

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

March 4, 2021

Item 3 News Release

A news release relating to the material change was disseminated by CISION on March 4, 2021. 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 closing of oversubscribed C\$5 Million Bought Deal Private Placement of Units.

Item 5 Full Description of Material Change

1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQB: TGIFF), announced that it closed its previously announced bought deal private placement of units (the “Units”) for aggregate gross proceeds of C\$4,955,052 (the “Offering”), which included the partial exercise of the Underwriter’s Option (defined below). The Offering was led by Canaccord Genuity Corp. (“Canaccord” or the “Underwriter”) as sole underwriter and sole bookrunner.

Pursuant to the Offering, the Company sold a total of 31,820,000 Units at a price of C\$0.11 per Unit (the “Issue Price”). Each Unit was comprised of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant will be exercisable to acquire one Common Share at an exercise price of C\$0.16 per Common Share until March 4, 2023, subject to a Warrant acceleration right exercisable by the Company if, at any time following the date that is four months and one day from the closing date of the Offering, the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the “CSE”) is greater than C\$0.30 for the preceding 10 consecutive trading days and shall be exercised by notice in writing to the holders of Warrants and the Underwriter. Pursuant to Canadian securities laws, all securities in respect of the Offering will be subject to a four month and one day hold period expiring on July 5, 2021.

The Underwriter partially exercised its option (the “Underwriter’s Option”) to purchase an additional Units, whereby it purchased 13,225,929 Units at the Issue Price and raised additional gross proceeds of C\$1,454,852.

In connection with the Offering, Canaccord received a cash commission equal to 7.0% of the gross proceeds of the Offering (excluding proceeds derived from the sale of Units to any Direct Settlers (as defined below) as well as an advisory fee in respect of proceeds raised directly by the Company from certain subscribers (the “Direct Settlers”) as agreed to between the Company and Canaccord. Additionally Canaccord was issued that number of brokers warrants (“Broker Warrants”) as is equal to 7.0% of the number of Units sold under the Offering (excluding Units sold to Direct Settlers) as well as advisory

warrants (“Advisory Warrants” together with the Broker Warrants, the “Compensation Warrants”) relating to the Units issued to Direct Settlers. Each Compensation Warrant entitles the holder to purchase one additional Unit of the Company (each a "Compensation Unit") at a price of \$0.11 per Compensation Unit until March 4, 2023. The Compensation Units have the same terms as the Units sold pursuant to the Offering.

The Units were sold pursuant to private placement exemptions available in Canada and certain foreign jurisdictions. The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the CSE. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities law and may not be offered or sold in the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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, 2021.