

**Form 62-103F1**  
**Required Disclosure under the Early Warning Requirements**

**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.**

Subordinate voting shares ("SVS") of High Fusion Inc. (the "Issuer"), head office located at 77 King Street West, Suite 2905, Toronto, Ontario M5K 1H1.

- 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.

**Item 2 – Identity of the Acquiror**

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

Adam K. Szweras and persons acting jointly and in connection with Adam Szweras (collectively, the "Acquiror"), 77 King Street West TD Centre North Tower, P.O. Box 95, Suite 3000 Toronto, Ontario M5K 1G8.

- 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 February 16, 2022, the Issuer issued 30,465,690 SVS upon the amendment and conversion of secured convertible debentures of the Issuer and issued 32,710,087 SVS upon the conversion of accrued payables of the Issuer, in each case at a deemed issuance price of \$0.06 per SVS (the "Transaction").

Pursuant to the Transaction, the Acquiror acquired 4,214,954 SVS upon the amendment and conversion of secured convertible debentures of the Issuer held by the Acquiror and 7,731,083 SVS pursuant to the settlement of payables owed from the Issuer to the Acquiror (collectively, the "Acquisition").

- 2.3 State the names of any joint actors.**

7,731,083 SVS acquired by the Acquiror pursuant to the Acquisition were acquired by 2674775 Ontario Limited, a company in which Adam Szweras is the majority shareholder.

**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 security holding percentage in the class of securities.**

The Acquiror acquired ownership of 11,946,037 SVS. The Acquiror's holdings of SVS increased from 8.6% to 13.8% (in each case assuming the conversion of all securities held by the Acquiror in which the underlying security is SVS).

**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.**

See item 3.1.

**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 security holding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Prior to the completion of the Acquisition described in this report, the Acquiror had ownership and control, directly or indirectly, over 5,107,378 SVS, representing 8.6% of the issued and outstanding SVS. Following the completion of the Acquisition, the Acquiror has ownership and control, directly or indirectly, of 16,990,915 SVS, representing approximately 13.8% of the issued and outstanding SVS (in each case assuming the conversion of all securities held by the Acquiror in which the underlying security is SVS).

**3.5 State the designation and number or principal amount of securities and the acquiror's security holding 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, (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 (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

See item 3.4 above.

**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.**

The SVS issued pursuant to the Acquisition were issued with a deemed price of \$0.06 per SVS from the treasury of the Issuer.

- 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.**

See section 4.1 above.

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

4,214,954 SVS were issued upon the amendment and conversion of previously held secured convertible debentures of the Issuer by the Acquiror and 7,731,083 SVS were issued pursuant to and the settlement of payables owed from the Issuer to the Acquiror.

#### **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 securities of the Issuer noted in this report are held by the Acquiror for investment purposes. The Acquiror may acquire or dispose of additional securities of the Issuer in the future depending on market prices and provided such acquisitions may be completed in accordance with applicable securities laws.

Except as described herein, while the Acquiror has no current plans or intentions that relate to or would result in the items listed in (a) through (k) above, depending on various factors including, without limitation, the Issuer's financial position, the price levels of the SVS, conditions in the securities markets and general economic and industry conditions, the Issuer's business or financial condition, and other factors and conditions the Acquiror deems appropriate, the Acquiror may acquire or dispose of additional securities in the future but has no current plans or future intentions to do so.

#### **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**

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete. This report must be signed by each person on whose behalf the report is filed or his or her authorized representative. It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

**Certificate**

I, as an officer of 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.

Dated this 18<sup>th</sup> day of February, 2022.

*(Signed) " Adam Szweras "*

Adam Szweras