

EARLY WARNING REPORT

FORM 62-103F1

Required Disclosure under the Early Warning Requirements

This report is made pursuant to Part 3 of National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Report 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.

This report relates to common shares ("**Inventronics Shares**") in the capital of Inventronics Limited ("**Inventronics**")

Inventronics Limited
1420 Van Horne Avenue E
Brandon, Manitoba R7A 7B6

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.

The Inventronics Shares are listed on the TSX Venture Exchange; however, the Acquisition (as defined below) was completed by private agreements between the Offeror (as defined below) and each of the Vendors (as defined below).

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

1437891 Alberta Ltd. (the "**Offeror**")
1420 Van Horne Avenue E
Brandon, Manitoba R7A 7B6

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.

Effective October 25, 2021, the Offeror acquired an aggregate of 455,000 common shares (the "**Inventronics Shares**") of Inventronics Limited ("**Inventronics**") (representing 9.5% of the total issued and outstanding Inventronics Shares at a price of \$1.10 (the "**Sale Price**") per Inventronics Share for an aggregate purchase price of \$500,500 (the "**Acquisition**"). The Offeror acquired the Inventronics Shares pursuant to private agreements between the Offeror and each of the following four (4) members of the Inventronics' senior management team (each referred to herein as a "**Vendor**");

Name and Municipality of Residence	Position and Office with Inventronics	Inventronics Shares sold to the Offeror
Dan J. Stearne Cobble Hill, British Columbia	President & Chief Executive Officer; Director	155,000 Inventronics Shares
Robert Brookwell Calgary, Alberta	Chief Financial Officer; Director	100,000 Inventronics Shares
Tracy L. Dobson Brandon, Manitoba	Vice-President, Operations; Director	100,000 Inventronics Shares
Daniel C.Y. O'Greysik Brandon, Manitoba	Vice-President, Sales & Marketing; Director	100,000 Inventronics Shares

2.3 State the names of any joint actors.

Dan Stearne, Dan O'Greysik and Tracy Dobson.

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 Offeror acquired an aggregate of 455,000 Inventronics Shares representing 9.5% of the total issued and outstanding Inventronics Shares.

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 above.

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.

The Offeror is a corporation incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) which prior to the Acquisition held 3,020,000 Inventronics Shares representing approximately 62.8% of the total issued and outstanding Inventronics Shares and following the Acquisition holds

3,475,000 Inventronics Shares representing approximately 72.3% of the total issued and outstanding Inventronics Shares.

Following the completion of the Acquisition, the Vendors do not directly hold any Inventronics Shares or other securities of Inventronics; however, Dan Stearne, Tracy Dobson and Daniel C. Y. O'Greysik are directors and officers of the Offeror and each hold 25% of the outstanding voting equity shares of the Offeror (collectively they hold 75% of the outstanding voting equity shares of the Offeror).

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 and 3.4 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.

Not applicable.

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 Sale Price was \$1.10 per Inventronics Share for an aggregate sale price of \$500,500 and was paid in cash.

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 Item 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.

Not applicable.

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 purpose of the Acquisition was for investment purposes and the Offeror (or the directors and officers of Inventronics who are also directors, officers and shareholders of the Offeror) may acquire, directly or indirectly, additional securities of Inventronics from time to time depending on market conditions.

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.

The Acquisition was exempt from the requirements for a formal take-over bid under Section 4.2 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* ("**NI 61-104**") as the following conditions were satisfied:

- (a) purchases were made from not more than five persons in the aggregate,
- (b) the bid was not made generally to holders of Inventronics Shares,
- (c) the value of the consideration paid for the Inventronics Shares was not greater than 115% of the market price (as determined under NI 62-104) of the Inventronics Shares.

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Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an 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 25th day of October, 2021.

1437891 ALBERTA LTD.

Per: (signed) "Dan J. Stearne"
Dan J. Stearne
President and Chief Executive Officer