

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

**1. Name and Address of Company**

AmmPower Corp. (“**AmmPower**” or the “**Company**”)  
5 Hazelton Avenue Suite 400  
Toronto, Ontario M5R 2E1

**2. Date of Material Change**

September 21, 2023

**3. News Release**

A news release was disseminated on September 25, 2023 and subsequently filed under the Company’s profile on SEDAR.

**4. Summary of Material Change**

On September 21, 2023, the Company borrowed USD\$85,000 (the “**Loan**”) from Dr. Gary Benninger and issued a promissory note to Dr. Benninger. The Loan bears interest at an annual rate 8%, accruing daily and compounded monthly, is repayable on February 20, 2024 (the “**Maturity Date**”) and is convertible into common shares of the Company, at the election of Mr. Benninger, on or prior to the Maturity Date.

**5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company has announced that it has borrowed USD\$85,000 (the “**Loan**”) from Dr. Gary Benninger and issued a promissory note to Dr. Benninger. The Loan bears interest at an annual rate of 8%, accruing daily and compounded monthly, is repayable on February 20, 2024 (the “**Maturity Date**”). Subject to the approval of the Canadian Securities Exchange, the Loan and all related interest is convertible into common shares of the Company, at the election of Dr. Benninger, on or prior to the Maturity Date.

The Loan is a related party transaction pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Dr Benninger is the Company’s CEO, a director and a control person of the Company, and, as such, Dr. Benninger abstained from the vote by the board of directors of the Company with respect to the Loan.

With respect to the Loan, the Company has relied on the exemption from the valuation requirement pursuant to section 5.5(b) (Issuer Not Listed on Specified Markets) of MI 61-101 and from the minority shareholder approval requirement prescribed by section 5.7(1)(a) (Fair Market Value Not More Than 25 Per Cent of Market Capitalization) of MI 61-101.

There is no undisclosed material information by the Company. The Company has at least one independent director, and all independent directors have approved the Loan.

***Disclosure Required by MI 61-101***

The following supplementary information is provided in accordance with section 5.2 of MI 61-101

(a) *a description of the transaction and its material terms.*

The Company borrowed USD\$85,000 from Dr. Benninger and issued a promissory note to Dr. Benninger. The Loan bears interest at an annual rate 8%, accruing daily and compounded monthly, is repayable on the Maturity Date and is convertible into common shares of the Company, at the election of Dr. Benninger, on or prior to the Maturity Date.

*(b) the purpose and business reasons for the transaction*

The Company intends to use the funds from the Loan for general working capital purposes.

*(c) the anticipated effect of the transaction on the issuer's business and affairs*

The Company does not anticipate any material effect on its business and affairs as a result of the Loan.

*(d) a description of:*

*(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties*

Dr. Benninger, a director and president of AmmPower.

*(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change*

Not applicable.

*(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee*

The board of directors of the Company approved the Loan and promissory note on September 21, 2023, with Dr. Benninger abstaining on voting on matters pertaining to the Loan and promissory note.

*(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction*

Not applicable.

*(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:*

*(i) that has been made in the 24 months before the date of the material change report*

Not applicable.

*(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer*

Not applicable.

*(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction*

See Item 5.1(a) above.

*(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions*

Pursuant to section 5.5(b) of MI 61-101, the Company is exempt from obtaining a formal valuation as the common shares of the Company are not listed on a specified market due to being listed on the Canadian Securities Exchange.

Pursuant to section 5.7(1)(a) of MI 61-101, the Company is exempt from obtaining minority approval of the Company's shareholders in respect of the Loan because the fair market value of the Loan is not greater than 25% of the market capitalization of the Company.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on Subsection 7.1(2) of Regulation 51-102**

Not applicable.

**7. Omitted Information**

There is no information of a material nature that has been omitted

**8. Executive Officer**

For further information, please contact Rene Bharti, President of the Company, at 248-662-5565.

**9. Date of Report**

September 25, 2023

**Forward-Looking Statements**

This report includes forward-looking statements that are subject to risks and uncertainties, including with respect to repayment of the Loan. The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections, or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited those identified and reported in the Company's public filings under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.