

**Form 51-102F3
Material Change Report**

Item 1: Name and Address of Company

Mountain Valley MD Holdings Inc. (“MVMD” or the “Company”)
260 Edgeley Blvd., Unit 4
Vaughan, ON L6K 3Y4
Telephone: 647-725-9755

Item 2: Date of Material Change

June 3, 2024

Item 3: News Release

The Company issued a news release announcing the details of the Agreement and Exclusive Licence (each as defined below) on April 24, 2024.

Item 4: Summary of Material Change

The Company executed an Amended and Restated Supply and License Agreement (the “**Agreement**”) with Agrarius Corp. (“**AC**”), a private US corporation, whereby it will, among other things, acquire an exclusive licence to AC’s agricultural plant signaling technology (the “**Technology**”) in North America, Mexico, South America, Central America, and the Caribbean (the “**Exclusive Territory**”), while retaining its global non-exclusive rights outside of the Exclusive Territory, in consideration for Cash Consideration and Consideration Shares (each as defined below).

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

The Company executed the Agreement with AC, whereby it will, among other things, acquire an exclusive licence to the Technology in the Exclusive Territory, while retaining its global non-exclusive rights outside of the Exclusive Territory. The product that embodies the Technology, known as “Agrarius”, is a certified organic product that is designed to be applied to agricultural crops to naturally increase yields, reduce fertilizer usage, and increase general resilience to pests and climate change.

Additionally, under the terms of the Agreement and with the support of AC, MVMD announced the implementation of a performance guarantee program (the “**Performance Guarantee Program**”), initially targeting farm operations in the United States, whereby the prospective client will be required to pay for the Agrarius product only after it has achieved a minimum agreed performance enhancement on the targeted crop (the “**Performance Threshold**”). The Performance Guarantee Program is designed to demonstrate the believed disruptive nature of the Agrarius product, while limiting the risk of any financial investment by the prospective client and ensuring the desired outcome of yield improvement and increased plant health are achieved in line with compensation. MVMD and AC will share equally in the guarantee such that MVMD will not be required to pay AC for the Agrarius product until the Performance Threshold has been met.

Under the terms of the Agreement, in consideration for the exclusive licence to be granted to MVMD in the Exclusive Territory (the “**Exclusive Licence**”), the agreement to implement the Performance Guarantee Program, and certain other terms management believes to be improvements for MVMD (such as reduced wholesale and retail pricing in support of broader

market sales objectives), MVMD agreed to pay an aggregate one time license fee equal to USD \$1,325,000 (the “**License Fee**”). On closing, the License Fee was paid as follows:

- The issuance of 22,701,538 common shares of the Company (the “**Consideration Shares**”) at a price of CAD \$0.065 per share in satisfaction of an aggregate payment of USD \$1,085,000 (equal to CAD \$1,475,600 based on a deemed exchange rate of 1.36); and
- USD \$240,000 in cash (the “**Cash Consideration**”).

The Consideration Shares will be subject to a hold period of six months expiring on December 5, 2024.

In addition, MVMD made a prepaid inventory deposit of USD \$275,000 towards the Agrarius product that will be supplied by AC for the Performance Guarantee Program, valued at USD \$7.5 million retail if the Performance Threshold is met.

The Exclusive License will be subject to certain minimum performance requirements that obligate MVMD to maintain a certain number of clients per year engaged in discussions with MVMD or in trial(s) for the Agrarius product each year, as well as to invest a certain amount each year into the further development of the Agrarius line of business. In the event that MVMD fails to satisfy the requirements, MVMD will not automatically lose its Exclusive License and MVMD and AC will instead engage in good faith negotiations for a minimum of 30 days to determine the appropriate remedy.

In the event that Agrarius considers a sale, transfer or assignment of any Agrarius intellectual property relating to the Technology or the Agrarius product, the Agreement provides MVMD with a right of first refusal to acquire such rights for a minimum period of 60 days.

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

No significant facts remain confidential, and no information has been omitted in this report.

Item 8: Executive Officer

Dennis Hancock, Chief Executive Officer
(647) 725-9755

Item 9: Date of Report

June 13, 2024