MATERIAL CHANGE REPORT

Item 1 - Reporting Issuer

Counsel Corporation ("Counsel")
Exchange Tower
Suite 1300, P.O. Box 435
130 King Street West
Toronto, Ontario
M5X 1E3

Item 2 - Date of Material Change

December 10, 1999.

Item 3 - Press Release

A Press Release was issued at Toronto on December 10, 1999 in respect of Counsel's intention to renew its normal course issuer bid for its common shares.

Item 4 - Summary of Material Change

On December 10, 1999, The Toronto Stock Exchange (the "TSE") accepted a notice of intention to renew Counsel's normal course issuer bid for its common shares (the "Common Shares") through the facilities of the TSE. Pursuant to the notice, Counsel may acquire an aggregate of up to 1,705,418 Common Shares over the next 12 months, representing approximately 10% of the public float of its Common Shares.

Item 5 - Full Description of Material Change

The TSE accepted the filing by Counsel of a notice of intention to renew its normal course issuer bid for its Common Shares on December 10, 1999. As at December 10, 1999 there were 26,031,042 Common Shares outstanding. Counsel may purchase up to an aggregate of 1,705,418 Common Shares, representing approximately 10% of the public float of Common Shares currently outstanding. The number of Common Shares to be purchased in any given 30-day period pursuant to the notice will not exceed 520,620 Common Shares, being 2% of the total number of Common Shares outstanding.

Counsel proposes to purchase outstanding Common Shares which may be available for purchase through the facilities of the TSE at times and in numbers determined by Counsel, subject to applicable TSE restrictions. The purchase and payment for the Common Shares will be made by Counsel in accordance with the by-laws and rules of the TSE and the price which Counsel will pay for any Common Shares acquired by it will not be higher than the last independent trade of a board lot of the Common Shares.

Item 6 - Confidentiality

Not applicable.

Item 7 - Omitted Information

Not applicable

Item 8 - Senior Officer

The following senior officer of Counsel is knowledgeable about the material change and this report:

Stephen Weintraub
Senior Vice President and Secretary
(416) 866-3058

Item 9 - Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, this 14th day of December, 1999.

"Stephen Weintraub"

Stephen Weintraub
Senior Vice President and Secretary