

MATERIAL CHANGE REPORT

Section 75 of the *Securities Act* (Ontario)
Section 67 of the *Securities Act* (British Columbia)
Section 118 of the *Securities Act* (Alberta)
Section 84 of *The Securities Act, 1988* (Saskatchewan)
Section 73 of the *Securities Act* (Quebec)
Section 81 of the *Securities Act* (Nova Scotia)
Section 76 of *The Securities Act, 1990* (Newfoundland)

1. **Reporting Issuer**

JANNOCK LIMITED ("Jannock")
Suite 5205, Scotia Plaza
P.O. Box 1012
40 King Street West
Toronto, Ontario
M5H 3Y2

2. **Date of Material Change**

May 3, 1999

3. **Press Release**

A press release (the "Press Release") was issued on May 4, 1999 through the Canadian newswire services.

4. **Summary of Material Change**

Jannock has agreed to sell its Vinyl Group to Hancor Holdings LLC for total consideration of US\$157.5 million, comprised of US\$152.6 million in cash and US\$4.9 million of equity in Dumbarton Enterprises Inc. (which will be the parent of the companies comprising the Vinyl Group at closing).

5. **Full Description of Material Change**

Jannock has agreed to sell its Vinyl Group to Hancor Holdings LLC for total consideration of US\$157.5 million, comprised of US\$156.2 million in cash and US\$4.9 million of equity in Dumbarton Enterprises Inc. (the parent of the companies comprising the Vinyl Group at closing). The transaction is expected to close at the end of the second quarter or early in the third quarter of 1999, and is subject to regulatory approvals and completion of financing.

6. **Reasons for Confidentiality**

This report is not being filed on a confidential basis.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

Inquiries in respect of the material change referred to herein may be made to:

William R. Cottick
Vice President, General Counsel and Secretary
Jannock Limited
Tel: (416) 364-8586

9. **Statement of Senior Officer**

The information contained in this material change report accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 10th day of May, 1999.

(Signed) "William R. Cottick"
William R. Cottick
Vice President, General Counsel
and Secretary