

Form 51-102F3
Material Change Report

PART 1 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Granby Industries Income Fund
6 - 2679 Bristol Circle
Oakville, Ontario L6H 6Z8

Item 2 Date of Material Change

August 11, 2006

Item 3 News Release

A press release was issued by CCN Matthews on August 11, 2006.

Item 4 Summary of Material Change

Granby Industries Income Fund (the "Fund") announced the appointment of Lucio Di Clemente as Chief Executive Officer and named Lorie Waisberg as Lead Trustee. The new senior appointments are effective September 1, 2006. The Fund and Mr. Andre Deschamps have mutually agreed that he will relinquish his duties as Chief Executive Officer and trustee effective August 31, 2006.

Item 5 Full Description of Material Change

The Fund announced the appointment of Lucio Di Clemente as Chief Executive Officer and named Lorie Waisberg as Lead Trustee. The new senior appointments are effective September 1, 2006. The Fund and Mr. Andre Deschamps have mutually agreed that he will relinquish his duties as Chief Executive Officer and trustee effective August 31, 2006.

Both Mr. Di Clemente and Mr. Waisberg have extensive experience at Granby. Mr. Di Clemente has been a member of the Fund's Board of Trustees since its IPO and Chairman of the Board since early 2006. Mr. Waisberg is an experienced corporate director who has also been a member of the Fund's Board of Trustees since its inception. As part of the senior management changes, Mr. Di Clemente will relinquish the role of Chairman of the Board but will remain a trustee of the Fund.

The new senior management team will focus on the following:

- Grow the business in non-traditional markets and leverage manufacturing expertise to enter markets for light commercial tanks, oil patch use and other storage tank applications;
- Pursue accretive acquisitions that are complementary to existing business lines and can leverage Granby's distribution channels, and;
- Maximize distributable cash.

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

Further information regarding the matters described in this report may be obtained from Paul Antoniadis, the Vice President, Finance and Chief Financial Officer of Granby Industries Inc., attorney of Granby Industries Income Fund, who is knowledgeable about the details of the material change and may be contacted at (450) 378-2334 ext. 225.

Item 9 Date of Report

August 11, 2006.