

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 9, 2000

Item 3. Press Release

Press Release dated June 9, 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 announces that CyberNET Express Company ("CyberNET") and DataPower USA, Inc. ("DataPower") have so far been unable to conclude their negotiations for a revised agreement respecting the commercialization of Private Delivery®.

Item 5. Full Description of Material Change

The Issuer announces that CyberNET Express Company ("CyberNET") and DataPower USA, Inc. ("DataPower") have so far been unable to conclude their negotiations for a revised agreement respecting the commercialization of Private Delivery®. Representatives from the Issuer have been assisting with the negotiations. Meetings with representatives of CyberNET are scheduled to resume in Vancouver on Tuesday. DataPower has agreed to grant the Issuer a further extension of its option agreement to acquire an interest in Private Delivery® to allow negotiations to conclude. The Issuer will provide an update on the negotiations next week

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 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 18th day of July, 2000.

“Ray Roland”
Ray Roland, Director