

**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**

January 18, 2022

**Item 3            News Release**

A news release relating to the material change was disseminated by CISION on January 18, 2022. The news release has also been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and is available at [www.sedar.com](http://www.sedar.com).

**Item 4            Summary of Material Change**

1933 Industries Inc. (the “Company” or “1933 Industries”) announced that it has entered into a binding Letter of Intent (“LOI”) to acquire 100% of all of the authorized and issued shares of Day One Beverages, Inc. (“Day One”), a disruptive beverage company with a portfolio of next-level CBD-infused sparkling water products.

**Item 5            Full Description of Material Change**

1933 Industries Inc. (the “Company” or “1933 Industries”) announced that it has entered into a binding Letter of Intent (“LOI”) to acquire 100% of all of the authorized and issued shares of Day One Beverages, Inc. (“Day One”), a disruptive beverage company with a portfolio of next-level CBD-infused sparkling water products. 1933 Industries will acquire Day One in an all-stock arm’s length transaction via the issuance of an aggregate of 55,000,000 shares of common stock of the Company. 45,200,000 shares will be issued at closing, and the balance of 9,800,000 shares will be issued subsequent to closing in quarterly installments. All shares issued under the transaction will be subject to a contractual one-year hold period, in addition to any resale restriction that may be required under applicable securities laws. In addition, the vendors will be eligible to receive up to a further 27,500,000 share purchase warrants of the Company, exercisable at a price of \$0.0545 (USD) per share based on the achievement of certain gross revenue milestones over a period of 30 months following the closing of the transaction.

The closing of the transaction is anticipated on or around January 31<sup>st</sup>, 2022 and is subject to regulatory approval as well as other customary conditions of closing. The Company has also entered into a loan agreement to advance up to US\$300,000 to Day One in anticipation of the successful closing of the transaction, upon which event any amounts loaned would be forgiven and the loan agreement retired. No persons are expected to become new 10% shareholders of the Company because of the transaction, but the vendors will be granted the right to nominate a director to the Company’s Board upon closing.

**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**

January 19, 2022.