AVVA TECHNOLOGIES INC.
#5, 6025 - 12th Street S.E.
Calgary, Alberta
T2H 2K1

VIA SEDAR

ALBERTA SECURITIES COMMISSION
4th Floor, 300 - 5th Avenue SW
Calgary, AB T2P 3C4

BRITISH COLUMBIA SECURITIES COMMISSION
P.O. Box 10142 Pacific Centre
12th Floor, 701 West Georgia Street
Vancouver, B.C., V7Y 1L2

TSX VENTURE EXCHANGE
10th Floor, 300 - 5th Avenue S.W.
Calgary, AB T2P 3C4

Dear Sirs:

Re: AVVA Technologies Inc. - Material Change Report/Continuous Disclosure

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of **AVVA Technologies Inc.** (the "Corporation" or "AVVA"). For convenience, this letter is itemized in the same manner as Form 27 of the *Securities Act* (Alberta). Concurrent with this filing, this letter is being filed with the TSX Venture Exchange, being the only exchange on which the Corporation's shares are currently listed.

Item 1 - Reporting Issuer

AVVA Technologies Inc.
#5, 6025 - 12th Street S.E.
Calgary, Alberta, T2H 2K1
Telephone: (403) 252-6047
Facsimile: (403) 252-5580

Item 2 - Date of Material Change

The material change occurred on or about June 24, 2003.

Item 3 - News Release

A press release was issued on June 24, 2003.

Item 4 - Summary of Material Change

The Corporation and Carmanah Technologies Inc. ("Carmanah") announced that they have signed a binding letter of intent pursuant to which Carmanah, or a wholly owned subsidiary thereof, will make an offer to acquire all of the issued and outstanding securities of the Corporation.

Item 5 - Full Description of Material Change

Carmanah (TSX VE: CMH) and AVVA (TSX VE: AVY) are pleased to announce that they have signed a binding letter of intent pursuant to which Carmanah, or a wholly owned subsidiary thereof, will make an offer to acquire all of the issued and outstanding shares of AVVA (the "Proposed Acquisition"). It is currently anticipated that the Proposed Acquisition will be completed by way of an amalgamation, subject to receipt of tax and corporate planning advice for both parties.

Carmanah and AVVA have agreed, on a preliminary basis, that Carmanah will issue to AVVA shareholders 1 common share for every 8 AVVA shares outstanding subject to an independent valuation or fairness opinion (if one is obtained) and due diligence results. The deemed price per Carmanah share will be $0.95 being the closing CMH share price on June 23, 2003. The deemed price per AVVA share will be $0.11875. A 1 for 8 ratio would also be applied to AVVA's issued options and warrants.

The Proposed Acquisition was negotiated at arm's length between the parties. It is anticipated that Tom Charlton and Mark Komonoski will continue their relationship with AVVA following completion of the Proposed Acquisition. Carmanah also intends to grant 200,000 incentive stock options to proposed directors and officers of AVVA in conjunction with the closing of the Proposed Acquisition. A $0.95 price per share is hereby reserved for such grant of stock options listed above.

Completion of the Proposed Acquisition is subject to various conditions precedent, including but not limited to completion of a mutual due diligence process and the approval of the TSX Venture Exchange Inc. In addition, if the Proposed Acquisition proceeds by way of an amalgamation between AVVA and a wholly owned subsidiary of Carmanah, the shareholders of AVVA will be asked to approve the Proposed Acquisition at a special meeting of shareholders.

"As part of our business strategy, Carmanah has been clear that we wish to add either expanded technical expertise or enhanced route to market through appropriate acquisitions or alliances. AVVA meets both of these criteria plus offers the added benefit of increased manufacturing in the area of LED edge lit lighting products. The edge lighting expertise of AVVA plus their early in-roads into the North American highways markets are complimentary to the objectives and opportunities in front of us at Carmanah. We see obvious benefits for all stakeholders and plan to focus on the many revenue based synergies that exist between the two companies " says Art Aylesworth, CEO of Carmanah Technologies.

"It has been a directive of AVVA's Board to pursue growth opportunities that would diversify and compliment its product lines and technology," stated Tom Charlton, Chairman of AVVA Technologies Inc. "Carmanah has tremendous resources in research and development. Its valuable knowledge in solar power and LED technologies will greatly enhance AVVA's edge-lit product line. Together, both companies can offer their shareholders a more diversified and exciting future."

"I believe combining the two companies will benefit both groups of shareholders and is immediately accretive, the sum is greater then the parts. We are excited and look forward to contributing to the combined team" added Mark Komonoski, CEO of AVVA.

Item 6 - Reliance on s.146(2) of the *Securities Act* (Alberta) or s. 85(2) of the *Securities Act* (British Columbia)

Not applicable.

<u>Item 7 - Omitted Information</u>

No omitted information.

<u>Item 8 - Senior Officer</u>

The name of a Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Thomas J. Charlton, President
Telephone: (403) 252-6047

<u>Item 9 - Statement of a Senior Officer</u>

The foregoing accurately discloses the material change referred to in this report.

DATED at Calgary, Alberta, this 24th day of September, 2003.

Yours truly,

AVVA TECHNOLOGIES INC.

Per: *"Thomas J. Charlton"*
Thomas J. Charlton
President