MATERIAL CHANGE REPORT

Subsection 75(2) of the *Securities* Act (Ontario)
Subsection 73 of the *Securities* Act (Quebec)

Item 1: **Reporting Issuer**

Enghouse Systems Limited, 80 Tiverton Court, Suite 800, Markham, Ontario L3R 0G4

Item 2: **Date of Material Changes**

March 15, 2002

Item 3: **Press Release**

The press release attached as schedule "A" hereto was released through the facilities of Canada Newswire Ltd. on March 15, 2002

Item 4: **Summary of Material Change**

Enghouse Systems Limited (the "Company") announced that it has raised aggregate gross proceeds of $10,822,500 through the exercise of warrants. The Company is also seeking shareholder approval of an extension of existing shareholder loans of $750,000, and for approval of new loans of up to $877,500 granted to certain officers to fund the exercise of warrants held by these officers which have been extended to expire not later than May 30, 2002.

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

The Company announced on March 15, 2002 that it has completed the final phase of its private placement approved in March 2000. Under the terms of the private placement, 1,850,000 warrants were exercised for aggregate gross proceeds of $10,822,500. A further 150,000 warrants, representing gross proceeds of $877,500, have been extended to not later than May 30, 2002 to allow the Company to seek shareholder approval of loans granted for a one year period to Mr. Andrew Nellestyn, President, Asset Management Division and Mr. Neil Shafran, Executive Vice President, Corporate Development to fund the exercise of the warrants. The Company is also seeking approval of a one-year extension of the existing loans for the aggregate amount of $750,000 to these officers. The loans are on commercial terms and are scheduled for approval by shareholders not later than May 30, 2002.

Item 6: **Reliance on Subsection 75(3) of the Securities Act (Ontario)**

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Senior Officer**

Neil Shafran
Executive Vice President, Corporate Development
80 Tiverton Court, Suite 800
Markham, Ontario
L3R 0G4
Phone: (905)-946-3200
Fax: (905)-946-3201

Item 9: **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Markham, Ontario this 18th day of March, 2002.

"Neil Shafran"

NEIL SHAFRAN
Executive Vice President
Corporate Development

Att.(1)

SCHEDULE A:

NEWS

Enghouse raises $10.8 Million in private placement

FOR IMMEDIATE RELEASE

Markham, Ontario – (March 15, 2002) – Enghouse Systems Limited (TSE - ESL) today announced that the Company has completed the final phase of its private placement approved in March 2000. Under the terms of the private placement, 1,850,000 warrants were exercised for aggregate gross proceeds of $10,822,500.

A further 150,000 warrants, representing gross proceeds of $ 877,500, which would otherwise expire on March 15, 2002 have been extended to not later than May 30, 2002, to allow the Company to seek shareholder approval of financial assistance granted by Enghouse to Mr. Andrew Nellestyn, President, Asset Management Division and Mr. Neil Shafran, Executive Vice President to fund the exercise of these warrants. The loans are scheduled for approval by the Company's shareholders not later than May 30, 2002. The Company is also seeking shareholder approval for a one-year extension of the existing shareholder loans of $750,000 in the aggregate to Mr. Nellestyn and Mr. Shafran, which would otherwise mature on March 15, 2002. Both loans would be secured, bear interest at prime plus 1%, and would have a maturity date of March 15, 2003.

If approved and completed, the proposed transaction will further strengthen long-term incentive for management to align all strategic decisions directly with the interests of shareholders.

Stephen J. Sadler, Chairman and Chief Executive Officer, said "We firmly believe that aligning the interests of management and shareholders will enhance the long-term performance of the Company. With this additional financing, the Company will have over $75 million in cash and no debt."

Enghouse is a publicly traded software company with its shares listed on the Toronto Stock Exchange under the symbol "ESL". Further information about Enghouse may be obtained from the Company's website at www.enghouse.com.

For further information please contact:

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