

This is the form of material change report required under section 85(1) of the Securities Act and section 151 of the Securities Rules.

**BC FORM 53-901F
(Previously Form 27)**

Securities Act

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

Item 1. Reporting Issuer

KELSO TECHNOLOGIES INC.

801 – 1318 Homer Street
Vancouver, B.C.
V6B 6A7

Item 2. Date of Material Change

May 21, 2003

Item 3. Press Release

May 22, 2003; Vancouver, B.C.

Item 4. Summary of Material Change

Further to the Company's news release dated April 4, 2003, the Company is pleased to announce that it has closed its private placement in respect of 834,088 common shares at a price of \$0.11 per share for total proceeds of \$91,750. The Placees will also be granted non-transferable warrants to purchase up to an additional 834,088 shares for a period of two years at a price of \$0.15 per share.

Item 5. Full Description of Material Change

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

N/A

Item 7. Omitted Information

N/A

Item 8. Senior Officers

Stephen L. Grossman, President
Tel: (604) 899-1274

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED this 22nd day of May, 2003.

"Stephen L. Grossman"
(signature)

Stephen L. Grossman
Name

President
Position

Vancouver, B.C.
Place of Declaration