

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")
P.O. Box 58, 620 Lake Avenue, Silverton, British Columbia, V0G 2B0
Telephone: (250) 358-2851

Item 2. Date of Material Change

September 27, 2002

Item 3. Press Release

A press release was issued in Silverton, British Columbia on September 27, 2002 and was disseminated through Stockwatch, and Market News and copies were filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions.

Item 4. Summary of Material Change

The issuer has completed part of a private placement of 650,000 common shares at the price of \$0.10 per share for total gross proceeds of \$65,000.

Item 5. Full Description of Material Change

Private Placement

On September 27, 2002 the Issuer completed the private placement of 650,000 common share at a price of \$0.10 per share for total gross proceeds of \$65,000. The subscribers to the private placement is Savi Franz. The issuer intends to use the proceeds of the private placement for general working capital. The TSX Venture Exchange has accepted the documents filed.

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 Burkhard Franz, President (250) 358-2851.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated this 27th day of September, 2002.

SCHWANBERG INTERNATIONAL INCORPORATED

By: "Burkhard Franz"

Director
(Official Capacity)

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