

MATERIAL CHANGE REPORT

*Filed pursuant to Section 85 of the Securities Act (British Columbia)
and Section 118 of the Securities Act (Alberta)*

1. Reporting Issuer:

MERCURY PARTNERS & COMPANY INC. ("Mercury")
Suite 613, 375 Water Street
Vancouver, B.C. V6B 5C6
Telephone: (604) 689-7565

2. Date of Material Change:

September 28, 2001

3. Publication of Material Change:

A press release of Mercury was disseminated on September 28, 2001 through Canada Newswire. A copy of the press release announcing the material change is set out at Appendix "A" to this report.

4. Summary of Material Change:

Effective September 28, 2001, a wholly-owned subsidiary of Mercury completed its amalgamation with Pacific Mercantile Company Limited ("Pacific") under section 175 of the *Business Corporations Act* (Alberta).

5. Description of Material Change:

Please see a copy of the press release which is attached hereto as Appendix "A".

6. Reliance on Confidential Filing Provisions:

Not applicable.

7. Omitted Information:

Not applicable.

8. Senior Officers:

Tom S. Kusumoto, President
Tel: (604) 689-7565

9. Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

Mercury will send a copy of this material change report to any shareholder upon request and without charge.

Dated at Vancouver, British Columbia, this 28th day of September.

MERCURY PARTNERS & COMPANY INC.

/s/ Tom S. Kusumoto

Tom S. Kusumoto

President

APPENDIX "A"



FOR IMMEDIATE RELEASE

FOR: Mercury Partners & Company Inc. (CDNX- MYP.U; OTCBB - MYPIF)
Pacific Mercantile Company Limited (CDNX – PMF)

MERCURY PARTNERS & COMPANY AND PACIFIC MERCANTILE COMPLETE AMALGAMATION

VANCOUVER Canada, 28 September 2001 / -- Mercury Partners & Company Inc. and Pacific Mercantile Company Limited today announced that they have completed the previously announced amalgamation whereby Pacific Mercantile amalgamated with a wholly owned subsidiary of Mercury. The common shares of Mercury will continue to trade under the ticker symbol MYPIF on the Nasdaq OTCBB and under the ticker symbol MYP.U (in US dollars) on the Canadian Venture Exchange.

About Mercury Partners & Company

Mercury Partners & Company is a publicly traded financial services company engaged in merchant banking and private equity activities with operations in Canada and the United States. Mercury's investment objective is to acquire influential ownership in companies and through direct involvement bring about the change required to realize their potential value. For further information about Mercury, visit <http://www.mercury.ca>.

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No stock exchange has approved or disapproved the information contained herein.