

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: American Aires Inc. (the "Issuer").

Trading Symbol: WIFI

Number of Outstanding Listed Securities: 86,516,925

Date: March 5, 2024 – reporting for February 2024

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

- 1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The issuer on February 5, 2024 announced a \$2.5 million non-brokered private placement. The Company announced its intention to complete a non-brokered private placement offering (the "**Offering**") of up to 16,666,667 units of the Company (the "**Units**") at a price of \$0.15 per Unit (the "**Offering Price**") for aggregate gross proceeds of up to \$2,500,000. The Company will have the option to increase the Offering to 20,000,000 Units for aggregate gross proceeds of \$3,000,000 depending on market conditions. Each Unit will be comprised of one common share in the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**") being exercisable into one Common Share at a price of \$0.25 per share for a period of 24 months from closing of the Offering, provided that, in the event that the volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") exceeds \$0.40 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date to 30 days following the date on which the Company provides notice thereof to the holders of the Warrants.

The issuer on February 12, 2024 announced that, due to higher than anticipated investor demand, the size of its previously announced non-brokered private placement offering (the "**Offering**") is being increased to up to 26,666,666 units of the Company (the "**Units**") at a price of \$0.15 per Unit (the "**Offering Price**") for aggregate gross proceeds of up to \$4,000,000. Each Unit will be comprised of one common share in the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**") being exercisable into one Common Share at a price of \$0.25 per share for a period of 24 months from closing of the Offering, provided that, in the event that the volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") exceeds \$0.40 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date to 30 days following the date on which the Company provides notice thereof to the holders of the Warrants (the "**Accelerated Expiry**").

The issuer on February 16, 2024 announced the closing of its non-brokered private placement offering (the "**Offering**") of 26,666,663 units of the Company (the "**Units**") at a price of \$0.15 per Unit (the "**Offering Price**") for aggregate gross proceeds of approximately \$4,000,000. Each Unit is comprised of one common share in the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**") being exercisable into one Common Share at a price of \$0.25 per share for a period of 24 months from closing of the Offering, provided that, in the event that the volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") exceeds \$0.40 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date to 30 days following the date on which the Company provides notice thereof to the holders of the Warrants (the "**Accelerated Expiry**").

The issuer no longer views the HUCK partnership necessary and is pleased to announce that it has terminated this partnership with HUCK with both companies retaining a friendly relationship and agreeing to all terms and conditions.

The combination of the oversubscribed Offering, the improved company valuation and the feedback that the Company has been receiving from investors over the past several months led the management of the Company to believe that the primary objective of the partnership with HUCK Project LLC ("**HUCK**") announced on August 28, 2023 has been largely achieved. While the Company recognizes that more R&D needs to be done to further solidify our scientific leadership in EMF modulation technology, management is satisfied with how the Company is positioned today as a life sciences firm. This has been and remains the Company's primary objective. The secondary rationale of the HUCK outsourcing partnership

was to transfer the inventory financing burden over to HUCK. The Company is pleased to report that this rationale was also successfully addressed through the closing of the \$4 million Offering. As a result of the above considerations, the Company no longer views the HUCK partnership necessary and is pleased to announce that it has terminated this partnership with HUCK with both companies retaining a friendly relationship and agreeing to all terms and conditions.

Early Warning

On February 16, 2024, prior to the closing of the Offering, Birchtree Investments Ltd. ("**Birchtree**") disposed beneficial ownership of 6,000,000 Common Shares (the "**Disposition**"). Prior to the Disposition, Birchtree held 7,062,366 Common Shares, representing 11.9% of the issued and outstanding Common Shares on an undiluted basis (14.6% on a partially-diluted basis). Following the Disposition, Birchtree held 1,062,366 Common Shares, representing 1.8% of the issued and outstanding Common Shares on an undiluted basis (4.8% on a partially-diluted basis). As such, Birchtree ceased to be an insider of the Company. Birchtree participated in the Offering, following which Birchtree held 6,686,953 Common Shares and 7,505,587 common share purchase warrants of the Company. All such warrants contain a restriction on exercise such that Birchtree shall not be permitted to exercise the warrants if it would result in the Common Shares held by Birchtree exceeding 9.9% of the issued and outstanding Common Shares. Birchtree currently does not have any plan to acquire or dispose of additional securities of the Company

On February 29, 2024 announced its regionally-exclusive distribution partnership with a Taiwan-based arms-length tech health & wellness firm, Pürland Co., Ltd. ("**Pürland**"). This distribution collaboration highlights ubiquity of demand for Aires' Lifetune EMF modulation technology and supports management's commitment to building Lifetune into a global brand.

Provide a general overview and discussion of the activities of management.

The Company continues to work on building the business, focusing on growing sales and widening its network of commercial clients.

Management team remains committed to seeking further sources of capital to improve its working capital deficiency as well as steering the business operations closer to profitability.

Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None

2. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or

production programs that have been amended or abandoned.
None

3. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

*On February 29, 2024 the issuer announced its regionally-exclusive distribution partnership with a Taiwan-based arms-length tech health & wellness firm, Pürland Co., Ltd. ("**Pürland**"). This distribution collaboration highlights ubiquity of demand for Aires' Lifetune EMF modulation technology and supports management's commitment to building Lifetune into a global brand. (please refer to Section 1 for more details).*

NOTE: This is not a related party transaction.

*On February 16, 2024, the Issuer entered into a consulting agreement with Birchtree Investments Ltd ("**Birchtree**"). The consulting agreement is for a period of 3 years and Birchtree is to act as consultant on various matters such as commercial sales strategy, capital markets support, assisting with due diligence packages for strategic partners, advising on large commercial engagements and other business areas.*

4. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

The issuer terminated this partnership with HUCK with both companies retaining a friendly relationship and agreeing to all terms and conditions. (please refer to Section 1 for more details).

5. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None

6. Describe the acquisition of new customers or loss of customers.
None

7. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software,

subscription lists and trade-marks.

None

8. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None

9. Report on any labour disputes and resolutions of those disputes if applicable.

None

10. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None

11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None

12. Provide details of any securities issued and options or warrants granted.

- Issued 26,666,663 common shares as part of February 16, 2024 financing (as mentioned in Section 1)
- Issued 26,666,663 warrants as part of February 16, 2024 financing (as mentioned in Section 1) - each warrant is convertible into the common shares of the company at a price of \$0.25 per share and has an expiry date that is 24 months of from closing of the offering
- Issued 289,100 broker warrants as part of February 16, 2024 financing (as mentioned in Section 1) - each warrant is convertible into one unit of the company at a price of \$0.15 per share and has an expiry date that is 24 months of from closing of the offering. Each unit consists of one common share and one warrant.
- Issued 493,010 common shares as part of warrant conversion during the period

13. Provide details of any loans to or by Related Persons.

None

14. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

None

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated March 5, 2024.

Vitali Savitski
Name of Director or Senior
Officer

Vitali Savitski ("signed")

Signature

CFO

Official Capacity

<i>Issuer Details</i> Name of Issuer American Aires Inc.	For Month End February 29, 2024	Date of Report YY/MM/D 24/03/05
Issuer Address 400 Applewood Crescent, Suite 100		
City/Province/Postal Code Ontario	Issuer Fax No. ()	Issuer Telephone No. (647) 404-4416
Contact Name Vitali Savitski	Contact Position CFO	Contact Telephone No. 416-300-0625
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