

# **MOBILE CLIMATE CONTROL INDUSTRIES INC.**

## **MATERIAL CHANGE REPORT**

Pursuant to:           Section 118(1)(b) of the Securities Act (Alberta)  
                              Section 75(2) of the Securities Act (Ontario)

**Item 1.           Reporting Issuer**

Mobile Climate Control Industries Inc. ("MCCII"),  
80 Kincort Street  
Toronto, Ontario  
M6M 5G1

**Item 2.           Date of Material Change**

September 11, 2003

**Item 3.           Press Release**

A press release was issued on September 12, 2003.

**Item 4.           Summary of Material Change**

Please see Item 5 below.

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

On September 11, 2003, MCCII entered into an agreement with its principal shareholders, Mannerheim Investments Inc., Gunnar Mannerheim and Marianne Mannerheim (collectively, the "Mannerheim Group"), whereby MCCII has agreed to make an offer to purchase any and all of the outstanding common shares of MCCII for cancellation.

The offer price for the shares will be \$0.44, comprised of \$0.22 in cash and \$0.22 in unsecured promissory notes of MCCII, bearing interest at 6% per annum, with principal payments due as to \$0.14 on the first anniversary of the date of issue and \$0.08 on the second anniversary.

MCCII currently has 30,370,296 common shares outstanding of which the Mannerheim Group collectively own or control 20,709,543 common shares representing approximately 68.2% of the outstanding shares. The Mannerheim Group has agreed to reorganize its affairs such that prior to the completion of the offer, each of Gunnar Mannerheim and Marianne Mannerheim will own or control, directly or indirectly, 50% of the common shares of MCCII currently

held by the Mannerheim Group. Marianne Mannerheim has agreed to tender all of her shares to the offer. Upon completion of the offer, Marianne Mannerheim will resign as a director and officer of the Corporation and its subsidiaries.

Although the offer is for all of the outstanding shares of MCCII, Gunnar Mannerheim has agreed not to tender any of his shares to the offer. It is intended that, so long as a majority of the minority shareholders (excluding Marianne Mannerheim) tender their shares to the offer, the offer will be followed by a going private transaction that would result in Gunnar Mannerheim becoming the sole shareholder of MCCII.

MCCII expects to mail its offer to shareholders on or before October 3, 2003 and expects the offer to remain open for acceptance for 35 days, subject to extension if desired.

**Item 6.      Section 118(2) of the Securities Act (Alberta); Section 75(3) of the Securities Act (Ontario);**

N/A

**Item 7.      Omitted Information**

No information has been omitted in respect of the material change.

**Item 8.      Senior Officers**

Allen Holmes, Chief Financial Officer

**Item 9.      Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

**DATED** at Toronto, this 18<sup>th</sup> day of September, 2003.

**MOBILE CLIMATE CONTROL  
INDUSTRIES INC.**

Per: \_\_\_\_\_



Allen Holmes  
Chief Financial Officer

**IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THIS REGULATION THAT, AT THE TIME AND IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.**

- Note 1: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.
- Note 2: Where this report is filed on a confidential basis put at the beginning of the report in block capitals "CONFIDENTIAL - [ ]" (section 67 Securities Act British Columbia; section 118 Securities Act Alberta; section 84 Securities Act 1988 Saskatchewan; section 74 Securities Act Ontario; section 74 Securities Act Quebec and section 61 Securities Act Nova Scotia)
- Note 3: In Alberta, the date(s) and the stock exchange(s) where the material change is filed pursuant to section 118(1)(b) of the Securities Act must be disclosed.