

## **MATERIAL CHANGE REPORT**

### **Subsection 75(2) of the *Securities Act* (Ontario)**

1. **Reporting Issuer**

Sextant Entertainment Group Inc. ("Sextant")  
(formerly Rhodelta Software Inc.)  
Suite 300 - 1380 Burrard Street  
Vancouver, BC V6Z 2H3

2. **Date of Material Change**

March 9, 2000

3. **Press Release**

A Press Release was issued on March 9, 2000.

4. **Summary of Material Change**

Sextant announced that it has finalized its agreement to acquire 100% of the shares of THA Media and Associates Inc. ("THA"). The agreement has an effective date of March 6, 2000.

5. **Full Description of Material Change**

Sextant is pleased to announce that, effective March 6, 2000, it has finalized its agreement to acquire 100% of the shares of THA. The President and sole shareholder, Thomas Howe, is arguably one of television's premier distribution executives. Mr. Howe has been involved in international television distribution for over twenty years and was formerly senior director for International Co-Productions at the CBC. THA brings strong working relationships with some of the world's largest entertainment companies, such as Carlton PLC and Channel 4 PLC.

"The acquisition of THA adds tremendous strength and credibility to the Sextant Group. Having Mr. Howe as part of our management team provides incredible depth and wisdom," says CFO Martin Johnson. "We are extremely excited about this acquisition as Sextant now has the ability to distribute internationally its own content, as well as the content of our production partners," adds Johnson.

Sextant will issue an aggregate of 150,000 common shares and \$200,000 in consideration for the shares of THA. The arm's length acquisition was priced based on \$2.50 per Sextant common share and follows from negotiations which commenced in September 1999. The value of THA is inherent in the goodwill established by Thomas Howe's 20 years in the distribution arena. The terms of the deal also provide that Mr. Howe can earn up to 200,000 additional earn-out shares based on pre-tax profit of the THA division. The closing of the transaction will occur on or before July 31, 2000.

Sextant is an integrated film production, television production and distribution company with an emphasis on co-production and co-financing as well as active development of new media content and dissemination worldwide.

6. **Reliance on Subsection 75(3) of the Securities Act (Ontario)**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

For further information, please contact Martin R. Johnson, the Chief Financial Officer of Sextant at (604) 642-5400.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia this 9th day of March, 2000.

**SEXTANT ENTERTAINMENT GROUP INC.**

Per:                     "Martin R. Johnson"                      
Martin R. Johnson  
Chief Financial Officer