THIS IS THE FORM OF A MATERIAL CHANGE REPORT REQUIRED UNDER SECTION 85(1) OF THE *SECURITIES ACT*.

FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE *ACT*

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this are complied with.

NOTE: Every report required to be filed under section 85(1) of the *Act* shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACE IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item
1. Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer:

The name of the reporting issuer is FOREST & MARINE INVESTMENTS LTD. (the "Issuer"). Its principal office is located at 204 - 1551 Estevan Road, Nanaimo, British Columbia, V9S 3Y3.

Forest & Marine Investments Ltd. is an exchange issuer.

Item 2. Date of Material Change

January 10, 2000.

Item 3. Press Release

State the date and place(s) of issuance of the press release issued pursuant to Section 85(1) of the *Act*:

Press release issued to the Canadian Venture Exchange on January 10, 2000 and disseminated by way of SEDAR and through Canada NewsWire and Canada Stockwatch.

Item 4. Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change:

Declaration of semi-annual dividend of $0.20 per common share of the Issuer.

Item 5. Full Description of Material Change

Supplement the summary required under Item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

This description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely describes examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation:

Declaration of Dividend by the Issuer, which is part of the Forest & Marine Group, which operates as a Limited Partnership, as follows:

- **Semi-annual dividend**
- **Amount: $0.20**
- **Record Date: January 17, 2000**
- **Date Payable: February 4, 2000**
- **Class of Shares: Common**

Item 6. Reliance on Section 85(2) of the *Act*

If the report is being filed on a confidential basis in reliance on Section 85(2) of the *Act*, state the reasons for such reliance.

INSTRUCTION:

Refer to Section 85(3) of the *Act* concerning continuing obligations in respect of reports filed pursuant to this subsection:

Not Applicable.

Item 7. Omitted Information

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but Section 85(3) of the *Act* will no longer or will not be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain in confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to Section 169(4) of the *Act*.

The reasons for the omission may be contained in a separate letter filed as provided in Section 153 of the Rules:

Not Applicable.

Item 8. Senior Officers

To facilitate any necessary follow up by the Commission, give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom such senior officer may be contacted by the Commission:

Further information may be obtained from John Hitchcock, President and Director of the Issuer, at (250) 753-0141.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Nanaimo, B.C., this 10th day of January, 2000.

FOREST & MARINE INVESTMENTS LTD.

"John L. Hitchcock"
Signature

President/Director
Capacity with Reporting Issuer

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