

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Mojave Brands Inc. (the “**Company**”)
Suite 2050, 1055 West Georgia Street
Vancouver, BC
V6E 3P3

Item 2. Date of Material Change

June 19, 2024

Item 3. News Release

A news release dated June 20, 2024, was disseminated by the Company on June 20, 2024 through the facilities of Stockwatch and filed under the Company’s issuer profile on the SEDAR+ website at www.sedarplus.ca.

Item 4. Summary of Material Change

Further to the Company’s news release dated June 20, 2024, the Company has entered into a definitive business combination agreement dated June 19, 2024 (as may be amended, supplemented or otherwise modified from time to time, the “**Business Combination Agreement**”) by and among the Company, Light AI Inc., a private company existing under the laws of the Province of British Columbia (“**Light AI**”) and LAI SPV Corp., a private company existing under the laws of the Province of British Columbia (“**LAI**”), pursuant to which the Company intends on acquiring all of the issued and outstanding common shares in the capital of Light AI and LAI (the “**Transaction**”).

Item 5.1. Full Description of Material Change

On June 19, 2024, the Company entered into the Business Combination Agreement, pursuant to which the parties thereto intend to carry out the Transaction by way of a three-cornered amalgamation, whereby, among other things: (i) 1479875 B.C. Ltd., a wholly-owned subsidiary of the Company incorporated for the purposes of effecting the Transaction, will amalgamate (the “**Amalgamation**”) with Light AI and LAI to form an amalgamated company (“**Amalco**”); (ii) holders of common shares in the capital of Light AI (each, a “**Light AI Share**”) will receive 3.89 common shares in the capital of the Company (each whole common share, a “**Company Share**”) for each Light AI Share held and the Light AI Shares will be cancelled; (iii) holders of common shares in the capital of LAI (each, a “**LAI Share**”) will receive one (1) Company Share for each LAI Share held and the LAI Shares will be cancelled; (iv) Company Share purchase warrants will be issued to the holders of Light AI Share purchase warrants (each, a “**Light AI Warrant**”) and LAI Share purchase warrants (each, a “**LAI Warrant**”) in exchange and replacement for, and on an equivalent basis after giving effect to the applicable exchange ratio, such Light AI Warrants and LAI Warrants will be cancelled; (v) Company options will be issued to holders of Light AI options (each, a “**Light AI Option**”) and LAI options (each, a “**LAI Option**”) in exchange and replacement for, and on an equivalent basis after giving effect to the applicable exchange ratio, such Light AI Options and LAI Options will be cancelled; (vi) Amalco will become a wholly-owned subsidiary of the Company; and (vii) the Company will change its name to “Light AI Inc.”, or such other similar name as may be

accepted by the relevant regulatory authorities and approved by the board (the “**Board**”) of directors of the Company. Following completion of the Transaction, the former securityholders of Light AI will hold approximately 45% of the issued and outstanding Company Shares on a fully diluted basis, prior to the Concurrent Financing (as hereinafter defined). Company Shares issued to former Light AI shareholders will be subject to escrow conditions as required by applicable securities laws and will include those imposed by CBOE Canada and as set out in the Business Combination Agreement.

Upon closing of the Transaction and in accordance with the Business Combination Agreement: (i) each of the directors and officers of the Company will resign and the Board will be reconstituted to consist of four (4) nominees of Light AI and one (1) nominee of the Company (the “**Board Re-Constitution**”); and (ii) Mr. Peter Whitehead, Chief Executive Officer of Light AI, will be appointed as Chief Executive Officer of the Company.

In connection with the Amalgamation, the Company intends on completing a private placement for gross proceeds of a minimum of \$7,500,000 (the “**Concurrent Financing**”). The terms of the Concurrent Financing will be determined in the context of the market. Finder’s fees may be paid in connection with the Concurrent Financing within the maximum amounts permitted by the policies of CBOE Canada.

In connection with the Transaction, the Company advanced a loan in the amount of \$250,000 to Light AI and LAI advanced loans in the aggregate amount of \$2,700,000 (collectively, the “**Loans**”). The Loans are non-interest bearing (except as hereinafter described) and are payable upon demand. In the event the Business Combination Agreement is terminated, the Loans will become due and payable and shall bear interest at a rate of 24.0% per annum commencing on the date of the advance, and Light AI will issue 277,778 Light AI Warrants and 3,000,000 Light AI Warrants to the Company and LAI, respectively. The Light AI Warrants will be exercisable into Light AI Shares at a price of \$0.90 per Light AI Share for a period of 48 months from the date of issuance. In addition, the Company and LAI have been granted the right to convert the Loans into Light AI Shares at \$0.90 per Light AI Share.

As currently contemplated, the Transaction will constitute a “Fundamental Change”, as such term is defined in the policies of the Canadian Securities Exchange (the “**CSE**”) and completion thereof will be subject to a number of conditions customary for transactions of this nature, including but not limited to: the receipt of required regulatory and corporate approvals, approval of the Amalgamation by the shareholders of each of Light AI and the Company, the Board Re-Constitution, the completion of the Concurrent Financing, the delisting of the Company Shares on the CSE and the subsequent listing of the Company Shares on CBOE Canada by way of a direct listing.

Trading in the Company Shares has been halted and will remain halted, pending review and approval of the Transaction by the applicable stock exchange.

Item 5.2. Disclosure for Restructuring Transactions

As currently contemplated, the Transaction constitutes a “restructuring transaction” (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*). Further information regarding the Transaction will be included in the prospectus to be filed by the Company on its issuer profile on SEDAR+ at www.sedarplus.ca.

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

Not applicable.

Item 7. Omitted Information

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

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Robert Dubeau, CEO
Telephone: (604) 684-2181

Item 9. Date of Report

June 24, 2024