FORM 27

MATERIAL CHANGE REPORT UNDER SECTION 118(1) OF THE SECURITIES ACT

1. Reporting Issuer:

   Winalta Inc.
   Box 149
   Enoch AB T7X 3Y3

2. Date of Material Change: May 31, 2001

3. News Release:

   A News Release was issued on June 1, 2001 from Edmonton, Alberta via BCE Emergis e-news service

4. Summary of Material Change:

   An Offer to Purchase land and a building made by Winalta Inc., through an affiliate, for a purchase price in excess of $4,000,000.00 after adjustments was accepted.

5. Full Description of Material Change:

   Winalta Inc., through an affiliated company, made an Offer to Purchase land and a building located near Edmonton, Alberta. The property in question is the subject of legal proceedings, and the Offer was accordingly made to the Court of Queen=s Bench of Alberta. The Court accepted the Offer and the acceptance was confirmed, after appeal by other interested parties, on May 31, 2001. Further appeals are not anticipated. The closing would take place in June, 2001, and the purchase price for the property after adjustments will exceed $4,000,000.00.

6. Reliance on Section 118(2) of the Securities Act: Not Applicable

7. Omitted Information: Not Applicable

8. Senior Officers:

   Mr. Michael Bowen, the Vice-President and Chief Operating Officer of Winalta Inc., may be contacted further in connection with this Material Change Report.

9. Statement of Senior Officer:

The foregoing accurately discloses the Material Change referred to in this Report.

DATED at ________________, Alberta this ____ day of May, 2001.

WINALTA INC.

PER: ___________________________
MICHAEL BOWEN
Vice-President and Chief Operating Officer

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