

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

Ayurcann Holdings Corp. (“**Ayurcann Holdings**” or the “**Company**”)
Unit 6, 1080 Brock Road
Pickering, Ontario L1W 3H3

Item 2: Date of Material Change

June 27, 2024.

Item 3: News Release

A news release was disseminated on June 27, 2024 via Globe Newswire. and filed on the Company’s SEDAR+ profile at www.sedarplus.ca.

Item 4: Summary of Material Change

Effective as of June 25, 2024, Arogo Capital Acquisition Corp., a Delaware corporation (“**Arogo**” or “**SPAC**”), entered into a business combination agreement (the “**Business Combination Agreement**”), by and among Arogo, Ayurcann Holding Corp., an Ontario corporation (“**PubCo**”), DE Ayurcann Merger Sub Inc., a Delaware corporation and a direct, wholly owned subsidiary of PubCo (“**Merger Sub**”), CAN Ayurcann Merger Sub, Inc., an Ontario corporation and a direct, wholly owned subsidiary of PubCo (“**Canadian Merger Sub**” and, together with PubCo and Merger Sub, each an “**Acquisition Entity**” and, together, the “**Acquisition Entities**”), and the Company.

Item 5.1: Full Description of Material Change

Capitalized terms used herein but not otherwise defined have the meanings ascribed to such terms in the Business Combination Agreement filed on the Company’s SEDAR+ profile at www.sedarplus.ca. All references to currency herein refer to United States dollars unless otherwise indicated.

The Business Combination

Pursuant to the Business Combination Agreement, prior to the Effective Time of the Merger, by way of the Plan of Arrangement (as described below) under the provisions of the *Business Corporations Act* (Ontario) (“**OBCA**”), (a) Canadian Merger Sub will amalgamate with and into Ayurcann Holdings to form “**Ayurcann Holding Corp.**” (the “**Company Amalgamation**”), (b) the Company Amalgamation will become a wholly owned subsidiary of PubCo, (c) Ayurcann Holdings shareholders will receive the Consideration, (d) holders of Ayurcann Holdings stock options will surrender such stock options in exchange for PubCo replacement options exercisable into PubCo Common Shares, in each case, on the terms and subject to the conditions set forth in the Business Combination Agreement, the Plan of Arrangement, the PubCo option plan, and in accordance with the provisions of applicable Law, and (e) holders of Ayurcann Holdings warrants will surrender such warrants in exchange for PubCo Warrants exercisable into PubCo Common Shares, in each case, on the terms and subject to the conditions set forth in the Business Combination Agreement and the Plan of Arrangement and in accordance with the provisions of applicable Law (the “**Arrangement Acquisition**”).

At the Effective Time, upon the terms and subject to the conditions of the Business Combination Agreement and in accordance with the Delaware General Corporation Law (the “**DGCL**”), Merger Sub shall merge with and into Arogo (the “**Merger**”), with Arogo continuing as the surviving company after the Merger (the “**Surviving Company**”), as a result of which Arogo will become a direct, wholly owned subsidiary of PubCo.

Business Combination Consideration

In accordance with the Business Combination Agreement, and as a result of the Merger, (a) each issued and outstanding SPAC Class A Share shall no longer be outstanding and shall be automatically converted into and exchanged for the Class A Consideration, (b) each issued and outstanding SPAC Class B Share shall no longer be outstanding and shall be automatically converted into and exchanged for the Class B Consideration, and (c) each issued and outstanding SPAC Warrant shall no longer be outstanding and shall, pursuant to the terms of the SPAC Warrant Agreement, be automatically converted into and exchanged for one PubCo Warrant, and thereafter exercisable to purchase one (1) PubCo Common Share on the same terms as were in effect immediately prior to the Effective Time, in each case, with PubCo issuing the Class A Consideration, Class B Consideration, and PubCo Warrants, each in accordance with the terms of the Business Combination Agreement and the Plan of Arrangement. In addition, in accordance with the Business Combination Agreement, and at the Effective Time, each share of common stock, par value \$0.01 per share, of Merger Sub (the “**Merger Sub Common Shares**” that is issued and outstanding immediately prior to the Effective Time shall automatically convert into one (1) share of common stock, par value \$0.01 per share, of the Surviving Company.

Representations and Warranties

The Business Combination Agreement contains customary representations and warranties made by (a) Arogo, (b) Group Companies (as defined in the Business Combination Agreement), and (c) the Acquisition Entities. The representations made in the Business Combination Agreement are subject to certain (i) specified exceptions and qualifications, and/or (ii) information provided pursuant to certain disclosure schedules, in each case as provided in the applicable sections of the Business Combination Agreement and the applicable disclosure schedule.

Covenants of the Parties

Subject to the terms and conditions of the Business Combination Agreement, each party agrees to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to consummate and make effective as promptly as reasonably practicable the transactions contemplated by the Business Combination Agreement. The Business Combination Agreement also contains certain customary covenants by the parties during the period between the signing of the Business Combination Agreement and the earlier of the Closing (as defined in the Business Combination Agreement) or the termination of the Business Combination Agreement in accordance with its terms, including covenants regarding the conduct of their respective businesses, efforts, confidentiality and access to information, and public announcements, the filing of PubCo’s registration statement and proxy statement for the transaction and other public filings with the SEC and the Nasdaq Stock Market, LLC (“**Nasdaq**”), holding of stockholders meetings by both parties, notice of breaches, no insider trading, indemnification of directors and officers, restrictive covenants, use of trust proceeds and other customary covenants. The parties also have agreed to the following covenants:

- Ayurcann Holdings and Arogo agree to an obligation of exclusive dealings between the signing of the Business Combination Agreement and Closing and will not be allowed to solicit or discuss competing transactions with other potential parties during such period.
- The PubCo board of directors (the “**PubCo Board**”) after the Closing will consist of five (5) directors, each of whom shall be nominated by Ayurcann Holdings prior to the Effective Time, with at least three (3) of such directors qualifying as an independent director under the rules of Nasdaq. At least a majority of the PubCo Board shall be required to qualify as an Independent Director under the Securities Act of 1933, as amended, and the Nasdaq rules. From the Effective Date until the date that is twelve (12) months following the Effective Date, so long as Singto, LLC, f/k/a Koo Dom Investment, LLC, a Delaware limited liability company (the “**Sponsor**”) beneficially owns at least 5% of the Pubco Common Shares, but in no event for less than nine (9) months after the Effective Date, Sponsor shall have the right, but not the obligation to designate a person to attend meetings of the PubCo Board (including any meetings of any committees thereof) in a non-voting observer capacity (a “**Non-Voting Observer**”).

- Prior to the Effective Time, the PubCo Board shall approve and adopt an equity incentive plan reserving up to 10% of the PubCo Common Shares (the “**PubCo Incentive Equity Plan**”), in the manner prescribed under applicable Laws, effective as of the Closing Date (as defined in the Business Combination Agreement).

Indemnification

The representations and warranties of the Parties contained in the Business Combination Agreement will not survive the Closing, and from and after the Closing, except as provided in the Business Combination Agreement – including, Section 8.13 thereto. The covenants and agreements made by the Parties in the Business Combination Agreement, including any rights arising out of any breach of such covenants or agreements, shall not survive the Closing, except for those covenants and agreements contained therein that by their terms apply or are to be performed in whole or in part after the Closing (which such covenants shall survive the Closing and continue until fully performed in accordance with their terms). For example, beginning on the date of the Closing and in accordance with the Business Combination Agreement, Ayurcann Holding Corp., the Surviving Company and PubCo shall jointly and severally indemnify and hold harmless each present and former director and officer of Ayurcann Holdings, any of its Subsidiaries and any Acquisition Entity (in each case, solely to the extent acting in his or her capacity as such and to the extent that such activities are related to the business of Ayurcann Holdings, its Subsidiaries, Arogo or such Acquisition Entity, respectively), and his respective heirs and successors (the “**D&O Indemnified Parties**”) against any and all losses in connection with any Action, whether asserted or claimed prior to, at or after the Closing. Relatedly, on the Closing Date, PubCo shall enter into customary indemnification agreements reasonably satisfactory to each of Ayurcann Holdings and Arogo with the post-Closing directors and officers of PubCo.

Prior to or in connection with the Closing, Ayurcann Holdings shall purchase “go-forward” D&O insurance to cover the post-Closing directors and officers of PubCo. From and after the date of the Business Combination Agreement, PubCo, Arogo, and Ayurcann Holdings shall cooperate in good faith with respect to any efforts to obtain said insurance.

Conditions to Consummation of the Merger

The consummation of the transactions are subject to customary closing conditions unless waived, including:

- the approval by the stockholders of Arogo;
- the Company Arrangement Resolution shall have been approved by the Company Required Approval in accordance with the Interim Order;
- the Interim Order and the Final Order shall have been obtained on terms consistent with this Agreement and shall not have been set aside or modified in a manner unacceptable to either Arogo or the Company, each acting reasonably, on appeal or otherwise;
- approvals of any required governmental authorities and the expiration or termination of any anti-trust waiting periods;
- receipt of specified third-party consents;
- no law or order preventing the transactions;
- no material uncured breach by the other party;
- Arogo shall have at least \$5,000,001 of net tangible assets after giving effect to the Transactions, including the PIPE Financing (as defined below);
- the members of the post-Closing PubCo board shall have been elected or appointed as of the Closing;
- the Aggregate Transaction Proceeds shall be equal to or greater than \$3,000,000;
- the consummation of converting some or all, as set forth in the Business Combination Agreement, of the indebtedness owed by Arogo to the Sponsor as of the Closing Date into PubCo Common Shares (the “**Sponsor Indebtedness Conversion**”); and
- the Registration Statement shall have been declared effective by the SEC and shall remain effective as of the Closing, and no stop order or similar order shall be in effect with respect to the Registration Statement;

In addition, unless waived by Company and the Acquisition Entities, the obligations of Company and Acquisition

Entities to consummate the transactions are subject to the satisfaction of the following Closing conditions, in addition to customary certificates and other closing deliveries: (a) the PubCo Common Shares shall have been approved for listing on NASDAQ or any of its related exchanges or trading platforms, if eligible; (b) the representations and warranties of Arogo being true and correct as of the date of the Business Combination Agreement and as of the Closing (subject to Material Adverse Effect); (c) Arogo having performed in all material respects the respective obligations and complied in all material respects with their respective covenants and agreements under the Business Combination Agreement required to be performed or complied with on or prior to the date of the Closing; and (d) absence of any Material Adverse Effect with respect to Arogo since the date of the Business Combination Agreement which is continuing and uncured.

Unless waived by Arogo, the obligations of Arogo to consummate the Transaction are subject to the satisfaction of certain Closing conditions, in addition to customary certificates and other closing deliveries, including, without limitation: (a) the representations and warranties of the Group Companies and the Company being true and correct as of the date of the Business Combination Agreement and as of the Closing (subject to Material Adverse Effect as defined in the Business Combination Agreement); (b) the Company and the Acquisition Entities having performed in all material respects the respective obligations and complied in all material respects with its covenants and agreements under the Business Combination Agreement required to be performed or complied with on or prior to the date of the Closing; (c) absence of any Material Adverse Effect with respect to Company as a whole since the date of the Business Combination Agreement which is continuing and uncured, and (d) the Company delivering the Updated Financial Statements, Canadian tax opinions, and the indemnity agreements as required by Section 8 of the Business Combination Agreement.

Termination

The Business Combination Agreement may be terminated and the transactions may be abandoned under certain customary and limited circumstances at any time prior to the Closing, including:

- By mutual agreement of the Arogo and Ayurcann Holdings;
- By Arogo or Ayurcann Holdings for the other party's uncured breach;
- By Arogo or Ayurcann Holdings if there is a government order preventing the Closing;
- By Arogo or Ayurcann Holdings if the Closing does not occur by November 14, 2024;
- By Ayurcann Holdings if the Sponsor Indebtedness Conversion has not been consummated;
- By Ayurcann Holdings upon written notice to Arogo, and in such case, Company shall pay an aggregate fee of \$250,000 to Arogo;
- By Arogo or Ayurcann Holdings if Arogo stockholders vote and do not approve the transactions contemplated by the Business Combination Agreement;
- By Arogo or Ayurcann Holdings if the Company Required Approval was not obtained, in accordance with the Interim Order on or before the Termination Date;
- By Arogo, if the Updated Financial Statements were not delivered to Arogo by July 1, 2024; and
- by Arogo, if the Board of Ayurcann Holdings takes any Company Change in Recommendation (as defined in the Business Combination Agreement).

Documents Ancillary to the Business Combination Agreement

This section describes the material provisions of certain additional agreements entered into or to be entered into pursuant to the Business Combination Agreement (the "**Related Agreements**") but does not purport to describe all of the terms thereof. The following summary is qualified in its entirety by reference to the complete text of each of the Related Agreements, copies of each of which are attached to the Business Combination Agreement available under Company's profile on SEDAR+, . Shareholders and other interested parties are urged to read such Related Agreements in their entirety. Capitalized terms used herein but not otherwise defined have the meanings ascribed to such terms in the respective Related Agreements.

Sponsor Support Agreement

In connection with Ayurcann Holdings' entry into the Business Combination Agreement, the Sponsor, Arogo, and

Ayurcann Holdings will enter into a sponsor support agreement (the “**Sponsor Support Agreement**”), pursuant to which, *inter alia*, the Sponsor has agreed to vote in favor of the Transaction Proposal (as defined therein) in accordance with the Insider Letter, which includes, without limitation, entering into the Business Combination Agreement.

Shareholder Support Agreement

Prior to the Closing, and in connection with the Arogo and the Acquisition Entities’ entry into the Business Combination Agreement, the Arogo, Acquisition Entities, the Company, and each Company Shareholder set forth in Annex A to the Business Combination Agreement will enter into a shareholder support agreement (the “**Shareholder Support Agreement**”) pursuant to which such shareholders have agreed to, among other things, promptly following the time at which the Registration Statement / Proxy Statement shall have been declared effective by the SEC and delivered or otherwise made available to stockholders, support and vote all Equity Securities held by them in favor of the Company Arrangement Resolution (as defined below) and the adoption and approval of the Business Combination Agreement by voting the Equity Securities held by such shareholders in favor of the Company Arrangement Resolution at the Company Shareholder Meeting. Further, said shareholders agree (a) as of the date of the Shareholder Support Agreement through the Expiration Time (as defined therein), not to Transfer (as defined in the Shareholder Support Agreement) or publicly announce any intention to effect a Transfer, and (b) to the extent said shareholder is listed in Schedule III to the Shareholder Support Agreement, it shall also enter into the Lock-Up Agreement (as defined below).

Lock-Up Agreement

At the Closing, PubCo, Sponsor, and certain Ayurcann Holdings shareholders shall become bound by lock-up agreements (the “**Lock-up Agreements**”), pursuant to which, among other things, each of Sponsor and the Ayurcann Holdings shareholders party thereto will agree not to effect any sale or distribution of any Equity Securities of PubCo held by any of them during the lock-up period described therein. The lock-up period commencing on the Closing Date and ending on the earliest of (i) the date that is 180 days after the Closing Date, (ii) the date on which the last reported closing price of a PubCo Common Share equals or exceeds \$12.00 per share (as adjusted for share splits, share dividends, reorganizations, recapitalizations and the like) for any twenty (20) trading days within any thirty (30)-trading day period commencing at least seventy-five (75) days after the Closing Date and (iii) subsequent to the Closing Date, the date on which the Company completes a liquidation, merger, amalgamation, arrangement, share exchange, reorganization or other similar transaction that results in all of the Company’s shareholders having the right to exchange their shares of capital stock for cash, securities or other property (such period, the “**Lock-Up Period**” which may be extended from time to time by the Company).

Registration Rights Agreement

At the Closing, PubCo, Sponsor, other holders of SPAC Class B Shares and certain Ayurcann Holdings shareholders will enter into a registration rights agreement (the “**Registration Rights Agreement**”), pursuant to which, among other things, each of Sponsor and the Ayurcann Holdings shareholders party thereto will be granted certain registration rights with respect to their respective PubCo Common Shares.

Plan of Arrangement

Prior to the Closing, the Company Amalgamation and the Arrangement Acquisition, and among other things, shall occur by way of and in accordance with a plan of arrangement (the “**Plan of Arrangement**”), pursuant to Section 182 of the OBCA.

Potential PIPE Financing

Pursuant to the Business Combination Agreement, Arogo shall use its reasonable best efforts to arrange and obtain financing in the minimum amount of \$3,000,000 in the form of equity and/or debt financing, on terms and conditions mutually agreeable to Arogo and Ayurcann Holdings (the “**PIPE Financing**”). Ayurcann Holdings shall use its reasonable best efforts to cooperate with and assist Arogo in arranging and obtaining the PIPE Financing.

Further information regarding the Transaction is included in the Business Combination Agreement and Related Agreements available under Company's profile on SEDAR+, and will be included in the Company's management information circular to be mailed to the Company's shareholders in advance of the Company's special meeting each of which will be filed with the Canadian securities regulators and will be available under Company's profile on SEDAR+.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Ayurcann Holdings Corp.
Igal Sudman
Chief Executive Officer
(905) 492-3322
info@ayurcann.com

Item 9: Date of Report

July 25, 2024.