

FORM 27

SECURITIES ACT

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

ITEM 1 REPORTING ISSUER

MEGASTAR VENTURES LTD.

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ITEM 2 DATE OF MATERIAL CHANGE

March 14, 2000

ITEM 3 PRESS RELEASE

March 14, 2000 through the facilities of the Canadian Venture Exchange Inc.

ITEM 4 SUMMARY OF MATERIAL CHANGE

Acquisition of Outdoors Online Inc.
Share Consolidation and Name Change
Debt Settlement
Appointment of Director
Special Warrant Private Placements

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

Megastar Ventures Ltd. is pleased to announce that it has entered into an agreement to acquire all of the issued and outstanding shares of Outdoors Online Inc. ("Outdoors"). Under the terms of the agreement, the Company will issue to the principal shareholders and employees of Outdoors, 12,913,043 value escrow shares and 6,456,522 surplus escrow shares of the Company at a deemed price of \$0.23 per share. Upon completion of the acquisition the Company intends to change its name to LicenseNet.com Inc.

Outdoors is a Seattle based company that pioneered license sales over the Internet. Since 1996, Outdoors has been helping governments reduce costs and improve service to their constituents by building Internet applications and services that enable citizens and businesses to complete transactions directly with government agencies from the convenience of their homes or offices. Examples include automobile registration and license renewals, property tax payments, hunting and fishing licenses, boat and snowmobile registration renewals and parking and traffic ticket payments. The systems allow users to fill out a form on their computers, submit it to the agencies' servers and receive their license or transaction receipt back on their computer screen for printing.

The Company's senior management team, following the completion of the acquisition, will

consist of Mr. Steve Patnode, Chairman, Director and CEO, Mr. Luke White, President and Director, Mr. Rod Cook, Director, Mr. Paul Pigott, Director, Mr. Jerry Minni, Director, and Mr. Glenn Burkins, Chief Technical Officer. Combined, the management team has over 29 years experience in providing e-commerce solutions.

Mr. Patnode, founder of Outdoors, was responsible for building the Internet's first licensing system, which was developed for the state of Illinois. Mr. White was the Senior Vice President of Permit.com prior to joining Outdoors. Mr. Burkins has been an enterprise systems architect and quality assurance manager since 1984 for companies such as Microsoft and Georgia Pacific. Mr. Cook is Chief Executive Officer of Applied Inference, a leading Internet advertising analysis services company. Mr. Cook has been in the technology field since 1976 and has founded several successful high tech ventures, including Biosonics and Ark Interface, which was purchased by Packard Bell and NEC. Mr. Pigott is a founder and director of several Internet companies, including Gear.com, Avenue A, and Destinations.com. Mr. Minni, Certified General Accountant, is President and Director of several Canadian Venture Exchange Inc. listed companies.

The Company intends to apply to the Exchange to have its listed shares trade in U.S. dollars.

The Company will pay a finder's fee with respect to the acquisition in accordance with the policies of the Canadian Venture Exchange Inc.

All securities to be issued in connection with the transaction will be post-consolidated shares.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the transaction, any information released or received with respect to the change of business may not be accurate or complete and should not be relied upon. Trading in the securities of Megastar Ventures Ltd. should be considered highly speculative.

The Canadian Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

The Company further announces that John B. Hite, and W. Milton Swanson, Q.C., have resigned as Directors. Mr. Jerry Minni has been appointed a director of the Company.

The Company will be proceeding with a share consolidation on a three (3) for one (1) basis and the change of name of the Company to LicenseNet.com Inc. The number of shares currently outstanding in the capital stock of the Company will be altered from 9,913,131 common shares without par value to 3,304,377 common shares without par value upon completion of the three (3) for (1) share consolidation.

The Company proposes to settle debts with its creditors in the aggregate amount of \$106,909. The Company will issue a total of 1,069,090 pre-consolidated shares of the

Company at a deemed price of \$0.10 per share.

The Company further announces that, it has arranged a non-brokered private placement in the amount of 1,500,000 pre-consolidated special warrants of the Company at a price of \$0.10 per special warrant. Each special warrant is convertible, without additional consideration, into one common share and one non-transferable share purchase warrant. Each warrant is exercisable into one additional common share of the Company for a one year period at \$0.20 per share in the first six months and \$0.25 per share in the remaining six months. The proceeds from the private placement will be used for general working capital purposes.

In accordance with the transaction, the Company has arranged a brokered private placement in the amount of 1,500,000 post-consolidated special warrants of the Company at a price of \$0.55 per special warrant. Each special warrant is convertible, without additional consideration, into one common share and one-half of a non-transferable share purchase warrant. Each whole warrant will be exercisable into one additional common share of the Company for a one year period at \$0.80 per share in the first six months and \$1.00 per share in the remaining six months, unless the Company's shares trade above \$1.50 for a period of 10 days at which time the warrant must be exercised. Canaccord Capital Corporation will act as the agent in connection with the private placement and accordingly it will receive a cash fee equal to 10% of the gross proceeds. In addition, the agent will be granted a warrant, entitling the agent to purchase up to 150,000 common shares of the Company for a period of one year at a price of \$0.80 per share during the first six months and \$1.00 per share thereafter. The proceeds from the private placement will be applied to Outdoors's working capital requirements.

The foregoing is subject to the acceptance of the regulatory authorities.

ITEM 6 RELIANCE ON SECTION 85(2) OF THE ACT

N/A

ITEM 7 OMITTED INFORMATION

N/A

ITEM 8 SENIOR OFFICERS

William S. McKee - President

ITEM 9 STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia this 14th day of March, 2000.

“JERRY A. MINNI”

JERRY A. MINNI, Director