FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 67(1) OF THE ACT

Item 1. **Reporting Issuer**

NIKOS EXPLORATIONS LTD. (the "Issuer")
800 - 555 West Hastings Street
Vancouver, B.C. V6B 4N5

Item 2. **Date of Material Change**

July 30, 1998

Item 3. **Press Release**

News Release dated July 30, 1998 was disseminated through Canada Stockwatch, George Cross Newsletter and Market News.

Item 4. **Summary of Material Change**

The Issuer reports that its board of directors have approved a plan to amalgamate with Velocity Computer Solutions Ltd. ("Velocity"), a Bermuda based company. The amalgamation is subject to shareholder and regulatory approval.

Item 5. **Full Description of Material Change**

The board of directors of the Issuer and Velocity have approved a plan to amalgamate their two companies. The amalgamated company will be called Velocity Computer Solutions, Ltd. The amalgamation is subject to shareholder and regulatory approval.

Velocity, a Bermuda based company, provides full-service personal computer services for the small business, small office home office and residential markets. Its business plan is to consolidate the presently fragmented industry of computer support services by acquiring, worldwide, small to medium independent service operations, providing name-brand awareness, economies of scale, and uniform efficiencies in marketing, administration and operations.

The Issuer will undertake a continuation of its incorporating jurisdiction to Bermuda, and immediately thereafter, will complete its amalgamation with Velocity.

Under the proposal, the Issuer's shareholders will receive one new share of the amalgamated company for every two Issuer shares presently held; and shareholders of Velocity will receive one new share of the amalgamated company for each Velocity share held. Velocity has engaged an independent third party to prepare a valuation with respect to this transaction. Under the proposed amalgamation ratio, the amalgamated company's share capital structure will consist of approximately 11,577,000 common shares outstanding, of which the Issuer's existing shareholders will hold approximately 1,150,000 common shares, and the shareholders of Velocity will hold approximately 10,427,000 common shares.

Yorkton Securities Inc. has agreed to sponsor the Issuer's application to the Vancouver Stock Exchange for approval of this transaction, which will be deemed to be a reverse-takeover under Exchange policies.

The Issuer's shares will be halted from trading until such time as sufficient disclosure has been made to the public concerning the proposed amalgamation, and upon Yorkton Securities Inc. having completed its due diligence investigations of Velocity. It is expected that sufficient disclosure will be made through distribution of information circulars which will be distributed to the shareholders of Velocity and the Issuer for purposes of approving the amalgamation.

Item 6. Reliance on Section 67(2) of the Act

If the report is being filed on a confidential basis in reliance on Section 67(2) of the Act, state the reasons for such reliance.

N/A.

Item 7. Omitted Information

N/A.

Item 8. Senior Officers

To obtain further information contact Susan Tessman, Vice President Investor Relations, at (604) 688-1508.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, B.C., this 31st day of July, 1998.

NIKOS EXPLORATIONS LTD.

Per: "Edwin Bomford"

Edwin Bomford,
President