

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**1. Name and Address of Company:**

ZCL Composites Inc. ("ZCL")  
6907-36 Street  
Edmonton, Alberta  
Canada T6B 2Z6

**2. Date of Material Change:**

September 28, 2010

**3. News Release:**

A press release setting out information relating to the material change described herein was issued by ZCL on September 28, 2010, and was disseminated through the facilities of CNW Group (Canada Newswire) and filed on SEDAR.

**4. Summary of Material Change:**

ZCL announced on September 28, 2010 Venence (Ven) G. Côté's retirement as President and Chief Executive Officer effective September 30, 2010. Roderick (Rod) W. Graham, currently a director of ZCL, will succeed Mr. Côté as President and Chief Executive Officer effective October 1, 2010. As a condition to accepting this leadership role, Mr. Graham will subscribe for up to 550,000 common shares of ZCL, subject to the approval of the Toronto Stock Exchange.

**5. Full Description of Material Change:**

See the press release attached hereto as Schedule "A".

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

Not applicable.

**7. Omitted Information:**

Not applicable.

**8. Executive Officer:**

For further information: Roderick (Rod) W. Graham, President & Chief Executive Officer, or Darin R. Coutu, Chief Financial Officer, Telephone: (780) 466-6648, Fax: (780) 466-6126, Website: [www.zcl.com](http://www.zcl.com)

**9. Date of Report:**

October 8, 2010

**SCHEDULE "A"**  
(see attachment)



**Venence G. Côté retires as President and CEO**

**Rod Graham named as new President and CEO**

**For immediate release**

**EDMONTON, Alberta** - September 28, 2010 -**ZCL Composites Inc. (TSX:ZCL)** ZCL Composites Inc. ("ZCL" or the "Company") today announced Venence (Ven) G. Côté's retirement as President and Chief Executive Officer (CEO) effective September 30, 2010, a position he has held since he founded the Company in 1987.

Roderick (Rod) W. Graham, currently a director and Vice-Chairman of the Board of Directors of the Company, will succeed Mr. Côté as President and Chief Executive Officer effective October 1<sup>st</sup>, 2010. Mr. Côté will assist Mr. Graham with the transition through January 31<sup>st</sup>, 2011, and will be available as an advisor to Mr. Graham thereafter.

"On behalf of all Board members it has been an honour and a privilege to work with Ven over the years," says Hon. James S. Edwards, Chairman of the Board of Directors. "It would be impossible to overstate the contributions of Ven to the growth and development of ZCL over the past 23 years. More than just the face of the Company, he has been the embodiment of its heart and soul, and we hold him in the highest regard. We wish him all the best in retirement."

In 2008, Mr. Côté was named Entrepreneur of the Year ® (Prairies Region) by the global accounting firm Ernst & Young LLP and under his leadership ZCL was named as one of Canada's 50 Best Managed Companies.

"Succession planning is an important responsibility of the Board of Directors," added Mr. Edwards. "Rod has demonstrated outstanding vision and leadership over his years of involvement with the Company beginning in 2002. He has had exposure to all aspects of our business and has consistently shown an unwavering commitment to the Company's long-term success. His strategic thinking ability, commercial acumen, bottom line focus and people leadership skills will serve the Company well in the years ahead. We are confident in our choice of Rod as Ven's successor and look forward to ZCL's future under his leadership."

"The ZCL team has achieved and exceeded the objectives we set for ourselves more than two decades ago," says Côté. "Since its inception in 1987, ZCL's focus has been to provide superior quality, environmentally safe, liquid storage solutions. The Company developed Canada's first double wall fiberglass tank and continues to innovate with expanding product lines for many applications. Today, ZCL is North America's largest manufacturer and supplier of environmentally friendly fibreglass reinforced plastic underground storage tanks. We've turned

ZCL into a global leader. I've been fortunate to work with the capable, committed and innovative people of ZCL – I thank them for their support and wish them great success in the years ahead."

ZCL's incoming President and Chief Executive Officer Rod Graham first joined the company as a director in 2002. Mr. Graham is Co-Founder and Managing Director of Northern Plains Capital Ltd. Prior to co-founding Northern Plains he served as a Senior Vice President and Director of ARC Financial Corporation. Mr. Graham joined ARC Financial's predecessor PowerWest Financial in 1991 and spent eleven years with the firm in a variety of roles ultimately heading up a group of professionals responsible for investing capital in the oilfield services and energy technology sectors. That included a leading role in ARC Financial's investment in ZCL in 2002. Mr. Graham received his Honours BBA from Wilfrid Laurier University in 1990, an MBA (Ivey Scholar) from the University of Western Ontario in 1996 and is a Chartered Financial Analyst.

"We are pleased that Rod has accepted this important leadership role in support of our vision to become the leading global supplier of environmentally friendly liquid handling solutions" says Mr. Edwards. "Rod Graham is the right leader to deliver strong financial returns from our existing businesses and position the Company for continued growth and success in the years ahead."

Mr. Graham, as a condition of his accepting this leadership role, requested and the Company agreed to allow Mr. Graham to subscribe for up to 550,000 common shares of the Company for which he will pay cash to the Company. Such shares will be issued by ZCL, on a private placement basis, pursuant to applicable exemptions from prospectus and dealer registration requirements and subject to the approval of the Toronto Stock Exchange. The Board has mandated Mr. Graham to conduct a strategic review of the Company so that ZCL can move forward with its excellent platform and better execute on its numerous opportunities so as to achieve its next phase of growth.

### **About ZCL Composites**

ZCL is North America's largest manufacturer and supplier of environmentally friendly fiberglass underground storage tanks. ZCL's complete fuel storage systems, marketed under the "Prezerver" trademark, carry enhanced coverage against pollution of up to \$2 million. More information about ZCL is available on its website at [www.zcl.com](http://www.zcl.com).

For further information, contact:

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