

SECURITIES ACT
(British Columbia and Ontario)

Material Change Report Under:

Section 85(1) of the *Securities Act* (British Columbia)

Item 1 Reporting Issuer

Mosaic Technologies Corporation (the "Issuer")
1133 Regent Street, Suite 500
Fredericton, New Brunswick E3B 3Z2

Item 2 Date of Material Change

July 12, 2002

Item 3 Press Release

A press release providing notice of the material change was issued on July 12, 2002 and distributed by the TSX Exchange.

Item 4 Summary of Material Change

Mosaic Technologies Corporation joins with the National Research Council - Institute for Information Technology – e-Business (NRC - IIT - e-B) in eLearning Research Project

Item 5 Full Description of Material Change

(Miramichi, NB) -- Mosaic Technologies Corporation (TSX VENTURE: MAC) announced today that they have signed an agreement with the National Research Council of Canada's Institute for Information Technology (NRC – IIT e-B) to initiate scientific research for the development of educational courseware.

Recognized globally for research and innovation, Canada's National Research Council (NRC) is a leader in the development of an innovative, knowledge-based economy for Canada through science and technology. NRC operates world-class research facilities as well as information, technology and innovation support networks from coast to coast. Its outstanding people help turn ideas and knowledge into new products, processes and services, creating value for Canada. NRC works hand in hand with partners from industry, government and universities to help ignite the spark of innovation in communities across the land and to give Canadian companies a competitive edge in today's marketplace.

The Institute for Information Technology (IIT) is one of the National Research Council's [research institutes](#). Its mission is to assist industry through collaborative research and development projects. The Institute

works with companies individually and in groups, with product developers and lead users, with firms both large and small.

“We are very pleased to work with a private sector leader in the eLearning field to help advance Canada's position as a major player in the development of advanced training technologies,” said Christian Couturier, Director, Atlantic Research Programs, NRC-IIT.

"We are thrilled that an agency with such a worldwide reputation as that of the National Research Council has judged our concept and proposal so positively, and has decided to invest in this very exciting new initiative. With their assistance we will certainly advance our position in the very rapidly evolving field of eLearning," said Rick Buckingham, Chairman of Mosaic Technologies Corporation.

With its recently announced intention to purchase Toronto based Mosaic Perform from Toronto based Mosaic Group (TSX: MGX) and now this exciting commitment to research and development with the National Research Council, Mosaic is quickly establishing itself as a leader in the evolution of eLearning in Canada.

Item 6 Reliance on Section 85(2) of the *Securities Act* (British Columbia)

This Material Change Report is not confidential.

Item 7 Omitted Information

Not applicable.

Item 8 Senior Officer

Contact: Richard Buckingham, Chairman
Telephone: (506) 462-9040

Item 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at the City of Fredericton, in the Province of New Brunswick, this 12th day of July 2002.

MOSAIC TECHNOLOGIES CORPORATION

Per: “Richard Buckingham”
Richard Buckingham, Chairman

IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THIS REGULATION THAT, AT THE TIME AND IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.