McCOY BROS. INC.

14820 – 112 Avenue
Edmonton, Alberta
T5M 2V2

The Alberta Securities Commission
Market Surveillance – Continuous Disclosure
19th Floor, 10025 Jasper Avenue
Edmonton, Alberta T5J 3Z5

Attention: Executive Director

The British Columbia Securities Commission
200 – 865 Hornby Street
Vancouver, British Columbia V6Z 2H4

Attention: Executive Director

Saskatchewan Securities Commission
Suite 800, 1920 Broad Street
Regina, Saskatchewan S4P 3V7

Attention: Executive Director

Ontario Securities Commission
18th Floor, 20 Queen Street West
Toronto, Ontario M5H 3S8

Attention: Executive Director

Dear Sirs:

Re: McCoy Bros. Inc. (the "Corporation") Material Change Report
Under Section 118 of the *Securities Act* (Alberta)

This letter is intended as a statement setting for certain matters that may be a material change in the affairs of McCoy Bros. Inc. For convenience, this letter is itemized in the same manner as Form 27 of the Securities Act (Alberta). Concurrent with this filing, this letter is being filed with The Toronto Stock Exchange, being the only exchange on which the Corporation's shares are listed.

Item 1 – Reporting Issuer

McCoy Bros. Inc.
14820 – 112 Avenue
Edmonton, Alberta T5M 2V2

Telephone: (780) 454-8661

Item 2 – Date of Material Change

March 28, 2000

Item 3 – News Release

A News Release dated December 1, 2000 was issued and disseminated on December 1, 2000 via BCE Emergis Inc.

Item 4 – Summary of Material Change

McCoy Bros. Inc. announced it had received conditional approval from The Toronto Stock Exchange to replace and consolidate two non-convertible promissory notes issued to its major shareholder, Foundation Equity Corporation, with one note carrying conversion privileges.

Item 5 – Full Description of Material Change

McCoy Bros. Inc. reported that it had received conditional approval from The Toronto Stock Exchange to replace and consolidate two non-convertible promissory notes issued to its major shareholder, Foundation Equity Corporation, with one note carrying conversion privileges. Foundation Equity Corporation currently beneficially owns 5,830,000 common shares, or 56.8% of McCoy's 10,261,080 issued and outstanding common shares.

The new note has an aggregate principal amount of $5,025,058, matures March 28, 2002 and bears interest calculated daily at the annual lending rate of interest announced from time to time by the Toronto-Dominion Bank as its "prime rate" plus 1.2% per annum compounded annually on the anniversary date.

Under the terms of the conversion, the indebtedness is convertible, in whole or in part, at the option of Foundation Equity Corporation, into fully paid, non-assessable common shares of McCoy Bros. Inc. at a conversion price which is the greater of (a) the volume-weighted average closing price of McCoy's common shares, as quoted on The Toronto Stock Exchange, for the 30 trading days prior to Foundation Equity Corporation giving Notice of Conversion and (b) the closing price of McCoy's common shares as quoted on The Toronto Stock Exchange on the day prior to the Notice of Conversion. The total number of common shares that may be issued pursuant to one or more conversions under the note may not exceed 10,261,080 common shares without the prior express written consent of The Toronto Stock Exchange.

The Company's businesses include truck services and sales and the manufacture of springs, axles, trailers and oil field products. It has three facilities in Edmonton as well as operations in Grande Prairie, Red Deer, Lethbridge, Stettler and Brooks in Alberta and Rancho Cucamonga, California.

The Company's shares are traded on The Toronto Stock Exchange under the symbol "MCB". More information on McCoy Bros. can be found on its website at www.mccoybros.com

Item 6 – Reliance on s.118(4) of the Securities Act (Alberta)

Not applicable.

Item 7 – Omitted Information

Not applicable.

Item 8 – Senior Officer

The name of the Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Peggy Robertson
Corporate Secretary
Phone: (780) 453-8762
Edmonton, Alberta

Item 9 – Statement of Senior Officer

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

DATED at Edmonton, Alberta this 4th day of December, 2000

McCoy Bros. Inc.

Per: "Peggy Robertson

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Peggy Robertson
Corporate Secretary

cc: The Toronto Stock Exchange