

**BC FORM 53-901F  
SECURITIES ACT**

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

**Item 1.        Reporting Issuer**

IntraCoastal System Engineering Corporation (the "Issuer")  
Suite 540 — 220 Cambie Street  
Vancouver, BC V6B 2M9

**Item 2.        Date of Material Change**

March 19, 2002

**Item 3.        Press Release**

News Release dated March 19, 2002 was disseminated through Canada Stockwatch and Market News.

**Item 4.        Summary of Material Change**

The Issuer reported that it had entered into an agreement with Wireless Nova (I) Private Limited ("Wireless Nova") of Mumbai, India to commence installation of its automatic meter reading ("AMR") system within various states in India and has received an initial purchase order from Wireless Nova for parts, components and 3,000 of the Issuer's proprietary AMR chips.

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

The Issuer reported that it had entered into an agreement with Wireless Nova (I) Private Limited ("Wireless Nova") of Mumbai, India to commence installation of its automatic meter reading ("AMR") system within various states in India. In accordance with the terms of this agreement, the Issuer has received an initial purchase order from Wireless Nova for parts, components and 3,000 of the Issuer's proprietary AMR chips valued at approximately \$45,000. Wireless Nova is actively working within a number of states and has advised that it intends to install these 3,000 units with one State Electricity Board ("SEB") in the near future.

Wireless Nova intends to provide a complete AMR solution to the utilities and SEBs in India. They currently manufacture, distribute and supply a GSM based AMR solution for industrial utility consumers and will now add the Issuer's power line communications AMR system as a solution to address the larger market of residential consumers. This marks a major milestone for the Issuer and its ongoing efforts in India. India's current power restructuring initiative calls for countrywide reforms and AMR is a major part of these reforms. Currently there are 37 million meters installed through 36 states and an additional 10 million meters per year for the next decade are required to fulfill the overall requirements. The Central Government is planning that all new and existing meters be read using some form of automation.

**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 that reliance.*

Not applicable

**Item 7.        Omitted Information**

Not applicable

**Item 8.        Senior Officers**

Vid Wadhwani, Chairman and Chief Operating Officer  
Telephone: (604) 717 - 6373

**Item 9.        Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

**DATED** at Vancouver, British Columbia, the 19<sup>th</sup> day of March, 2002.

**INTRACOASTAL SYSTEM ENGINEERING CORPORATION**

Per:        “Vid Wadhwani”

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Vid Wadhwani,  
Chairman and Chief Operating Officer