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: January 15, 2001

3. PRESS RELEASE: Issued to the financial press on January 15, 2001

4. SUMMARY OF MATERIAL CHANGE: Mitel Corporation is establishing equity in a promising new photonics company that will focus on reducing the cost of bandwidth distribution in optical networks. The new company - called Optenia - pools financial, technological and human resources from Mitel, the National Research Council (NRC) of Canada, and other investors.

5. FULL DESCRIPTION OF MATERIAL CHANGE: Mitel Corporation (NYSE/TSE:MLT) is establishing equity in a promising new photonics company that will focus on reducing the cost of bandwidth distribution in optical networks. The new company - called Optenia - pools financial, technological and human resources from Mitel, the National Research Council (NRC) of Canada, and other investors.

Optenia's technological foundation is based on joint research between Mitel and the NRC in the area of dense wavelength division multiplexing (DWDM). The collaboration has led to significant product potential that was announced in August 2000. Mitel's investment in Optenia is expected to accelerate product development as well as establish new avenues for other research and development work.

Moris Simson is leaving his position at Mitel as senior vice president, strategy and corporate development and becomes Optenia's new CEO.

Mitel's initial stake in Optenia will be reduced proportionally as other investments are finalized. Mitel will also enjoy certain privileges for joint business development. For instance, Mitel's Bromont facility will maintain a strategic manufacturing agreement with Optenia that encompasses foundry arrangements and joint development of critical microfabrication techniques.

The move is not expected to materially impact Mitel's financial performance for its current fiscal year.

6. RELIANCE ON SECTION 75(3) OF THE ACT:	Not Applicable
7. OMITTED INFORMATION:	None
8. SENIOR OFFICERS:	Donald G. McIntyre Senior Vice President Human Resources General Counsel and Secretary (613) 592-2122
9. STATEMENT OF SENIOR OFFICER:	The foregoing accurately discloses the material change referred to herein.

DATED at Kanata, Ontario this 15th day of January, 2001.

____

Donald G. McIntyre

News Release

For Immediate Release

www.mitel.com

Mitel Invests in a New Photonics Venture

Ottawa, Canada, January 15, 2001 – Mitel Corporation (NYSE/TSE:MLT) is establishing equity in a promising new photonics company that will focus on reducing the cost of bandwidth distribution in optical networks. The new company - called Optenia - pools financial, technological and human resources from Mitel, the National Research Council (NRC) of Canada, and other investors.

Optenia's technological foundation is based on joint research between Mitel and the NRC in the area of dense wavelength division multiplexing (DWDM). The collaboration has led to significant product potential that was announced in August 2000. Mitel's investment in Optenia is expected to accelerate product development as well as establish new avenues for other research and development work.

Moris Simson is leaving his position at Mitel as senior vice president, strategy and corporate development and becomes Optenia's new CEO.

"By forming Optenia in conjunction with others, we are pooling resources and capabilities needed to develop a promising new technology while ensuring we are well positioned to capitalize on its success," said Kirk K. Mandy, president and CEO, Mitel. "Our approach will also ensure that Mitel remains tightly focused on its core business which is delivering communications ICs that support broadband connectivity."

Mitel's initial stake in Optenia will be reduced proportionally as other investments are finalized. Mitel will also enjoy certain privileges for joint business development. For instance, Mitel's Bromont facility will maintain a strategic manufacturing agreement with Optenia that encompasses foundry arrangements and joint development of critical microfabrication techniques.

The move is not expected to materially impact Mitel's financial performance for its current fiscal year.

Mitel is a global provider of semiconductors and communications systems for converging voice and data networks in a rapidly evolving Internet economy. The company has annual revenues of $1.4 billion and employs some 6,000 people worldwide.

Certain statements in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the company, to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and assumptions include, among others, the risks discussed in documents filed by the Company with the Securities and Exchange Commission. Investors are encouraged to consider the risks detailed in those filings.

- 30 -

A media conference call will be held today from 9:30-10:00ET. The call number is 1-800-478-9326 or 416-695-5801. For a replay, call 1-800-408-3053 or 416-695-5800, passcode 666019. The replay is available until January 22.

A photo accompanies this news release and can be retrieved from the CP Digital Photo Network.

For more information:

Jacques Guerette	Mike McGinn
Corporate Communications	Investor Relations
613 592-2122	613 592-2122
jacques_guerette@mitel.com	mike_mcginn@mitel.com