

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

1. Name and Address of Company

American Aires Inc. (the “**Company**”)
400 Applewood Crescent, Suite 100
Vaughan, ON L4K 0C3

2. Date of Material Change

February 7, 2022

3. News Release

A press release disclosing the material change was released on February 7, 2022, through the facilities of Newsfile Corp.

4. Summary of Material Change

On February 7, 2022, the Company entered into a loan agreement (the “**Loan Agreement**”) with an arm’s length lender (the “**Lender**”) whereby the Lender advanced C\$500,000 to the Company (the “**Loan**”).

5. Full Description of Material Change

The Loan consists of a promissory note in favour of the Lender (the “**Note**”). The maturity date of the Loan is three (3) months from the date of the Note (the “**Maturity Date**”), unless further extended by the Lender for an additional three (3) months. The rate of interest is 12% per annum.

The Loan is secured by a general security interest over the assets of the Company. Under the general security agreement, the Company agrees, among other things, to not sell, lease or otherwise dispose of its assets, other than in the normal course, without prior written consent of the Note holders.

In connection with the Loan, the Company issued to the Lender common share purchase warrants (the “**Warrants**”) to purchase up to 5,000,000 common shares of the Company exercisable at a price of \$0.10 per share (subject to an acceleration provision should the Common Shares of the Company trade above \$0.30 for a period for 10 consecutive trading days at any time following the date that is four months and one day following the date of issuance of the Warrants), which Warrants may be exercised up until the close of business on the day that is three (3) years from issuance date, subject to all necessary regulatory approval including the approval of the CSE.

The proceeds of the Loan will be used primarily for inventory purchases to load the recently opened Australian and European fulfilment centers.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The closing of the Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including the approval of the Canadian Securities Exchange (“**CSE**”).

6. Reliance on subsection 7.1(2) of National Instrument 51-102

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer

For further information, contact Dimitry Serov, Chief Executive Officer at (905) 482-4667.

9. Date of Report

This report is dated at Toronto, this 10th day of February, 2022.

Cautionary Statement Regarding Forward-Looking Information

Certain information set forth in this material change report may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding future financial position, business strategy, use of proceeds, corporate vision, proposed acquisitions, partnerships, joint-ventures and strategic alliances and co-operations, budgets, cost and plans and objectives of or involving the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Certain material assumptions regarding such forward-looking statements may be discussed in this material change report and the Company's annual and quarterly management's discussion and analysis filed at www.sedar.com. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by securities laws.

No securities regulatory authority has either approved or disapproved of the contents of this material change report. The Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States, or to or for the account or benefit of any person in the United States, absent registration or an applicable exemption from the registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy any common shares in the United States, or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. We seek safe harbour.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this material change report.

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