

SHAW'S INDUSTRIAL CORPORATION
10003 - 69TH Avenue
Edmonton, Alberta
T6E 0T1

October 15, 2002

ALBERTA SECURITIES COMMISSION
CONTINUOUS DISCLOSURE
20th Floor, 10025 Jasper Avenue
Edmonton, Alberta
T5K 3Z5
Attention: Executive Director

BRITISH COLUMBIA SECURITIES
COMMISSION
STATUTORY FILINGS
Suite 200, 865 Hornby Street
Vancouver, British Columbia
V6Z 2H4
Attention: Executive Director

Dear Sirs:

**Re: Shaw's Industrial Corporation (the "Corporation")
Material Change Report Under Section 146(1) of the *Securities Act* (Alberta), and Section
85(1) of the *Securities Act* (British Columbia)**

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of the Corporation. For convenience, this letter is itemized in the same manner as Form 27 of the *Securities Act* (Alberta), and Form 53-901F of the *Securities Act* (British Columbia). 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

Shaw's Industrial Corporation
10003- 69th Avenue
Edmonton, Alberta
T6E 0T1
Telephone: (780) 439-5411
Facsimile: (780) 439-3972

Item 2 - Date of Material Change

October 14, 2002

Item 3 - News Release

A press release was issued on October 15, 2002.

Item 4 - Summary of Material Change

The Corporation has entered into an investor relations agreement with Redwood Capital Corporation of Calgary, Alberta.

Item 5 - Full Description of Material Change

The Corporation has entered into an agreement with Redwood Capital Corporation ("Redwood") of Calgary, Alberta, to provide an investor and financial relations program effective October 15, 2002.

The agreement will cover the period up to April 15, 2003, with compensation to total \$7,800 to be paid as a monthly fee of \$1,300 for the next 6 months. In addition, the agreement provides for the issuance of 50,000 stock options to Redwood, having a two-year term and an exercise price of \$0.20, subject to Board approval. The Corporation and Redwood are at arms-length to each other, and Redwood does not currently own, nor does it intend to purchase any, shares or other securities of the Corporation by way of open market purchases. The agreement is renewable under negotiable terms. The investor and financial relations agreement and the granting of stock options to Redwood Capital is subject to the approval of the TSX Venture Exchange.

Jason Krueger, President of Redwood, has conducted investor relations programs for a variety of Canadian-listed companies. Mr. Krueger holds the Chartered Financial Analyst® designation, and is a member of the Association for Investment Management and Research as well as The Calgary Society of Financial Analysts.

Item 6 - Reliance on Section 146(2) of the *Securities Act* (Alberta) and Section 85(2) of the *Securities Act* (British Columbia)

N/A

Item 7 - Omitted Information

N/A

Item 8 - Senior Officer

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:

Darren Shaw
President and Director
(780) 439-5411

Item 9 - Statement of a Senior Officer

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

DATED at Edmonton, Alberta, this 15th day of October, 2002.

Yours truly,

Shaw's Industrial Corporation

Per: *"Signed"*

Darren Shaw, President and Director