

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Labrador Technologies Inc.
350, 229 - 11 Avenue S.E.
Calgary, Alberta
T2G 0Y1

2. Date of Material Change: August 17, 2005

3. News Release: August 17, 2005

4. Summary of Material Change:

Labrador Technologies Inc. ("LTI") completed its \$200,000, non-brokered private placement of units at \$0.10 per unit.

5. Full Description of Material Change:

LTI completed a \$275,000, non-brokered private placement of units at \$0.10 per unit. The private placement was originally for up to 2,000,000 units, but was over-subscribed. As a result, LTI issued 2,750,000 units at a price of \$0.10 per unit. Each unit consists of one common share, plus one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share of LTI at a price of \$0.20 per share, for a period of twelve (12) months from the date of distribution of the units. The common shares, warrants and common shares issuable upon the due exercise of the warrants are all subject to a four month hold.

Proceeds of this financing will be used by LTI for general working capital, and for taking advantage of its product suite to develop a generic, web-based capability, initially for U.S. and Canadian Oil & Gas Data Centres, and their clients.

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

N/A

7. Omitted Information:

N/A

8. Executive Officer Knowledgeable of Material Change:

Bill Rafih, Director, Corporate Communications (403) 263-6325.

9. Date of Report:

August 25, 2005