

Form 27
Securities Act (Ontario)

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE ACT

1. Reporting Issuer

Atlantic Systems Group Inc.

2. Date of Material Change

June 21, 2000

3. Press Release

A press release was issued in Fredericton, New Brunswick, on June 23, 2000, a copy of which is attached hereto as Schedule "A".

4. Summary of Material Change

Atlantic Systems Group Inc. ("ASG") announced the completion of a private placement of 1,400,000 special warrants for gross proceeds of \$2,100,000.

5. Full Description of Material Change

On June 23, 2000, ASG announced that it had completed a private placement of 1,400,000 special warrants for gross proceeds of \$2,100,000.

Each special warrant entitles the holder thereof to acquire, without the payment of additional consideration, one unit consisting of one common share of ASG and one warrant, subject to certain adjustments. Each warrant is exercisable to acquire one common share of ASG at a price of \$2.00 at any time before June 22, 2002.

6. Reliance on Section 75(3) of the Act

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officer

James G. Wilson, Chief Financial Officer

Telephone no. (506) 460-5400

Facsimile no. (506) 460-5411

E-mail: jim.wilson@asgtechnologies.com

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Fredericton, New Brunswick, this 23rd day of June, 2000.

(signed) James G. Wilson
Chief Financial Officer

IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THIS REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

Schedule "A"

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For Immediate Release

ASG Technologies Completes Private Placement

- Additional Investment Confidence in ASG Technologies
Provides Capital for Development and Marketing -

Fredericton, New Brunswick — June 23, 2000: Atlantic Systems Group Inc., commonly known as ASG Technologies (CDN OTC: ASGT) today announced that it has completed the initial closing of a private placement of 1,400,000 special warrants for gross proceeds of \$2,100,000.

Each special warrant entitles the holder thereof to acquire, without the payment of additional consideration, one unit, consisting of one common share of ASG and one warrant, subject to certain adjustments. Each warrant is exercisable to acquire one common share of ASG at a price of \$2.00 at any time before June 22, 2002.

ASG expects that a second closing of the private placement, for up to an additional 600,000 special warrants, will occur within 15 days of the initial closing.

The proceeds of the offering are earmarked for core business strategies, continued development of core software technologies, and sales and marketing efforts. "The Company is working on a number of promising opportunities in both the telecommunications and the Internet sectors that will generate a solid revenue stream by the fourth quarter" said Jim Wilson, CFO at ASG Technologies. "This new capital not only demonstrates investor confidence in what we are doing, but it also provides the cash flow for us to move forward as quickly as possible on both fronts."

About ASG technologies: ASG Technologies operates out of Fredericton, New Brunswick, and has over a decade of experience in the networking and information security markets. The company has extensive expertise in designing and implementing enterprise-wide network security solutions, and markets a full line of network security software including single sign-on and Internet content and session management products.

ASG Technologies is publicly traded over the counter on the Canadian Dealer Network (CDN OTC: ASGT), with 20,121,074 common shares outstanding. For more information on ASG Technologies, call 506-460-5400 or visit the company's web site at www.ASGtechnologies.com

Note: This press release contains forward-looking statements, including statements regarding the business and anticipated financial performance of ASG technologies, which involve risks and uncertainties. These risks and uncertainties may cause ASG technologies' actual results to differ materially from those contemplated by the forward-looking statements. Factors that might cause or contribute to such differences include, among others, competitive pressures, the growth rate of the Internet and telecommunications concerns, constantly changing technology and market acceptance of the company's products and services. Investors are also directed to consider the other risks and uncertainties discussed in ASG technologies required financial statements and filings.

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