**") of the Corporation.

On April 27, 2016, the Corporation issued the Subordinated Voting Debenture to Mr. Stein in the amount of \$343,154, bearing interest at the rate of ten percent (10%) per annum. Accrued interest at ten percent (10%) per annum from April 27, 2016 to October 15, 2018 is \$87,332 for a total amount owing of \$430,486. All or any portion of the outstanding principal amount of indebtedness or any outstanding interest payments under the Subordinate Voting Debenture is convertible at the option of the holder into Units at a conversion price of \$0.05 per Unit. Each Unit consists of one (1) Class A subordinate voting share (each a "**Subordinate Voting Share**") and one (1) share purchase warrant (each a "**Warrant**"). Each Warrant is exercisable into one (1) Subordinate Voting Share at a price of \$0.06 per share for two years from the date of issuance.

Following the Conversion, Mr. Stein agreed to forgive the balance of \$315,486 remaining under the Subordinated Voting Debenture and terminate the 2,300,000 Warrants received as a result of the Conversion.

Mr. Stein, through WFE Investments Corp. ("**WFE**"), a company controlled and directed by Mr. Stein, also exercised an aggregate 2,300,000 Warrants of the Corporation at an exercise price of \$0.06 to acquire control over 2,300,000 Subordinate Voting Shares of the Corporation (the "**Exercise**"). Prior to the Exercise, Mr. Stein held an aggregate 6,700,260 Warrants in the Corporation, and agreed to terminate the remaining balance of 4,400,260 Warrants following the Exercise.

On October 15, 2018, Mr. Stein sold 1,840,625 Subordinate Voting Shares at a price of \$0.08 per share for aggregate gross proceeds of \$147,250 (the "**Sales**").

Prior to the Exercise, Conversion, and Sales, Mr. Stein had ownership and control of an aggregate 7,638,038 Multiple Voting Shares representing 97.4% of the issued and outstanding Multiple Voting Shares, 20,337 Subordinate Voting Shares of the Corporation representing approximately 1.8% of the Subordinate Voting Shares of the then issued and outstanding Subordinate Voting Shares, and 6,700,260 Warrants on a non-diluted basis.

Following the Exercise, Conversion, and Sales, Mr. Stein has ownership and control of an aggregate 7,638,038 Multiple Voting Shares representing 97.4% of the Corporation's issued and

outstanding Multiple Voting Shares and 2,779,712 Subordinate Voting Shares of the Corporation representing approximately 48.4% of issued and outstanding Subordinate Voting Shares.

The Subordinate Voting Shares were acquired for investment purposes. In the future, Mr. Stein may, depending on market and other conditions, increase or decrease his beneficial ownership of the securities of the Corporation.

For further information please contact:

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