MATERIAL CHANGE REPORT

Pursuant to

Section 85(1) of the *Securities Act* (British Columbia)
Section 118(1) of the *Securities Act* (Alberta)
Section 75(2) of the *Securities Act* (Ontario)
Section 73 of the *Securities Act* (Quebec)

1. Reporting Issuer

The name and address of the reporting issuer is Betacom Corporation Inc. (the "Corporation"), 450 Matheson Boulevard East, Unit 67, Mississauga, Ontario, L4Z 1R5.

2. Date of Material Change

The material change occurred on December 20, 2002.

3. Press Release

The press release reporting the material change was issued on December 23, 2002 in Mississauga, Ontario.

4. Summary of Material Change

The Corporation raised gross proceeds of $1.59 million through the completion of a private placement of a 16% secured convertible note of the Company.

5. Full Description of Material Change

See copy of press release attached as Schedule "A".

6. Reliance on Section 75(3) of the *Securities Act* (Ontario)

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officer

If further information is desired, please contact:

Douglas McIntyre
Chief Financial Officer
(905) 568-9977 ext. 229
mcintyre@betacom.com

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

SIGNED this 23rd day of December, 2002 at Mississauga, Ontario.

BETACOM CORPORATION INC.

By: "*Douglas McIntyre*"
Douglas McIntyre
Chief Financial Officer

SCHEDULE "A"

PRESS RELEASE

See attached.

For Immediate Release

TSX – Venture :YCA

Betacom Corporation Completes Private Placement of Convertible Note and Secures Bank Financing.

Not for distribution or transmission by any means into the United States. Any failure to comply with this restriction may constitute a violation of U.S. securities laws.

Toronto, Ontario, December 20th, 2002 Betacom Corporation Inc. (TSX Venture:YCA) an innovator in the development of vision solutions for independent living, announced today that it has raised gross proceeds of $1.59 million through the completion of a private placement of a 16% secured convertible note (the "Convertible Note") of the Company. The Company also announced that it has established a revolving demand secured credit facility for up to $1.5 million with a Canadian chartered bank.

Approximately $1.1 million of the principal amount of the Convertible Note will mature on July 31, 2004. The balance will mature on December 20, 2007 and may be converted by the lender into common shares of the Company at a price per share of $0.25 in the first two years of the term, with the conversion price increasing by 10% in each year thereafter until maturity. In the event that the convertible portion of the Convertible Note is not converted by the lender into common shares prior to December 20, 2004, the interest rate will increase to 20% per annum.

A commitment fee of $90,000 is payable to the lender in connection with the issuance of the Convertible Note. Net proceeds of the Convertible Note offering will be used by the Company to repay outstanding high interest indebtedness and for working capital purposes.

Pursuant to applicable securities laws, the Convertible Note will be subject to a one-year hold period.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

The securities offered and any securities issuable on exercise thereof have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Betacom Corporation

Betacom Corporation Inc. is a global world leader and innovator in the development of vision and technology solutions for independent living. Its high-technology based vision enhancement products address the needs of the 135 million individuals worldwide with age-related vision conditions. These conditions include: Diabetic Retinopathy, Macular Degeneration, Glaucoma, Retinitis Pigmentosa as well as well as accident or trauma induced vision loss.. **For more product information, and to see the Betacom in the news spotlight, visit us on the web at: www.betacom.com**

This news release contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. Potentially, many factors could cause our actual results to vary materially from those described herein as intended, planned, anticipated or expected. Betacom Corporation Inc. does not intend and does not assume any obligation to update these forward-looking statements

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