

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.
400-1190 Homer Street
Vancouver, B.C. V6B 2X6

Item 2. Date of Material Change

February 21, 2003

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 February 21, 2003 was forwarded to the Canadian Venture Exchange and disseminated via CCN Matthews, 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 New Appointments.

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.

The company announces changes to the management of the Company.

John Hardy has been appointed Chief Executive Officer and Bob Polychron has been appointed President of the Company. Fraser Atkinson has accepted the position of Chief Financial Officer.

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.

Fraser Atkinson
Chief Financial Officer
(604) 683-2915

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, B.C., this 26th day of February, 2003.

VERSATILE MOBILE SYSTEMS (CANADA) INC.

Per:

“Fraser Atkinson”
Fraser Atkinson,
Chief Financial Officer



Press Release

Versatile Mobile Systems Announces New Appointments

Vancouver, BC – February 21, 2003 – Versatile Mobile Systems (Canada) Inc. (TSX.V, symbol: VMS), a leading mobile commerce solutions provider, announces changes to the management of the Company.

John Hardy has been appointed Chief Executive Officer and Bob Polychron has been appointed President of the Company. Fraser Atkinson has accepted the position of Chief Financial Officer.

Fraser Atkinson has had a diverse involvement in both the technology and financial sectors. He was a partner at KPMG, LLP for over 14 years, having left there in 2002. Fraser has significant engagement experience with initial public offerings, regulatory matters, and US GAAP, together with SEC matters. He also has extensive experience with companies listed on NASDAQ, AMEX, TSE, ME and TSX Venture exchange (formerly CDNX). Throughout his career he has advised companies on over 300 financings, and has significant experience with syndicated financings, tax shelters, VCC offerings and ESOP plans.

Fraser served as advisor to A.L.I Technologies Inc., for over 10 years, during their transition from a private company to their subsequent IPO and listing on the TSE. A.L.I. was added to the TSE 300 Index in the beginning of 2002. He was also advisor to Spectrum Signal Processing from its inception in 1988, assisting the company with its initial public offering and subsequent TSE listing. In addition, he was involved with several technology companies, including Registrars.com (the third largest domain registrar in the world when it was sold) and Tripeze.com (subsequently sold to Sears). Fraser graduated from the University of British Columbia in 1980 with a Bachelor of Commerce degree, and received his Chartered Accountant designation in 1982, and is a member of the CICA.

“Fraser will be an invaluable addition to our management team,” stated John Hardy, Chairman and CEO. “In addition to his duties as CFO, I look forward to Fraser actively assisting the Company in an operational role which will allow us to leverage his extensive experience in the technology sector.”

About Versatile Mobile Systems

Versatile Mobile Systems provides mobile business solutions that enable companies to improve sales, marketing and distribution of their products. By using Versatile Mobile Systems’ technology, companies in the consumer packaged goods, and transportation industries gain the benefits of supply chain visibility, shortened fulfillment cycles and improved customer satisfaction. Versatile Mobile Systems partners with technology leaders, such as Symbol Technologies. Versatile Mobile Systems’ international customer list includes Cadbury Schweppes, Elizabeth Arden, Ocado, Nordstrom Inc., Publix Supermarkets Inc., K&L Distributors, Rug Doctor, Keebler, and Books Are Fun Ltd., a division of the Reader’s Digest Association. Additional information is available at www.versatilemobile.com.

FOR FURTHER INFORMATION, PLEASE CONTACT:

John Hardy
Versatile Mobile Systems (Canada) Inc.



Press Release

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

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