

American Aires Inc. Announces Partnership Agreement with HUCK Project LLC

Toronto, Ontario--(Newsfile Corp. - August 28, 2023) - American Aires Inc. (CSE: WIFI) (OTC Pink: AAIRF) ("**Aires**" or the "**Company**"), a leader in scientifically-proven EMF modulation technology, announces a Partnership Agreement with HUCK Project LLC (HUCK), whereby HUCK becomes the Company's non-exclusive global retail-only distribution partner.

This partnership agreement bears a two-fold rationale. Firstly, management believes that this outsourcing strategically positions the Company as a pure biotechnology firm. With HUCK committing its resources to retail operations, the Company plans to focus on R&D, new product development and engaging into larger and more lucrative Original Equipment Manufacturer (OEM) deals. This new focus and royalty-based revenues are anticipated to re-shape the Company's operations and investor perception, improving the Company's valuation as it transforms from a working-capital heavy consumer product firm into an R&D-heavy entity with its business core rooted in deep technological and scientific expertise protected by patents. Secondly, by outsourcing retail operations to HUCK, the Company transfers the inventory financing burden over to HUCK, a US-based entity which is better positioned to source financing options to support the growing inventory investments.

The partnership agreement is largely an extension of the working relationships already established between the Company and HUCK as it has been managing day-to-day operations of the Company's Shopify store and overseeing the entire sales, marketing and advertising functions since 2021. The agreement also gives complete flexibility over partnership economics to the Company through a set of two royalties, both to be set monthly by the Company. All of the Intellectual Property, Trademarks and Patents, including the Shopify store remain with the Company.

Key points of the agreement:

- The Company shall grant to HUCK a non-exclusive, sublicensable licence to make, use, advertise, sell, promote, manufacture, the Intellectual Property, and to offer the Retail E-Commerce Services, worldwide.
- HUCK shall acquire from the Company all inventory of the Company (including current, in-transit and pending inventory) for the sum of C\$684,038.
- HUCK shall maintain sufficient inventory to ensure the ongoing operation of the Company's store in a commercially reasonable manner.
- The Company to permit HUCK to submit orders directly to UAB Technano for the manufacture of Lifetune-branded products.
- HUCK shall pay to the Company a monthly royalty rate. The Net Royalty shall comprise a cash royalty portion and a special royalty portion as negotiated by the Parties.

Josh Bruni commented: "Today marks a pivotal moment in our company's evolution. As we refocus our energies towards expanding our technological frontiers and unlocking the vast potential of our patented innovations, I am filled with optimism and excitement. Entrusting our esteemed retail partner with our consumer product line ensures that it will continue to flourish and serve our loyal customers. This strategic shift amplifies our commitment to R&D, the enrichment of our intellectual property, and the deepening of our scientific research endeavors. We're not just embracing change; we're paving the way for unprecedented opportunities in larger markets, solidifying our position as industry trailblazers."

Drew Green, Chairman of American Aires Inc., said: "This strategic evolution not only exemplifies our adaptability but underscores our vision for a future teeming with possibility. I stand wholeheartedly behind the Aires team's direction, confident that our collective endeavors will lead to unparalleled growth and value for our stakeholders."

The agreement with HUCK is considered a related party transaction under Multilateral Instrument 61-101

- *Protection of Minority Security Holders in Special Transactions ("MI 61-101")* given that HUCK is owned entirely by Josh Bruni, Aires' CEO and director. This transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the inventory sold to HUCK nor the consideration provided therefor exceed 25% of the Company's market capitalization as of the time that the agreement was entered into.

About HUCK Project LLC

HUCK Project LLC is a US-based digital marketing and advertising consulting and execution group. The Company engaged HUCK in 2021 to devise the plan for and execute on brand development and sales growth initiatives.

About American Aires Inc.

American Aires Inc. is a Canadian-based nanotechnology company committed to enhancing well-being and environmental safety through science-led innovation, education, and advocacy. The company has developed proprietary silicon-based microprocessors that reduce the harmful effects of electromagnetic radiation (EMR). Aires' Lifetune products target EMR emitted by consumer electronic devices such as cellphones, computers, baby monitors, and Wi-Fi, including the more powerful and rapidly expanding high-speed 5G networks. Aires is listed on the CSE under the ticker 'WIFI' and on the OTC QB under the symbol 'AAIRF'. Learn more at www.airestech.com.

On behalf of the board of directors

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Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding HUCK's ability to source financing options, management's beliefs regarding strategic positioning, the effects of the partnership with HUCK on the business and valuation of the Company, business strategy, use of proceeds, corporate vision, proposed acquisitions, partnerships, joint ventures and strategic alliances and co-operations, budgets, cost and plans and objectives of or involving the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Certain material assumptions regarding such forward-looking statements may be discussed in this news release and the Company's annual and quarterly management's discussion and analysis filed at www.sedarplus.ca. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time

of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by securities laws.

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