

This is a form of a material change report required under Section 75(2) of the *Securities Act*.

FORM 27
Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE ACT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 75".

Item 1. Reporting Issuer

The Kewl Corporation
565 Byrne Drive, Unit C
Barrie, ON
L4N 9Y3

Item 2. Date of Material Change

February 25, 2003

Item 3. Press Release

A press release was disseminated on March 5, 2003.

Item 4. Summary of Material Change

The Issuer has completed a private placement of an aggregate 2,725,270 common shares at the price of \$0.10 per share and 2,500,270 share purchase warrants, for total proceeds of \$272,527.

The Issuer has issued 1,000,000 common shares at a price of \$0.10 per share to a director as a bonus for a loan guarantee and collateral security.

Item 5. Full Description of Material Change

On February 25, 2003, the Issuer completed a private placement of an aggregate 2,725,270 common shares at the price of \$0.10 per share and 2,500,270 non-transferable share purchase warrants, for total proceeds of \$272,527. Each warrant entitles the holder to purchase one additional common share at a price of \$0.10 per share until February 25, 2004 and at a price of \$0.15 per share until February 25, 2005.

On February 25, 2003, the Issuer distributed to Shayne Corson, director of the Issuer, of 23 Teddington Park Avenue, Toronto, Ontario, M4N 2CN, 1,000,000 common shares at a deemed price of \$0.10 per share as a bonus for a guarantee and grant of collateral security by Mr. Corson in respect of the Issuer's bank indebtedness.

Item 6. Reliance on Section 75(3) of the Act

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Senior Officers

The Senior Officer of the Issuer who is knowledgeable about the material change and the report is Rob Mauro, Telephone: (705) 725-0208.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material changes referred to herein.

DATED in Barrie, Ontario as of this 5 day of March, 2003.

THE KEWL CORPORATION

By: "Rob Mauro"
"Signed"

Corporate Controller
Official Capacity

Rob Mauro
Please print here name of individual whose
signature appears above.