ONTARIO
BRITISH COLUMBIA
ALBERTA

FORM 53-901F
(Previously Form 27)

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE SECURITIES ACT (ONTARIO), SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA), SECTION 118(1) OF THE SECURITIES ACT (ALBERTA)

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 Securities Act (the "Act") must be sent to the British Columbia Securities Commission (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 PLACE EVERYTHING THAT IS REQUIRED TO BE FILED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION AND MARKED "CONFIDENTIAL".*

NOTE ALSO THAT FOR A SEDAR FILING, THE PRESS RELEASE SHOULD BE FILED AS A SEPARATE DOCUMENT FROM THE FORM 53-901F.

Item 1. Reporting Issuer

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

Versatile Mobile Systems (Canada) Inc.
1295 Johnston Street
Vancouver, B.C. V6H 3R9

Item 2. Date of Material Change

August 2, 2001

Item 3. Press Release

State the date and place(s) of issuance of the press release issued under section 85(1) of the Act.

The Press Release dated August 2, 2001 was forwarded to the Canadian Venture Exchange and disseminated via BCE Emergis., Canada Stockwatch and Market News.

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

Item 4. **Summary of Material Change**

Provide a brief but accurate summary of the nature and substance of the material change.

The Company announces it is to acquire evolutionB Corporation.

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.

Versatile Mobile Systems (Canada) Inc. announces the signing of an agreement to acquire evolutionB Corporation. In exchange for the assets of evolutionB Corporation, Versatile Mobile Systems (Canada) Inc. has agreed to issue 23 million shares. The purchase agreement is subject to regulatory approval. A finders fee will be paid on closing.

For a full description of the material change, see Schedule "A".

Item 6. **Reliance on Section 85(2) of the Act and equivalent sections of other jurisdictions**

If the report is being filed on a confidential basis, state the reasons for such reliance.

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 section 85(3) of the Act will no longer or will not 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 omission in sufficient detail to permit the Commission to exercise its discretion under section 169(4) of the Act.

The reasons for the omission may be contained in a separate letter filed as provided in section 151 of the Rules.

Not Applicable.

Item 8. **Senior Officer**

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

Martin Hope
Chief Financial Officer
(604) 683-2915

Item 9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

Dated at Richmond, B.C., this 7 th.day of August, 2001.

VERSATILE MOBILE SYSTEMS (CANADA) INC.

Per:

" Martin Hope"
Martin Hope,
Chief Financial Officer

Press Release

VERSATILE MOBILE SYSTEMS TO ACQUIRE EVOLUTIONB CORPORATION

Combination Drives Growth and Builds on Mobile Enterprise Expertise

Vancouver, BC Canada, August 2, 2001 — Versatile Mobile Systems (Canada) Inc. (CDNX: VMS), a leading mobile commerce solutions provider, today announced the signing of an agreement to acquire evolutionB Corporation (www.evolutionB.com), a leading provider of mobile and wired workgroup software solutions. In exchange for the assets of evolutionB Corporation, Versatile Mobile Systems (Canada) Inc. has agreed to issue 23 million shares. The share purchase agreement is subject to regulatory approval. A finder's fee will be paid on closing.

evolutionB's application platform, Synergy, has already gained wide acceptance as a reliable corporate Intranet and Extranet solution. Synergy was designed to facilitate rapid custom development of specialized vertical applications used to deploy information to the desktop or to mobile employees via 1st, 2nd and 3rd generation wireless networks using SMS, Circuit-Data, Packet-Data, WAP (Wireless Application Protocol) and i-mode (NTT DoCoMo standard).

Synergy provides nine ready-to-deploy, end-user collaboration applications, including Contact Directory, Scheduler, Project Manager, Email and a powerful Document Manager. In addition, it provides an application platform for rapidly developing and deploying robust EIP (enterprise/employee information portal) sites with custom vertical applications designed for the wired or wireless environment.

Current customers of evolutionB's Synergy application platform include Sony, Ford, Canon, Caterpillar, American Airlines, Pitney Bowes, U.S. Army, Telia, Nikkei and Siemens. Synergy is sold through over 100 partners worldwide including SAIC, Siemens, Flexfirm (Japan) and BlueTel (the largest Nokia distributor in Europe). evolutionB is also a Technology and Strategic Partner of Macromedia Corporation via their wholly owned subsidiary, Allaire Corporation.

During the twelve-month period of July 2000 to June 2001 (Versatile's 2001 fiscal year), evolutionB had proforma revenue of CDN$9.5 million. Currently, evolutionB has approximately CDN$9 million in cash.

"The combination of Versatile Mobile Systems and evolutionB will result in both operational efficiencies and accelerated revenue growth. The two companies share a commitment to customer service, reliability and high-quality solutions. Together, we will create a new standard for mobile CRM and collaborative Intranet/Extranet solutions," said John A. Hardy, Chairman and CEO of Versatile Mobile Systems. "This acquisition continues our strategy of achieving the critical mass necessary to win and retain Fortune 500 customers in an increasingly challenging market."

Press Release

evolutionB expects many benefits from its combination with Versatile Mobile Systems. "In the development of our technology roadmap, we spent months searching for a robust and scalable Server technology that is compliant with open standards. We considered all of the options associated with buy-versus-build, and chose Versatile's outstanding software solution, the Java Enterprise Server. Naturally, we spent a considerable amount of time learning about each other's products and engineering solutions; the idea of combining the two companies grew out of this process. Together, we are highly complementary, well capitalized and poised to be a formidable solutions provider in the mobile enterprise environment," said Jayson Woodbridge, CEO of evolutionB.

About Versatile Mobile Systems

Versatile Mobile Systems provides mobile commerce solutions that enable enterprise integration of sales, marketing and logistics processes to drive revenue and improve operational efficiency. Versatile Mobile Systems partners with high technology leaders, such as Symbol Technologies, Fujitsu, Qualcomm and Descartes Systems Group. Versatile's international customer list includes Cadbury Schweppes, Elizabeth Arden, Ocado, Bridgford Foods and Keebler.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ted Moorhouse, Vice President, Marketing
Versatile Mobile Systems (Canada) Inc.

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The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.