

FORM 27

SECURITIES ACT

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

Item 1. Reporting Issuer

Ballad Enterprises Ltd.
501 - 905 West Pender Street
Vancouver, BC V6C 1L6

Item 2. Date of Material Change

June 2, 2000

Item 3. Press Release

Press Release dated June 2, 2000 and disseminated to the Vancouver Stockwatch Magazine, B.C. Securities Commission, Market News Publishing and George Cross News Letter.

Place of Issuance: Vancouver, British Columbia.

Item 4. Summary of Material Change

The Issuer and DataPower USA Inc. continue to negotiate the terms of a final agreement to enable Ballad to acquire an interest in Private Delivery®. A further extension of the Option Agreement to Wednesday, June 7, 2,000 has been granted by DataPower to facilitate completion of negotiations on, among other things, the commercialization of the Private Delivery® system.

Item 5. Full Description of Material Change

The Issuer and DataPower USA Inc. continue to negotiate the terms of a final agreement to enable the Issuer to acquire an interest in Private Delivery®. A further extension of the Option Agreement to Wednesday, June 7, 2,000 has been granted by DataPower to facilitate completion of negotiations on, among other things, the commercialization of the Private Delivery® system.

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

The Issuer is not relying on Section 85(2) of the Act.

Item 7. Omitted Information

There is no omitted information.

Item 8. Senior Officers

Anthony J. Beruschi, President - (604) 682-7159.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of June, 2000.

“Ray Roland”

Ray Roland, Director