FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

COM DEV INTERNATIONAL LTD. (**"COM DEV"**)
155 Sheldon Drive
Cambridge, Ontario
N1R 7H6

Item 2 Date of Material Change

May 5, 2006

Item 3 News Release

A press release was issued via Canada Newswire on May 5, 2006.

Item 4 Summary of Material Change

COM DEV announced that it has elected to redeem all of the issued and outstanding 6.75% convertible debentures (the **"Debentures"**) issued December 6, 2001. The redemption will occur on June 22, 2006 (the **"Redemption Date"**).

Item 5 Full Description of Material Change

On May 5, 2006 COM DEV gave notice to Computershare Trust Company of Canada (the **"Trustee"**) and CDS Inc., as the sole registered holder of the Debentures, in accordance with Article 6.2 of the Trust Indenture dated December 6, 2001 between the COM DEV and the Trustee (the **"Indenture"**) that on the Redemption Date, COM DEV will redeem all of the issued and outstanding Debentures issued pursuant to the Indenture.

Debentures with a total principal amount $18,000,000 (the **"Principal Amount"**) remain outstanding. All of the issued and outstanding Debentures have been called for redemption at a price of $1,032.178 (the **"Redemption Amount"**) per $1,000.00 of Principal Amount which includes $32.178 of accrued and unpaid interest (the **"Interest"**) on the Principal Amount of each Debenture from and including the interest payment date of December 30, 2005 to but excluding the Redemption Date.

Holders of Debentures are advised that they will continue to have the right to convert their Debentures, plus any accrued and unpaid interest if they so elect, into common shares of COM DEV (the "**Common Shares**") at a price of $3.15 per share by exercising the conversion rights provided for in Article 7 of the Indenture at any time up until the close of business on the date prior to the Redemption Date, being June 21, 2006 (the "**Conversion Date**"), by delivering to the Trustee the prescribed form of Notice of Conversion. Interest will be calculated up to and including the day prior to conversion. Fractional Common Shares will not be issued on conversion but in lieu thereof a cash payment will be made in an amount equal to the fractional interest which would have been issuable multiplied by the weighted average trading price of the Common Shares, for the 20 consecutive trading days ending on the fifth trading day prior to the date on which the Debenture is converted. Debenture holders wishing to convert their Debentures should consult with their advisors on the steps required to ensure that this conversion is completed on or prior to the Conversion Date.

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

Gary Calhoun, Chief Financial Officer, COM DEV International Ltd., 519-622-2300, ext 2826

Item 9 Date of Report

May 5, 2006.