

BC FORM 53-901F

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE B.C. *SECURITIES ACT* AND 118(1) OF THE ALBERTA *SECURITIES ACT*

Item 1. Reporting Issuer

Totally Hip Inc.
201 - 1040 Hamilton Street
Vancouver, BC V6B 2R9

Item 2. Date of Material Change

May 31, 2002

Item 3. Press Release

Press Release dated May 31, 2002 and disseminated to Vancouver Stockwatch Magazine, B.C. Securities Commission, Alberta Securities Commission and Market News Publishing.

Place of Issuance: Vancouver, British Columbia.

Item 4. Summary of Material Change

The Issuer announces a private placement of its securities and the effective of its share consolidation and name change.

Item 5. Full Description of Material Change

The Issuer is pleased to announce that it has agreed to a private placement of its securities to raise up to \$650,000 which will consist of the sale of up to 4,333,333 post-consolidation units at \$0.15 per unit, each unit consisting of one post-consolidation common share and one two-year non-transferable share purchase warrant with each such share purchase warrant entitling each holder to purchase one additional post-consolidation common share of the Issuer at a price of \$0.20 per share.

The proceeds of the private placement will be used for general corporate purposes including reducing debt, research and development and marketing.

A finder's fee may be payable in cash on a portion of the private placement. Both the finder's fee and the private placement are subject to TSX Venture Exchange acceptance for filing.

The Issuer has been advised by the TSX Venture Exchange that the previously

announced 1 for 10 consolidation of its share capital and a change of the Issuer's name to Totally Hip Inc. will become effective Wednesday June 5, 2002. The new trading symbol of the Issuer will be THC. Shareholders of the Issuer approved the share consolidation and name change at the Issuer's Annual General Meeting held on February 26, 2002.

Item 6. Reliance on Section 85(2) of the B.C. Act and 118(2) of the Alberta Act

The Issuer is not relying on Section 85(2) of the B.C. Act or 118(2) of the Alberta Act.

Item 7. Omitted Information

There is no omitted information.

Item 8. Senior Officers

David Dicaire, President – (604) 685-6525.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of June, 2002.

“David Dicaire”

David B. Dicaire, President