

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Light AI Inc. (formerly, Mojave Brands Inc.) (the “**Company**”)
1500 – 1055 West Georgia Street
Vancouver, BC V6E 4N7

Item 2. Date of Material Change

December 13, 2024

Item 3. News Release

The news release announcing the material change described herein was disseminated through Cision and concurrently filed on SEDAR+ on December 16, 2024.

Item 4. Summary of Material Change

The Company completed its previously announced acquisition of 100% of the issued and outstanding common shares of the former Light AI Inc. (“**LAI**”) and changed its name to “Light AI Inc.” (the “**Transaction**”).

The Transaction was effected pursuant to a three-cornered amalgamation whereby the Company’s wholly-owned subsidiary (“**Subco**”) amalgamated with LAI and LAI SPV Corp. (“**Finco**”) under the *Business Corporations Act* (British Columbia) (the “**Amalgamation**”).

Upon closing of the Amalgamation, the Company’s directors and officers resigned from their respective positions, and a new management team and board of directors (the “**Board**”) were appointed. In connection with the closing of the Transaction, the Company’s newly appointed Board changed its year end to December 31 to coincide with that of LAI.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

In accordance with the terms and conditions of the Business Combination Agreement dated June 19, 2024, as amended (the “**Business Combination Agreement**”), entered into among the Company, LAI and Finco, and immediately before the completion of the Amalgamation, all of the convertible debentures of LAI converted into 591,386 common shares of LAI (each, an “**LAI Share**”).

The amalgamated entity formed pursuant to the Amalgamation is now a wholly-owned subsidiary of the Company (“**Amalco**”) and the outstanding securities of LAI and Finco were exchanged for securities of the Company immediately before the completion of the Transaction, as follows:

- (i) holders of outstanding LAI Shares received 3.89 common shares in the capital of the Company (each, a “**Common Share**”) for each one LAI Share held (the “**LAI Exchange Ratio**”) and the LAI Shares were cancelled;
- (ii) each issued and outstanding common share purchase warrant of LAI was exchanged, on an equivalent basis after giving effect to the LAI Exchange Ratio, for common share purchase warrants of the Company (each, a “**Warrant**”);
- (iii) each issued and outstanding stock option of Light AI was exchanged, on an equivalent basis after giving effect to the LAI Exchange Ratio, for the stock options of the Company (each, an “**Option**”);
- (iv) holders of outstanding common shares of Finco (each, a “**Finco Share**”) received one Common Share for each one Finco Share held (the “**Finco Exchange Ratio**”) and the Finco Shares were cancelled;
- (v) each issued and outstanding common share purchase warrant of Finco was exchanged, on an equivalent basis after giving effect to the Finco Exchange Ratio, for Warrants;
- (vi) each issued and outstanding stock option of Finco was exchanged, on an equivalent basis after giving effect to the Finco Exchange Ratio, for Options;
- (vii) as consideration for the issuance of Common Shares in exchange for the LAI Shares or Finco Shares, Amalco issued to the Company one common share of Amalco for each Common Share so issued; and
- (viii) Light AI, Finco and Subco amalgamated and continue as Amalco.

As a result of the Transaction, there are an aggregate of 82,595,471 Common Shares, 7,792,635 Warrants and 7,113,945 Options issued and outstanding.

Pursuant to the terms of the Business Combination Agreement:

- An aggregate of 30,962,054 Common Shares of former LAI shareholders are subject to contractual resale restrictions pursuant to the terms of the Business Combination Agreement;
- An aggregate of 32,434,800 Common Shares of former Finco shareholders are subject to contractual resale restrictions; and
- 9,453,591 Common Shares, 714,500 Warrants and 2,168,675 Options are subject to escrow agreements.

Management of the Company

Upon closing of the Amalgamation, each of the directors and officers of the Company resigned from their respective positions, and management of the Company has transitioned to a new management team, led by Peter Whitehead as Chief Executive Officer. In addition, Darren Tindale and Thomas Scarnecchia were appointed Chief Financial Officer and Chief

Operating Officer of the Company, respectively. Emmanuel Blin, Hugh Cleland, Mark Attanasio, and Steven Semmelmayr were appointed as directors of the Company.

Change of Year End

In connection with the closing of the Transaction, the Company's newly appointed board of directors resolved to change the year end of the Company to coincide with that of LAI.

The Company has applied to delist its Common Shares from the Canadian Securities Exchange ("CSE") and the delisting of the Common Shares is subject to CSE approval. On December 13, 2024, the Company received conditional approval for the listing of the Common Shares on Cboe Canada Inc. ("Cboe") under the ticker symbol "ALGO". The listing of the Common Shares on Cboe is subject to the Company closing the previously announced public offering of units, as detailed in the Company's final prospectus dated December 17, 2024, and Cboe issuing its final exchange bulletin confirming approval for listing of the Common Shares on Cboe.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officers

Darren Tindale
Chief Financial Officer
Ph: 604.376.3567
Email: stonerockltd@gmail.com

Item 9. Date of Report

December 19, 2024