

KIK Tire Technologies Inc.
MATERIAL CHANGE REPORT

UNDER SECTION 146(1) OF THE *SECURITIES ACT* (ALBERTA) (FORM 27)
UNDER SECTION 85(1) OF THE *SECURITIES ACT* (BRITISH COLUMBIA) (FORM 53-901F)

Item 1: Reporting Issuer

KIK Tire Technologies Inc. (KIK)
Suite 1400, 444 - 5th Avenue S.W.
Calgary, Alberta T2P 2T8

Item 2: Date of Material Change

December 5, 2001 (initial letter of intent)
February 15, 2002 (initial news release)

Item 3: Press Release

KIK issued a press release on February 15, 2002 at Calgary, Alberta, in respect of the material change described in this report.

Item 4: Summary of Material Change

On December 5, 2002, KIK entered into a letter of intent ("LOI") with 264646 Alberta Ltd. to acquire a 49% interest in Star Caster Network Inc. ("Star Caster"), a Nevada corporation, in exchange for KIK common stock. Subject to the completion of satisfactory due diligence, Union Securities Ltd. has agreed to act as sponsor to KIK in connection with the transaction. Trading of KIK's common shares have been halted since January 23, 2002 and will continue to be halted until the sponsor completes its initial due diligence and certain other information is provided to the Canadian Venture Exchange Inc. (the "CDNX").

Item 5: Full Description of Material Change

Star Caster is a private corporation which was incorporated in Nevada and commenced business operations in March 1997. Star Caster provides electronic casting information via a proprietary private network. Star Caster provides software to the Talent and Modeling segment of the Entertainment and Advertising Industries in the United States (initially), with its **Agency 2000** line of software. Star Caster's clients include talent agents, casting directors, and major motion picture and television studios in the United States. Revenue from Star Caster is based on a subscription basis whereby talent (i.e. actors, models, voice overs, etc.) pays an annual subscription fee for inclusion in the private network. Fees range from US \$99 to over US \$200 per annum for the Represented Talent. Star Caster plans to offer its products and services to the aspiring segment of

the market with fees ranging from US \$49 to US \$300 per annum. Star Caster has a customer base serviced by offices in the prime United States entertainment centers of Los Angeles, Dallas, Chicago and New York. Star Caster also offers real time audio and video distribution of actor demo reels via a relationship with "the link" an Internet based system created by Breakdown Services Inc. and the Academy of Motion Picture Arts and Sciences, Players Directory. Sylvio Pennucci is the sole director, senior officer and a founder of Star Caster.

264646 Alberta Ltd. is an Alberta corporation. The controlling shareholder of 264646 Alberta Ltd. is Mr. V.G. Walls of Red Deer, Alberta. 264646 Alberta Ltd. is the holder of a secured debt of Star Caster in the principal amount of approximately US \$3.8 million and is in the process of negotiating the conversion of this debt into common shares of Star Caster. After the conversion, it is expected that 264646 Alberta Ltd. will be the owner of approximately 95% of the issued and outstanding common shares of Star Caster. Currently, 264646 Alberta Ltd. is the owner of 71% of all of the issued and outstanding shares of Star Caster and the holder of the approximately US \$3.8 million secured debt.

Pursuant to the December 5, 2001 LOI with 264646 Alberta Ltd., KIK is to acquire a 49% interest in Star Caster in exchange for KIK common stock. As part of the transaction, 264646 Alberta Ltd., a significant shareholder of KIK, has also agreed to loan KIK \$375,000. Under the terms of the LOI, KIK will loan \$300,000 to Star Caster and exchange 3,675,000 of its common shares at a deemed price of \$0.10 per share with 264646 Alberta Ltd. for 49% of the outstanding common stock of Star Caster. Subsequent to the transaction, it is proposed that the ownership of Star Caster would be as follows: KIK - 49%, 264646 Alberta Ltd. - 46% and other - 5%.

Based on management prepared financial statements, for the period from January 1, 2001 to December 31, 2001, Star Caster had revenues of US \$140,724 and incurred a net loss of US \$1.3 million. As at December 31, 2001, there is debt owed to 264646 Alberta Ltd. of US \$3,983,000. As at December 31, 2001, Star Caster had current assets of US \$419,000, fixed assets of US \$957,000, current liabilities of US \$115,000 and share capital of US \$1,640,000. Total capital deficiency was US \$2.7 million. These management prepared financial statements have not been audited and should not be relied upon until they have been.

In addition to a definitive agreement and KIK due diligence, completion of the transaction is subject to a number of conditions, including but not limited to Canadian Venture Exchange Inc. (the "CDNX") 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.

Union Securities Ltd., subject to the completion of satisfactory due diligence, has agreed to act as sponsor to KIK in connection with the transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion. Trading of the Corporation's common shares has been halted since January 23, 2002 and will continue to be halted until the sponsor completes its initial due diligence and certain other information is provided to the CDNX.

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 transaction may not be accurate or complete and should not be relied upon. Trading in the securities of KIK should be considered highly speculative.

Item 6: Reliance on Confidentiality Provisions of the Acts

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Senior Officer

For further information, please contact Don Dean, President, at the above mentioned address or at (403) 233-0468.

Item 9: Statement of Senior Officer

The foregoing accurately discloses the material change referred to in this report.

DATED the 22nd day of February, 2002, at Calgary, Alberta.

KIK Tire Technologies Inc.

(signed) "Kuldip Baid"

Kuldip Baid, V.P. Finance