

ZTEST ELECTRONICS INC.
523 McNicoll Avenue
North York, Ontario
M2H 2C9

VIA SEDAR

Ontario Securities Commission
19th Floor, 20 Queen Street West
Toronto, Ontario M5H 3S8
Attention: Continuous Disclosure

British Columbia Securities Commission
12th Floor, Pacific Centre, 701 W. Georgia St.
Vancouver, B.C. V7Y 1L2
Attention: Continuous Disclosure

Alberta Securities Commission
10025 Jasper Avenue
Edmonton, Alberta T5J 3Z5
Attention: Continuous Disclosure

Canadian Venture Exchange
3rd Floor, 130 King Street West
Toronto, Ontario M5X 1E5
Attention: Market Operations

Dear Sirs/Mesdames:

RE: Material Change Report
Ontario Securities Act. Sec. 75 (2)

1. The name of the Reporting Issuer is **ZTEST Electronics Inc.** ("ZTEST" or the "Company") whose principal office is at 523 McNicoll Avenue, North York, Ontario, Canada M2H 2C9.
2. The material change occurred on February 19, 2002.
3. A Press Release was published at Toronto on the BCE Emergis e-News Services - Canadian National Compliance Disclosure Wires on February 20, 2002.
4. ZTEST announced that at its Annual and Special Meeting of Shareholders held on February 19, 2002, the Shareholders approved the election of John Perreault as a director, the change in municipal location of ZTEST's registered office from the Regional Municipality of Peel to the Municipality of Metropolitan Toronto, an increase in the number of shares reserved under ZTEST's stock option plan by 2,025,104 shares to 6,271,020 shares subject to regulatory approval by the Canadian Venture Exchange ("CDNX") and the grant of 900,000 stock options.

ZTEST also announced that new officers had been appointed and that it had agreed to settle a total of \$9,000 in debt owed to its counsel for services rendered for 37,500 common shares priced at \$0.24 per share subject to the approval of CDNX.

5. **Change in Directors**

At the Annual and Special Meeting of Shareholders held on February 19, 2002, John Perreault replaced Romuald Pawluczyk as a director. The board of directors of ZTEST is now comprised of Wojciech Drzazga, Don Nurse, Mike Guerreiro, Bill Brown and John Perreault.

Change in Officers

John Perreault was appointed the President and Chief Operating Officer of ZTEST on January 15, 2002 and Wojciech Drzazga was appointed the Chairman and Chief Executive Officer of ZTEST on February 19, 2002.

Grant of Stock Options

On February 19, 2002, ZTEST granted 900,000 options at a price of \$0.24 per share until February 19, 2007 to the following persons, subject to regulatory approval by CDNX:

| <u>Name</u> | <u>Position with ZTEST</u> | <u>Number of Options</u> |
|----------------------|---------------------------------------|--------------------------|
| Wojciech Drzazga | Chairman Chief Executive Officer | 200,000 |
| | Director | 75,000 |
| John Perreault | President and Chief Operating Officer | 200,000 |
| | Director | 75,000 |
| William Brown | Director | 75,000 |
| K. Michael Guerriero | Director | 75,000 |
| Don Nurse | Director | 75,000 |
| William R. Johnstone | Secretary | 75,000 |
| Mike Kindy | Chief Financial Officer | <u>50,000</u> |
| | TOTAL | 900,000 |

The exercise price of the options was based on the closing price of the common shares of ZTEST on February 19, 2002 being \$0.24. ZTEST currently has 4,245,916 common shares reserved pursuant to its stock option plan of which 1,524,916 remain available for grant after taking into account the above grants, subject to an increase in the plan by the additional 2,025,104 options referred to above on the receipt of regulatory approval.

6. This report is not being filed on a confidential basis in reliance on subsection 75(3) of the Ontario Securities Act.
7. No information has been omitted because it is believed it should remain confidential.
8. For further information, please contact Mr. Ted Drzazga, President, at (416) 297-5155 or visit our website at <http://www.ztest.com>.
9. The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 22nd day of February, 2002.

“William R. Johnstone”

WILLIAM R. JOHNSTONE
Secretary