

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 30, 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 30, 2024.

Item 4. Summary of Material Change

The Company completed its previously announced “best efforts” public offering of units (the “Units”) of the Company (the “Offering”) pursuant to its long form prospectus dated December 17, 2024 (the “Prospectus”) filed in each of the provinces and territories of Canada, except Quebec. The Company issued 30,878,200 Units at \$0.55 per Unit for aggregate gross proceeds of \$16,983,010, encompassing the primary offering of 29,248,000 Units for gross proceeds of \$16,086,400 and the partial exercise of the Over-Allotment Option (as defined below) of 1,630,200 Units for gross proceeds of \$896,610.

The common shares of the Company (the “Shares”) were delisted from the Canadian Securities Exchange (“CSE”) at market close on December 30, 2024. Subject to the Company fulfilling all of the listing requirements of Cboe Canada Inc. (“Cboe Canada”), effective at the opening of the market on January 8, 2025, the Shares are expected to commence trading on Cboe Canada under the symbol “ALGO”.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

On December 30, 2024, the Company closed the Offering pursuant to the Prospectus and issued 30,878,200 Units at \$0.55 per Unit for aggregate gross proceeds of \$16,983,010, encompassing:

- (i) the primary offering of 29,248,000 Units for gross proceeds of \$16,086,400; and
- (ii) the partial exercise of the Over-Allotment Option (as defined below) of 1,630,200 Units for gross proceeds of \$896,610.

Each Unit is comprised of one Share and one-half of one Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one Share at \$0.80 per Share until June 30, 2026.

The Offering was completed pursuant to an agency agreement dated December 17, 2024 (the “**Agency Agreement**”) between the Company and a syndicate of agents including Ventum Financial Corp., as lead agent and sole bookrunner, Haywood Securities Inc. and Beacon Securities Limited (collectively, the “**Agents**”). Pursuant to the Agency Agreement, the Company granted the Agents an over-allotment option (the “**Over-Allotment Option**”) exercisable, in whole or in part, at the sole discretion of the Agents, to sell up to an additional 4,387,200 Units for up to 30 days following closing of the Offering. The Agents have partially exercised the Over-Allotment Option for 1,630,200 Units.

The Company intends to use the net proceeds from the Offering to further the Company’s objectives as disclosed in the Prospectus, which is available under the Company’s SEDAR+ profile at www.sedarplus.ca.

An insider of the Company (the “**Insider**”) subscribed to the Offering for an aggregate of 227,300 Units. This issuance of the Units to the Insider constituted a “related party transaction” as such term is defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company relied on an exemption from the formal valuation and minority shareholder approval requirements provided under MI 61-101 pursuant to section 5.5(a) and section 5.7(1)(a) of MI 61-101, on the basis that the participation in the Offering by the Insider does not exceed 25% of the fair market value of the Company’s market capitalization.

The Shares were delisted from the CSE effective at market close on December 30, 2024. Subject to the Company fulfilling all of the listing requirements of Cboe Canada, effective at the opening of the market on January 8, 2025, the Shares are expected to commence trading on Cboe Canada under the symbol “ALGO”.

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 30, 2024