CANLAN ICE SPORTS CORP.
MATERIAL CHANGE REPORT

1. Reporting Issuer

Canlan Ice Sports Corp.
6501 Sprott Street
Burnaby, British Columbia
V6B 3B8

2. Date of Material Change

June 23, 2004

3. Press Release

A press release was issued on June 23, 2004.

4. Summary of Material Change

On June 23, 2004, Canlan announced that it has agreed to purchase the interests of two co-investors in four Ontario properties for $7.9 million. Canlan will make a minimum 50% down payment on the purchase price on closing, with the balance payable in six equal semi-annual instalments over the next three years. Closing of the purchase is planned for the fall of 2004.

5. Full Description of Material Change

On June 23, 2004, Canlan announced that it has agreed to purchase the interests of two co-investors in four Ontario properties for $7.9 million. Canlan will make a minimum 50% down payment on the purchase price on closing, with the balance payable in six equal semi-annual instalments over the next three years. Interest on the outstanding amount is payable at a rate of prime plus 2.25% per annum. The closing of the purchase is planned for the fall of 2004.

Canlan is purchasing the 25% interest of Covington Fund I Inc. in Adult “Safe-Hockey” Leagues Ltd., and the 25% interest of Ice Cold Enterprises Ltd. in O & O Development Corporation. Adult “Safe-Hockey” Leagues Ltd. and O & O Development Corporation. are both Ontario corporations. Canlan currently owns the remaining 75% interest in Adult “Safe-Hockey” Leagues Ltd., which, in turn, owns the remaining 75% interest in O & O Development Corporation. Upon completion of the transaction, Canlan will directly own 100% of Adult “Safe-Hockey” Leagues Ltd., and will directly and indirectly own 100% of O & O Development Corporation (25% directly, and 75% indirectly through its 100% ownership of Adult “Safe-Hockey” Leagues Ltd.). Covington Fund I Inc. and Ice Cold Enterprises Ltd. each currently have certain rights to require Canlan to purchase portions of their respective interests in Adult “Safe-Hockey” Leagues Ltd. and O & O Development Corporation.

Adult “Safe-Hockey” Leagues Ltd. owns a 4-rink complex in Scarborough, Ontario and a 4-rink complex in Etobicoke, Ontario. O & O Development Corporation owns a 4-rink complex in Oakville, Ontario and a 2-rink complex in Oshawa, Ontario. All of these properties were built in the mid-1990’s.

Security for the unpaid portion of the purchase price will be provided by way of subordinated debentures. The debenture to be granted to Ice Cold Enterprises Ltd. will be secured against the Oshawa and Oakville properties owned by O & O Development Corporation, and will be subordinated only to the existing senior debt of that corporation. The debenture to be granted to Covington Fund I Inc. will be secured against the Etobicoke and Scarborough properties owned by Adult “Safe-Hockey” Leagues Ltd. and against the two properties owned by O & O Development Corporation. The debenture to be granted to Covington Fund I Inc. will be subordinated to the existing senior debt of Adult “Safe-Hockey” Leagues Ltd. and to both the existing senior debt of O & O Development Corporation and to the debenture to be granted concurrently by O & O Development Corporation in favour of Ice Cold Enterprises Ltd.

6. Confidentiality

This report is not being filed on a confidential basis.

7. Omitted Information

None.

8. Senior Officers

For further information:

Michael F. Gellard
Vice President, Finance and Chief Financial Officer
Telephone: (604) 736-9152
Facsimile: (604) 736-9170

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Burnaby, British Columbia this 2nd day of July, 2004.

/s/ Michael F. Gellard

Michael F. Gellard
Vice President, Finance and
Chief Financial Officer