

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

1. Name and Address of Company

Tree Island Steel Ltd. (the "**Company**")
3933 Boundary Road
Richmond, British Columbia
V6V 1T8

2. Date of Material Change

December 17, 2021

3. News Release

The news releases issued with respect to the material change was distributed through the facilities of a recognized newswire service on December 15, 2021 and December 20, 2021.

4 Summary of Material Change

On December 17, 2021, the Company completed the sale of its Etiwanda facility located in Rancho Cucamonga, California, US (the "**Etiwanda Facility**") to Newcastle Partners, Inc. ("**Newcastle**") for gross proceeds of US\$54.6 million, after closing adjustments.

5. Full Description of Material Change

5.1 Full Description of Material Change

On December 17, 2021, the Company completed the previously announced sale (the "**Sale**") of the Etiwanda Facility to Newcastle for gross proceeds of US\$54.6 million, after closing adjustments.

Tree Island Wire (USA), Inc., an indirect wholly-owned subsidiary of the Company and the registered owner of the Etiwanda Facility, entered into an agreement with Newcastle pursuant to which the Company agreed to sell the Etiwanda Facility to Newcastle for US\$55.3 million, subject to customary closing adjustments. The Company completed the Sale on an "as is, where is" basis.

On closing of the Sale, the Company leased back the Etiwanda Facility pursuant to a two-year commercial lease agreement with Newcastle.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:
Nancy Davies, Chief Financial Officer
Phone: +1-604-524-3744

9. Date of Report

December 20, 2021.