

This is the form of a material change report required under Section 85(1) of the Securities Act.

FORM 27

BRITISH COLUMBIA SECURITIES ACT

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

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: Every report required to be filed under Section 85(1) of the Act shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item 1. Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer:

Automated Recycling Inc. (the "Company")
1255 West Pender Street
Vancouver, BC V6E 2V1
Phone: (604) 687-2038

Item 2. Date of Material Change

October 19, 2000.

Item 3. Press Release

The Press Release dated October 19, 2000 was disseminated via BCE Emergis on a Canadian National Compliance Disclosure.

A copy of the Press Release is attached as Schedule "A".

Item 4. Summary of Material Change

OceanLake Commerce Inc., (“OceanLake Commerce”) a wholly owned subsidiary of Automated Recycling Inc., announced an agreement with Hewlett Packard (Canada) Ltd. (“HP”) to develop and deploy wireless commerce applications based on HP’s leading edge technology. The alliance enables OceanLake Commerce and HP to co-develop and market new M-Commerce solutions based on HP’s industry-leading technology.

OceanLake Commerce is working with Hewlett Packard under the recently announced Garage Program which assists fast-moving Internet start-ups, ASP’s, e-service providers and trading communities to accelerate their business development, preserve capital and prepare for rapid expansion.

Item 5. Full Description of Material Change

Supplement the summary required under item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also item 7.

The description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely described examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

For a full description of the material change, see Appendix ”A”.

Item 6. Reliance on Section 85(2) of the Act

If the report is being filed on a confidential basis in reliance of Section 85(2) of the Act, state the reasons for such reliance.

INSTRUCTION:

Refer to Section 85(3) of the Act concerning continuing obligations in respect of reports filed pursuant to this subsection.

Not Applicable.

Item 7. Omitted Information

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but s. 85(3) of the Act will no longer be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to s. 169(3) of the Act.

The reasons for the omission may be contained in a separate letter filed as provided in section 153 of the Securities Rules.

Not Applicable.

Item 8. Senior Officers

The following Senior Officer of the Company is available to answer questions regarding this report:

Ralph Scobie
1255 West Pender Street
Vancouver, BC V6E 2V1
Phone: (604) 687-2038

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, BC, this 19th day of October, 2000.

AUTOMATED RECYCLING INC.

Per:

“Ralph Scobie”

**Ralph Scobie
Chairman**

APPENDIX "A"
OceanLake Commerce Inc.
(A Division of Automated Recycling Inc.)
1255 West Pender Street
Vancouver, B.C. V6E 2V1
Tel.: (604) 687-2038 Fax.: (604) 687-3141

October 19, 2000

CDNX: ENA

OCEANLAKE COMMERCE TO DELIVER MOBILE COMMERCE SOLUTIONS WITH HP

San Jose, California – October 19, 2000 – Oceanlake Commerce Inc., a wholly-owned subsidiary of Automated Recycling Inc., (“Oceanlake Commerce”) (CDNX: ENA) and Hewlett-Packard (Canada) Ltd. today announced an agreement to develop and deploy wireless commerce applications based on HP’s technology solutions. The alliance enables Oceanlake Commerce and HP Canada to co-develop and market new M-Commerce solutions based on HP’s industry-leading technology.

"Oceanlake Commerce is developing custom wireless applications to communicate, inform, transact and entertain over the wireless Internet " said Lynn Anderson, vice president of Enterprise Marketing for HP Canada. "With leading-edge software and solutions targeted to the M-Commerce Wireless market they have the potential to be first to market with many enterprise-wide services based on the HP platform."

Oceanlake Commerce is working with HP under its recently announced Garage Program – a complete offering to help fast-moving Internet start-ups, ASPs, e-service providers and trading communities accelerate their business development, preserve capital and prepare for rapid expansion. Through the program, HP provides a robust set of tools and services, as well as financing. The program supports start-ups in building, running, marketing and financing their businesses.

"We chose HP as a platform and technology partner because of the leading-edge technology that HP delivers," said Steve Koskie, president and chief executive officer, of Oceanlake Commerce Inc. "This relationship will provide us with the resources and technology that Oceanlake Commerce requires to grow market share and revenues with our wireless commerce applications. With access to HP’s products and services, Oceanlake is well-positioned to capture a significant portion of the North American market for mobile commerce."

About Oceanlake Commerce Inc.

Oceanlake Commerce Inc. a wholly owned subsidiary of Automated Recycling Inc., is a leading developer of wireless applications. In addition to Oceanlake's wireless shopping cart used by The Shopping Channel, Oceanlake also develops wireless applications for financial and banking transactions and sales-force automation. Oceanlake has the unique capability to build voice navigation and voice-authenticated security into their wireless applications. The Company is based in Toronto, ON with offices in San Jose, CA and Charlotte, SC. The Company is in the process of completing applications for regulatory approval of a name change, for the listed public company to be “Oceanlake Commerce Inc.” Further information is available through Oceanlake’s corporate Web site at www.Oceanlake.com.

