

MATERIAL CHANGE REPORT

This material change report is being filed with the appropriate securities regulatory authorities to comply with the requirements of:

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

Section 118(1) of the Securities Act (Alberta)

Section 84(1) of the Securities Act (Saskatchewan)

Section 75(2) of the Securities Act (Ontario)

Section 73 of the Securities Act (Quebec)

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.

ITEM 1 Reporting Issuer:

Global Thermoelectric Inc.
4908 52nd Street S.E.
Calgary, Alberta T2B 3R2

ITEM 2 Date of Material Change:

February 19, 2002

ITEM 3 News Release:

News release released through Canada Newswire on February 19, 2002.

ITEM 4 Summary of Material Change:

Global Thermoelectric Inc. ("Global"), Enbridge Inc. ("Enbridge") and Superior Propane Inc. ("Superior") have signed a Memorandum of Understanding ("MOU") whereby Superior will join the existing Global-Enbridge alliance to distribute Global's residential application fuel cell products in Canada.

ITEM 5 Full Description of Material Change:

Global, Superior and Enbridge signed a memorandum of understanding (the "MOU") on February 19, 2002, pursuant to which the parties have agreed upon the principal terms and conditions of a sub-licence distribution agreement (the "Sublicence Agreement") in respect of Global's residential solid oxide fuel cell ("SOFC") systems. The parties have agreed to commence negotiation of the Sublicence Agreement subsequent to the finalization of a distribution agreement (the "Enbridge Distribution Agreement") with Enbridge. The Enbridge Distribution Agreement was contemplated in the July 31, 2000 Joint Development Agreement between Global and Enbridge, pursuant to which Global and

Enbridge agreed to negotiate the terms of such agreement with a view to executing it by March 31, 2003.

The Sublicence Agreement is expected to grant Superior distribution rights to sales, rentals and leases of propane-fuelled SOFC systems for residential applications in regions of Canada, subject to certain conditions. The execution of the definitive Sublicence Agreement is subject to typical conditions related to this type of transaction, including the execution of the Enbridge Distribution Agreement.

ITEM 6 Reliance on Section 118(2) of the *Securities Act* (Alberta):

N/A

ITEM 7 Omitted Information:

N/A

ITEM 8 Senior Officer:

The name and business number of the senior officer of Global Thermoelectric Inc. who is knowledgeable about the material change and this report is:

Paul Crilly
Vice President, Finance and Chief Financial Officer
Telephone: (403) 204-6100

ITEM 9 Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

DATED this 25th day of February 2002, at the City of Calgary, in the Province of Alberta.

GLOBAL THERMOELECTRIC INC.

Per: "Paul Crilly"
Paul Crilly
Vice President, Finance and Chief Financial Officer

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