

Form 51-102F3
Material Change Report

Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

Item 1 Name and Address of Company

1933 Industries Inc.
Suite 300 – 1055 W. Hastings Street
Vancouver, BC, V6E 2E9

Item 2 Dates of Material Change

February 29, 2024

Item 3 News Release

A news release relating to the material change was disseminated by Accesswire on February 29, 2024, as amended March 1, 2024. The news release has also been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and is available at www.sedar.com.

Item 4 Summary of Material Change

1933 Industries Inc. (the “Company” or “1933 Industries”) announced the cancellation of historical Debentures and the issuance of new Debentures.

Item 5 Full Description of Material Change

1933 Industries Inc. (the “Company” or “1933 Industries”) announced the issuance of a new 10% Senior Unsecured Convertible Debenture (the “New Debentures”). Further to the Debentureholders’ Meeting held on November 14, 2023, and the Company’s news release dated January 1, 2024, the Company reports that the 10% Senior Unsecured Convertible Debentures with a maturity date of December 31, 2023 (the “Historical Debentures”), have now been settled, excluding interest in arrears, through the issuance of \$3,073,000 New Debentures and cash payment of \$41,000 to ineligible holders.

With a two-year maturity, the New Debenture is convertible into units at a price of \$0.05 per unit. Each unit is comprised of one common share of the Company and one share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company at an exercise price of \$0.05 for a period of five years from the date of issuance of the New Debenture, subject to certain acceleration provisions. Until the maturity date, the Company has the option to force the conversion of all the Debentures if the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (or any other recognized Canadian stock exchange on which the Common Shares trade at the applicable time) is greater than \$0.07 for any 10 consecutive trading days. The New Debentures will bear interest at a rate of 10% per annum payable upon maturity, which will be payable either in cash or through the issuance of Common Shares (the “Interest Shares”) at a price of \$0.05 per Interest Share, upon maturity. The New Debentures will mature on the date which is two years from the date of issue.

The distribution of the New Debentures was conducted pursuant to the Company’s Canadian base shelf prospectus dated November 17, 2022 (the “Base Shelf Prospectus”). A prospectus supplement (the “Prospectus Supplement”) relating to the distribution was filed in the provinces of British Columbia, Alberta, Saskatchewan, and Ontario. The Base Shelf Prospectus and the Prospectus Supplement are available under the Company’s profile on SEDAR+ at www.sedarplus.ca

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not Applicable.

Item 8 Executive Officer

To reach an executive officer, please contact:

Alexia Helgason, VP, IR and Corporate Communications
604-674-4756 (ext. 1)

Item 9 Date of Report

March 4, 2024.