

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

**ATLAS ENGINEERED PRODUCTS LTD.** (the "Company")  
PO Box 37036 Country Club PO  
Nanaimo, BC V9T 6N4

**Item 2. Date of Material Change**

August 21, 2024

**Item 3. News Release**

The news release was issued on August 21, 2024 and was disseminated by Cision.

**Item 4. Summary of Material Change**

The Company announced that it has granted options to persons eligible under its stock option plan.

**Item 5. Full Description of Material Change**

The Company announced that it has granted a total of 1,393,000 incentive stock options to certain independent directors, executive officers, senior management, key employees, and key consultants in accordance with the Company's stock option plan. 400,000 of the options granted were granted to independent directors and 400,000 were granted to executive officers of the Company. Each option is exercisable to acquire one common share of the Company at a price of \$1.30 per share, being the closing price of the Company's common shares on the TSX Venture Exchange on August 20, 2024. The options for the independent directors, executive officers, senior management, and key employees will vest and become exercisable in three equal tranches every 6 months over a period of 18 months from the grant date, and will expire on August 21, 2029. The options for the consultants will vest and become exercisable 12 months from the grant date, and will expire on August 21, 2029.

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

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

For further information, please contact:

**Melissa MacRae**  
Chief Financial Officer  
(250) 739-0908

**Item 9. Date of Report**

August 23, 2024.