

## SECURITIES ACT

### MATERIAL CHANGE REPORT

1. **REPORTING ISSUER:** Mitel Corporation  
350 Legget Drive  
PO Box 13089  
Kanata, Ontario  
K2K 2W7
2. **DATE OF MATERIAL CHANGE:** July 28, 2000
3. **PRESS RELEASE** Issued to the financial press on July 31, 2000
4. **SUMMARY OF MATERIAL CHANGE:** On July 28, 2000, Mitel Corporation completed its acquisition of Vertex Networks, Incorporated ("Vertex").
5. **FULL DESCRIPTION OF MATERIAL CHANGE:** Mitel has acquired privately-held Vertex in a stock transaction for consideration comprised of 11 million Mitel common shares. The acquisition is valued at approximately CDN\$300 million in accordance with the terms of an agreement to acquire Vertex entered into on June 6, 2000.

Vertex is a fabless semiconductor company which provides high-performance solutions for the enterprise switching and WAN access markets. It is a leader in providing integrated circuits for Layer 3 IP routing switches and in developing chipsets and software for intelligent packet switching applications. Its products encompass QoS-enabled IP switching for enterprise communications, as well as fiber to the home (FTTH) markets.

6. **RELIANCE ON SECTION 75(3) OF THE ACT:** Not Applicable
7. **OMITTED INFORMATION:** None
8. **SENIOR OFFICERS:** Tim Saunders  
Vice President and Corporate Controller  
(613) 592-2122
9. **STATEMENT OF SENIOR OFFICER:** The foregoing accurately discloses the material change referred to herein.

DATED at Kanata, Ontario this 3rd day of August, 2000.

*(signed) Timothy R. Saunders*

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Timothy R. Saunders