

Xillix Technologies Corp.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Xillix Technologies Corp. (the “**Issuer**”)
100 – 13775 Commerce Parkway
Richmond, British Columbia

Item 2. Date of Material Change

March 19, 2007

Item 3. News Release

A news release disclosing the material change was issued at Richmond, British Columbia, on March 19, 2007.

Item 4. Summary of Material Change

The Issuer announced that the British Columbia Supreme Court has granted an order, dated March 19, 2007 (the “**Order**”), which continues the Issuer’s protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) until May 7, 2007.

Item 5.1 Full Description of Material Change

The Issuer announced that the British Columbia Supreme Court has granted an Order, which continues the Issuer’s protection under the CCAA until May 7, 2007.

The Order, together with the continuation of the forbearance agreement between the Issuer and its secured creditor, provides management of the Issuer with more time to develop and implement a reorganization plan.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

The following executive officer of the Issuer is knowledgeable about the material change and may be contacted respecting the change:

Brett Gannon, President and Chief Executive Officer
(604) 278-5000

Item 9. Date of Report

DATED at Richmond, British Columbia this 19th day of March, 2007.

“Signed”

Brett Gannon
President and Chief Executive Officer