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)
Section 112 of the Securities Act (Manitoba)

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:

June 27, 2003

ITEM 3 News Release:

News release, attached as Schedule "A" hereto, released through Canada Newswire on June 27, 2003.

ITEM 4 Summary of Material Change:

Global Thermoelectric Inc. ("Global") announced that the Alberta Court of Queen's Bench has, pursuant to Global's Application, issued an Interim Order in connection with the proposed Combination between Global and Quantum.

ITEM 5 Full Description of Material Change:

See News Release, attached as Schedule "A" hereto.

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 telephone 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 7th day of July 2003, 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.

Schedule "A" to the Material Change Report

Attention Business Editors:

Court Issues Order Permitting Global Thermoelectric To Proceed With Common Shareholder Vote

TSX STOCK SYMBOL: GLE
Web site:www.globalte.com

CALGARY, June 27 /CNW/ - Global Thermoelectric Inc. ("Global" or the "Company"), is pleased to announce that the Alberta Court of Queen's Bench has, pursuant to Global's Application, issued an Interim Order in connection with the proposed Combination between Global and Quantum. The Combination is structured as a Plan of Arrangement under the Alberta Business Corporations Act, requiring court approval. The Interim Order provides for the mailing of an Information Circular to Global's shareholders, the holding of a meeting of common shareholders of Global to consider the Arrangement, dissent rights and a common shareholder approval threshold of 66 2/3%. An Application by Foundation Equity Corporation ("Foundation") opposing the Interim Order was substantially dismissed by the Court. Enbridge, the holder of Global's Preferred Shares, discontinued its legal action challenging the combination based on a settlement as described in Global's news release of June 27, 2003. The Arrangement is subject to shareholder approval, a Final Order of the Court and a fairness hearing expected to be held in the last week of August. Peter Garrett, CEO of Global, stated, "We are delighted that the Interim Order allows the matter to go before Global's shareholders and that Foundation's Application opposing the Arrangement at this stage was substantially dismissed."

Forward-looking statements:

This news release contains forward-looking statements about the Company, the development of its technologies and the establishment of its strategic business relationships. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "anticipates," "believes," "intends," "estimates," "projects" and similar expressions, or that events or conditions "will," "may," "could" or "should" occur.

These forward-looking statements are subject to various risks, uncertainties and other factors that could cause the Company's actual results or achievements to differ materially from those expressed in or implied by forward-looking statements. These risks, uncertainties and other factors include, without limitation, uncertainty as to the Company's ability to successfully implement its business strategy; the risk that development projects and prototypes will not be completed successfully or in a timely manner; a dependence on the contributions and performance of the Company's major alliance partners; the ability of the Company to successfully negotiate and execute definitive agreements governing its relationships with its major alliance partners; uncertainties as to the availability and cost of financing; the development of competing technologies and the possibility of increased competition; fluctuating energy prices; uncertainties involving government policies and government regulations affecting the Company's business; and other factors identified in the Company's Annual Information Form and other reports filed with securities commissions in Canada and available at www.sedar.com. Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and the Company does not assume any obligation to update its forward-looking statements if those beliefs, opinions or expectations, or other circumstance should change.

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For further information: regarding Global, please contact the following at (403) 204-6100: Peter Garrett, President and CEO, Paul Crilly, Vice President, Finance and CFO, Mark Kryzan, Director, Corporate Affairs;