

This is a form of a material change report required under Section 85(1) of the *Securities Act*.

FORM 27
Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: Every report required to be filed under section 85(1) of the Act shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS, PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item 1. Reporting Issuer

Schwanberg International Incorporated (the "Issuer")
Box 267
New Denver, British Columbia V0G 1S0
Telephone: (250) 358-2851

Item 2. Date of Material Change

February 22, 2000

Item 3. Press Release

A press release was issued in New Denver, British Columbia on February 22, 2000 and was disseminated through Stockwatch, George Cross and Market News and copies were filed with the Canadian Venture Exchange, the British Columbia Securities Commission, and the Alberta Securities Commission.

Item 4. Summary of Material Change

Private Placement

The Issuer has completed the private placement of 300,000 special warrants at the price of \$0.15 per special warrant for total gross proceeds of \$45,000.

Item 5. Full Description of Material Change

Private Placement

On February 22, 2000, the Issuer completed the private placement of 300,000 special warrants at the price of \$0.15 per special warrant for total gross proceeds of \$45,000. The subscriber to the placement was Burkhard Franz, who is also a director of the Company.

Each special warrant entitles Mr. Franz to acquire, at any time until the close of business on the day that is one year after the closing date and without further payment, one common share of the Issuer and one non-transferable share purchase warrant. Each warrant will entitle Mr. Franz to acquire one additional common share of the Issuer at any time for one year from the closing date at a price of \$0.20.

The special warrants will be deemed to be exercised on the earlier of: (a) one year from the closing date; and (b) three business days after the day on which the Issuer receives from the B.C. and Alberta Securities Commissions confirmation of filing of the Issuer's annual information form.

The shares and the warrant shares will be subject to a 12 month hold period in British Columbia and Alberta expiring on February 22, 2001, unless the Company files an annual information form entitling it to shorten the hold period to four months from the closing date.

The Issuer intends to use the proceeds of the private placement for general working capital.

Item 6. Reliance on Section 85(2) of the Act

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Senior Officers

The Senior Officer of the Issuer who is knowledgeable about the material change and the report is Savi Franz, Controller, (250) 358-2851.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated this 22nd day of February, 2000

SCHWANBERG INTERNATIONAL INCORPORATED

By: "*Savi Franz*" _____

Director _____

(Official Capacity)

Savi Franz

(Please print here name of individual whose signature appears above.)

SCHWANBERG INTERNATIONAL INCORPORATED

Box 267

New Denver, British Columbia V0G 1S0

Tel: (250) 358-2851

Fax: (250) 358-2808

NEWS RELEASE

February 22, 2000

Trading Symbol: SCH

Closing of Special Warrant Private Placement

Further to the Company's news release of February 15, 2000, the Company announces that the private placement of 300,000 special warrants at a price of \$0.15 per special warrant closed on February 22, 2000 and the Company has issued the special warrants to Burkhard Franz, a director of the Company.

Each special warrant entitles the holder to acquire, at any time until the close of business on the day that is one year after the closing date and without further payment, one common share of the Company and one non-transferable share purchase warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at any time for one year from the closing date at a price of \$0.20.

The special warrants will be deemed to be exercised on the earlier of: (a) one year from the closing date; and (b) three business days after the day on which the Company receives from the B.C. and Alberta Securities Commissions confirmation of filing of the Company's annual information form.

The shares and the warrant shares will be subject to a 12 month hold period in British Columbia and Alberta expiring on February 22, 2001, unless the Company files an annual information form entitling it to shorten the hold period to four months from the closing date.

BY THE ORDER OF THE BOARD OF DIRECTORS

"Savi Franz"

Savi Franz, Director

*The Canadian Venture Exchange has not reviewed and does not accept
responsibility for the adequacy or accuracy of this news release.*