

**Form 51-102F3**  
***MATERIAL CHANGE REPORT***

**Item 1**      **Name and Address of Company**

Pyng Technologies Corp.  
Unit #7-13511 Crestwood Place  
Richmond, B.C.  
V6V 2E9

Telephone: (604) 303-7964

**Item 2.**      **Date of Material Change**

July 30, 2004

**Item 3.**      **News Release**

News Release dated August 5, 2004 was filed on SEDAR and disseminated on August 9, 2004.

**Item 4.**      **Summary of Material Change**

Pyng Technologies Corp. (the "Company") announced the completion of a debt settlement.

**Item 5.**      **Full Description of Material Change**

The Company announced that it has completed the issuance of 125,000 common shares of the Company at a deemed price of \$0.25 per share to settle a lawsuit brought by Mr. Halsey Johnston against the Company, its subsidiary, Pyng Medical Corp., and Michael W. Jacobs et al.

In accordance with the terms of the settlement agreement, the shares will be released to Mr. Johnston in two equal tranches. The first tranche will be released immediately and is subject to a right of first refusal in favour of Mr. Jacobs. The second tranche will be released on February 28, 2005. In addition, the settlement is a compromise of a dispute claim and the Company, its subsidiary, Pyng Medical Corp., and Michael W. Jacobs, a director and President of the Company, as well as all other defendants admit no liability.

The shares issued under this debt settlement are subject to a hold period expiring November 1, 2004.

**Item 6.**      **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable

**Item 7. Omitted Information**

None

**Item 8. Executive Officers**

The following senior officer of the Issuer is knowledgeable about the material change and the Report and may be contacted:

Michael W. Jacobs, President  
Telephone: (604) 303-7964

**Item 9. Date of Report**

DATED at Vancouver, British Columbia, this 16th day of August, 2004.