This is the form of a material change report required under Section 85(1) of the *Securities Act* and section 151 of the *Securities Rules*.

FORM 53-901F

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) 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: Every report required to be filed under section 85(1) of the *Securities Act* (the "*Act*") must be sent to the British Columbia Securities Commission (the "*Commission*") in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL – SECTION 85", AND PLACE EVERYTHING THAT IS REQUIRED TO BE FILED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL."

Item 1. Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer.

Lariat Property Corporation (the "*Issuer*")
Suite 305, 1130 West Pender Street
Vancouver, British Columbia
V6E 4A4

Item 2. Date of Material Change

October 4, 2001.

Item 3. Press Release

State the date and place(s) of issuance of the press release issued under Section 85(1) of the Act.

A press release, dated October 4, 2001, was issued on October 4, 2001 through the services of Canada Stockwatch Magazine, Market News, George Cross Newsletter and the Canadian Venture Exchange Inc.

Item 4. *<u>Summary of Material Change</u>*

Provide a brief but accurate summary of the nature and substance of the material change.

See the referenced press release; a copy of which is attached hereto.

Item 5. *<u>Full Description of Material Change</u>*

Supplement the summary required under Item 4 with the disclosure that should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other materials. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

This description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely describes examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

See the referenced press release; a copy of which is attached hereto.

Item 6. *<u>Reliance on Section 85(2) of the Act</u>*

If the report is being filed on a confidential basis in reliance on Section 85(2) of the Act, state the reasons for such reliance.

<u>INSTRUCTIONS:</u>

Refer to Section 85(3) of the Act concerning continuing obligations regarding reports filed under this subsection.

Not applicable.

Item 7. *<u>Omitted Information</u>*

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but Section 85(3) of the Act will no longer or will not be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material

change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.
State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to Section 169(4) of the Act.
The reasons for the omission may be contained in a separate letter filed as provided in Section 151 of the Rules.

Not applicable.

Item 8. *Senior Officers*

Give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom the Commission may contact that senior officer.

Bob Dent, the President, Chief Executive Officer and a director of the Issuer, may be contacted at (604) 647-0247.

Item 9. *Statement of Senior Officer*

Include a statement in the following form signed by a senior officer of the reporting issuer:

"The foregoing accurately discloses the material change referred to herein".

Also include date and place of making the statement.

I, Bob Dent, the President, Chief Executive Officer and a director of the Issuer, hereby certify that the foregoing accurately discloses the material change referred to herein:

Dated: at Vancouver, British Columbia, on this 4th day of October, 2001.

Signed: "*Bob Dent*"

Bob Dent

Office held: President, CEO and a director

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LARIAT PROPERTY CORPORATION

(the "*Issuer*")

Suite 305, 1130 West Pender Street
Vancouver, British Columbia, V6E 4A4
Telephone: (604) 647-0247 and Facsimile: (604) 687-3448

Date: October 4, 2001 | Ticker Symbol: "LPX"

NEWS RELEASE

Mr. Bob Dent, the President, CEO and a Director of the Issuer, reports as follows:

REVERSE TAKEOVER WITH PACIFIC WEST TECHNOLOGIES LTD.

Share Exchange Agreement and related RTO Matters

Share Exchange Agreement and resulting RTO

In furtherance of the Issuer's recent halt from trading, the Board of Directors of the Issuer is pleased to hereby announce that, in accordance with the terms and conditions of a certain "Agreement In Principle" in this matter, dated for reference October 1, 2001, and any and all amendments thereto (collectively, the "*Share Exchange*"), as entered into among the Issuer and each of Pacific West Technologies Ltd. ("*PWT*") and PWT's shareholders (collectively, the "*Shareholders*"), the Issuer has therein agreed to purchase all of the issued and outstanding shares of PWT, a company incorporated under the laws of the Province of British Columbia, from the Shareholders in exchange for the aggregate issuance by the Issuer to the Shareholders of 20,100,000 pre-consolidation (representing 6,700,000 post-consolidation - assuming a prior one new for three old share consolidation) common shares in the capital of the Issuer (each a "*Surplus Share*"), at a deemed issuance price of $0.10 per pre-consolidation (representing $0.30 per post-consolidation) Surplus Share.

The Issuer's proposed acquisition of PWT is considered to be a "Reverse Takeover" ("*RTO*") under the current policies of the Canadian Venture Exchange Inc. (the "*Exchange*"). As a result all Surplus Shares, when issued, will have a statutory hold period of up to 12 months in the Province of British Columbia. In addition, all Surplus Shares will be subject to escrow restrictions imposed on them by the Exchange. It is presently anticipated that the escrowed Surplus Shares will only be releasable on a pro-rata basis as to 5% on each of those dates which are 6, 12, 18 and 24 months from the date the Exchange provides final approval to the Issuer's proposed RTO with PWT, and as to 10%

on each of those dates which are 30, 36, 42, 48, 54, 60, 66 and 72 months from the date the Exchange provides final approval to the Issuer's proposed RTO with PWT. The Surplus Shares will be held by the Issuer's registrar and transfer agent, Pacific Corporate Trust Issuer ("*Pacific Corporate*"), pursuant to the terms of an escrow agreement to be entered into among Pacific Corporate, the Issuer and the Shareholders; the final form of which must first be approved by the Exchange.

Sponsorship

Current Exchange RTO policies, among other matters, require that the Issuer retain an Exchange member to conduct full sponsorship of the Issuer and the proposed RTO. In this regard the Issuer is presently in negotiations to retain an Exchange member to serve as the Issuer's proposed sponsor in this matter, and it is expected that the Issuer will both pay its proposed sponsor a sponsorship fee for this service and reimburse its proposed sponsor for expenses incurred in connection with its due diligence review respecting the RTO, including the reasonable fees of its legal counsel. **Any agreement to retain a sponsor should not be construed as any assurance with respect to the merits of the proposed RTO or the likelihood of its completion**.

Trading in the common shares of the Issuer on the Exchange was halted on October 1, 2001 at the request of the Issuer. At the request of the Issuer and its proposed sponsor, and with the prior consent of the Exchange, it is presently anticipated that the Issuer may seek the Exchange's approval for a reinstatement in trading in the near future.

Loan to PWT as a condition of the Share Exchange

Pursuant to the terms and conditions of the proposed Share Exchange, and in accordance with the terms and conditions of a certain and concurrent "Secured and Convertible Loan Agreement" in this matter, also dated for referenced October 1, 2001, and any and all amendments thereto (collectively, the "*Loan Arrangement*"), as entered into among the Issuer and each of PWT and certain incoming principals of PWT (that being Messrs. Domenic Pizzacalla and Raymond Foucault; collectively, the "*Guarantors*"), the Issuer has therein has agreed to advance, by way of a secured loan or loans to PWT (collectively, the "*Loan*"), the aggregate principal sum of $600,000.00 (the "*Principal Sum*") in the following manner: (a) an aggregate of not less than an initial $350,000.00 of the Principal Sum within five business days of the Exchange's prior written approval to the terms and conditions of the Loan and the advancement of up to all of the Principal Sum Loan amounts thereunder (the "*Loan Approval Date*"); which Loan Approval Date must occur within 45 calendar days of the execution date of the Loan Agreement; and (b) an aggregate of not less than the final $250,000.00 of the Principal Sum on or before December 31, 2001.

The proposed Loan will accrue interest at a rate of 10% per annum, compounded semi-annually and not in advance prior to maturity (the "*Interest*"). The proposed Loan will also be secured by way of a senior fixed and floating charge on all of the assets of

PWT together with the personal and joint and several guarantees of the Guarantors as to all such Principal Sum and Interest under the Loan. The parties to the proposed Loan Arrangement have also agreed that if the proposed RTO is terminated for any reason whatsoever, and should there be at such time any portion of the Principal Sum, Interest or any other sum outstanding under the Loan as contemplated therein (collectively, the "*Outstanding Indebtedness*"), then the Issuer will have the exclusive right and option, in its sole and absolute discretion, and for a period of 30 calendar days after such termination, to elect to either (a) demand repayment of such Outstanding Indebtedness on a 30-calendar days' basis and, thereupon and if required, realize upon any of the security of PWT and the Guarantors granted to the Issuer under such Loan, or (b), and with the prior approval of the Exchange, have such Outstanding Indebtedness converted to such pro rata, participating and voting interest in and to PWT which is then equivalent to that percentage which is equivalent to 51% multiplied by the fraction which has, as its numerator, the Outstanding Indebtedness, and which has, as its denominator, $600,000.00, of the resulting issued and outstanding participating and voting common shares of PWT. In this regard, and should the Issuer elect to convert the Outstanding Indebtedness into an equity position in and to the PWT as set forth hereinabove, then the Issuer will, at all times, have a standard right of first refusal, on at least 60 calendar days' prior written notice from PWT and upon cash-equivalent terms only, to maintain such percentage ownership position of the Issuer in and to PWT unless otherwise consented to in writing by the Issuer.

Non-Brokered Private Placement(s)

Pursuant to the terms and conditions of the proposed Share Exchange, and in order to fund the Issuer's required and proposed Loan to PWT together with the provision for the ongoing development and working capital needs of each of the Issuer and PWT for a period of at least 12 months following the completion of the proposed RTO, the Issuer expects to complete, and perhaps once the Issuer is reinstated for trading and prior to the completion of the proposed RTO, a proposed non-brokered private placement financing or financings (collectively, the "*Private Placement*"), by way of a proposed "side-car financing" (as hereinafter disclosed), of not less than $700,000.00 in the aggregate; and pursuant to which the Issuer expects to issue up to 7,000,000 pre-consolidation (representing 2,333,333 post-consolidation - assuming a prior one new for three old share consolidation) special warrants (each a "*Special Warrant*") of the Issuer, at a proposed subscription price of $0.10 per pre-consolidation (representing $0.30 per post-consolidation) Special Warrant; however, with such proposed subscription price being subject to the prior approval of the Exchange which may result in said price being higher than presently anticipated.

In this regard each such Special Warrant is expected to be exchangeable, upon the occurrence of certain events, for up to one common share and one non-transferable share purchase warrant (each a "*Warrant*") of the Issuer, and with up to each such Warrant being exercisable for up to one additional common share of the Issuer, at a proposed exercise price of $0.48 per post-consolidation Warrant common share, and for a period of up to two years from the closing thereof; however, with such proposed exercise price being subject to the prior approval of the Exchange which may result in said price being higher than presently anticipated.

In consideration of the placement of up to all of the Special Warrants the Issuer is expected to issue, by way of finder's fee, an aggregate of up to 675,000 pre-consolidation (representing up to 225,000 post-consolidation - assuming a prior one new for three old share consolidation) finder's fee special warrants (each a "*Finder's Fee Special Warrant*") of the Issuer, at a deemed issuance price of $0.10 per pre-consolidation (representing $0.30 per post-consolidation) Finder's Fee Special Warrant, in conjunction with the successful completion of the proposed Private Placement in this instance. Each Finder's Fee Special Warrant is expected to entitle the holder thereof, for a period of 12 months from closing, upon exercise or deemed exercise, to acquire, without payment of additional consideration, one common share of the Issuer.

It is presently contemplated that the Issuer's proposed Private Placement will take the form of a proposed side-car financing with PWT in that instance and, pursuant to which, and should the proposed RTO not complete for any reason whatsoever, the proposed Special Warrant subscribers thereof would be required, at the option of the Issuer, however, with the prior consent of the Exchange, to either exercise their respective Special Warrants or acquire, in lieu thereof, a pro-rata and subrogated entitlement to the Issuer's then rights under its existing secured and convertible Loan Arrangement with PWT at that time and as disclosed hereinabove.

It is also presently contemplated that the Special Warrants and the Finder's Fee Special Warrants will be deemed to be exercised upon the happening of the earlier of either of the following events: (a) 12 months from the completion of the proposed Private Placement; and (b) four months from the completion of the proposed Private Placement should the Issuer, at that time, be a "Qualifying Issuer" and have filed a "Current AIF", as those terms are defined in Blanket Order Ruling #97/12 and Interim Local Policy Statement 3-27 issued by the British Columbia Securities Commission (the "*Commission*") (the "*Deemed Exercise Date*"); with the Issuer being required to use its best efforts to file a Current AIF with the Commission as soon as possible after the completion of its proposed RTO in that instance. In the event that any of the Special Warrants or Finder's Fee Special Warrants are exercised prior to their Deemed Exercise Date, the common shares, the Warrants, the finder's common shares and any Warrant common shares, if any, issuable upon the exercise thereof, will be subject to resale restrictions under applicable securities laws.

<u>Other Corporate Matters</u>

The proposed RTO, together with all related matters, is subject to the approval of the shareholders of the Issuer; which shareholders' approval is expected to be sought by management of the Issuer at an extraordinary general meeting which will be scheduled as soon as the Issuer is in receipt of Exchange conditional approval in respect of the calling of the same (the "*EGM*"). In this regard a management prepared information will be mailed to all shareholders of the Issuer with the Issuer's EGM materials advising them of the details of the proposed RTO and its related matters as detailed herein.

In conjunction with the Issuer's completion of its proposed acquisition of PWT the Issuer is also seeking shareholder approval at its proposed EGM of the following additional matters: (a) the proposed issuance of up to 1,330,000 pre-consolidation (representing 433,333 post-consolidation - assuming a prior one new for three old share consolidation) finder's fee special warrants (each a "*Finder's Fee Special Warrant*") of the Issuer, at a deemed issuance price of $0.10 per pre-consolidation (representing $0.30 per post-consolidation) Finder's Fee Special Warrant, as a finder's fee in conjunction with the completion of the proposed RTO; (b) a proposed change in the name of the Issuer; and (c) such other matters which may arise as a result of the completion of the proposed RTO.

New Board of Directors

Concurrent with the completion of the proposed RTO it is presently contemplated that, with the exception of Bob Dent, the current President, CEO and a Director of the Issuer, the present Board of Directors and Officers of the Issuer will resign and that the following persons will be appointed in their place: Domenic Pizzacalla (as Chairman and a Director); Raymond Foucault (as President, CEO and a Director); Hari Varshney (as a Director); and Peeyush Varshney (as Secretary and Chief Financial Officer).

The Issuer is informed that Mr. Pizzacalla is a shareholder and has been the President and Director of PWT or its predecessor company, Pizzacalla, Bowen & Helmeczy Holding Corporation ("*PBHHC*"), since 1993. As the investor of PWT's principal product, the DFC 9500, Mr. Pizzacalla founded PBHHC in 1993 to perfect his design for the DFC 9500 foam-on-beer control device. Mr. Pizzacalla has, since PBHHC's inception, handled the day-to-day operations and management of PWT and has directed sales and marketing efforts worldwide. Before 1993 Mr. Pizzacalla spent eight years with Dacor Corporation of Chicago, first as a sales representative and from 1987 to 1993 as Vice President, International Operations. Dacor Corporation is a designer and manufacturer of sport diving equipment. Before 1984 Mr. Pizzacalla was the Canadian sales and marketing manager for Viking Corporation of Norway.

The Issuer is informed that Mr. Foucault is a shareholder and the current Secretary and a Director of PWT and that Mr. Foucault has served as PWT's strategic planner and corporate development manager. Mr. Foucault holds both a Bachelor's Degree in Commerce and a Master's degree in Public Administration from Carleton University, and Mr. Foucault has 25 years of business development experience including corporate finance, acquisitions and strategic alliances.

The Issuer is informed that Mr. Hari Varshney is a principal of Varshney Capital Corp., a corporate finance and venture capital firm. Over the past ten years Mr. Varshney has been active in the venture capital markets and has been a director or officer of over 15 public companies listed on the Vancouver, Alberta and Toronto Stock Exchanges. Mr. Varshney graduated from Agra University, India, in 1960 with a Bachelor of Commerce Degree and in 1962 with a Masters of Commerce. Mr. Varshney was a principal of

Arthur Andersen, Chartered Accountants, of Vancouver, B.C., from 1968 to 1982, and was self-employed from early 1983 until October of 1992. Mr. Varshney was a partner in Varshney Chowdhry & Co., Chartered Accountants, from November of 1992 to November of 1995, and a principal of the Varshney Chowdhry Group, a corporate and venture capital firm, from December of 1995 to December of 1999.

The Issuer is informed that Mr. Peeyush Varshney is the son of Hari Varshney and is also a principal of Varshney Capital Corp., a corporate finance and venture capital firm. Mr. Varshney has been a director and officer of several public companies listed on the Vancouver and Alberta Stock Exchanges. Mr. Varshney graduated from the University of British Columbia with a Bachelor of Commerce Degree (Finance) in 1989 and graduated in 1993 with a Bachelor of Laws, again from the University of British Columbia. Mr. Varshney articled at Farris, Vaughan, Wills & Murphy, Vancouver, B.C., in 1993/94 and has been a member of the Law Society of British Columbia since October of 1994. Mr. Varshney was also a principal of the Varshney Chowdhry Group from August of 1996 to December of 1999.

Business of PWT

Corporate Information

Mr. Pizzacalla established PBHHC in February 1993 to design and deliver products targeted at the international beer-dispensing marketplace.

PWT was incorporated under the laws of the Province of British Columbia on October 21, 1999 to design and deliver a line of products and services targeted at the global hospitality market.

On October 1, 1999 PWT acquired all of the business assets of PBHHC for 4,800,000 common shares of PWT. Mr. Pizzacalla restructured PBHHC and sold its assets to PWT on October 1, 1999 to attract the necessary capital and personnel to take advantage of new products and intellectual properties under development.

Description of the Business of PWT

PWT designs and distributes beverage dispensing products for the hospitality market. Its principal product is a patented draught control device known as a foam on beer ("FOB") detector and called the DFC 9500. The DFC 9500 is recognized as a quality shut-off valve that effectively controls draught foam. From this base PWT plans to introduce additional proprietary products and services to meet the specific needs of the global beverage dispensing market. FOB's have been in use in Europe for approximately 50 years.

PWT has developed a prototype for a product which automatically switches the delivery of beer from an empty keg to the next available full keg in the sequence. The product is in the final test phase before commercial production. PWT intends to apply for proprietary protection for this product.

Financial Information respecting PWT

The following table sets out selected audited financial information for PWT for the period ended September 30, 2000:

Category	$Amount
Total revenues:	$583,862
Loss before discontinued operations and extraordinary items:	$162,798
Loss per share before discontinued operations and extraordinary items:	$0.14
Net loss:	$162,798
Net loss per share:	$0.14
Total assets:	$710,927
Total long-term debt:	$109,620
Cash dividends:	Nil

Shareholder Information respecting PWT

The following table sets out the PWT Shareholders who are to receive the Surplus Shares of the Issuer upon the completion of the proposed RTO:

Shareholder	#Surplus Shares
Domenic Pizzacalla:	2,964,000
Anthony Pizzacalla:	1,356,000
Thomas Bowen:	240,000
Ernie Helmeczy:	240,000
Rosalind Foucault:	600,000
Pippin Osborne:	150,000
2X0 Trading Ltd.:	100,000
2X0 Holdings Ltd.:	500,000
Thomas O’Neill:	50,000
Scellars 1 Investments Ltd.:	500,000

Further news releases will be disseminated by the Issuer as additional material information becomes available and as required by the Exchange.

Completion of the Issuer's proposed RTO is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The RTO cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular prepared in connection with the proposed RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of the Issuer should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed RTO and has neither approved nor disapproved the contents of this news release.

ON BEHALF OF THE BOARD OF DIRECTORS OF
LARIAT PROPERTY CORPORATION
Per:

"*Bob Dent*"

Bob Dent
President, CEO and a Director

THIS NEWS RELEASE HAS BEEN PREPARED BY MANAGEMENT OF THE ISSUER WHO TAKES FULL RESPONSIBILITY FOR ITS CONTENTS. THE CANADIAN VENTURE EXCHANGE INC. NEITHER APPROVES NOR DISAPPROVES OF THE CONTENTS OF THIS NEWS RELEASE. THIS NEWS RELEASE MAY INCLUDE FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE UNITED STATES *SECURITIES ACT OF 1933*, AS AMENDED, AND SECTION 21E OF THE UNITED STATES *SECURITIES AND EXCHANGE ACT OF 1934*, AS AMENDED, WITH RESPECT TO ACHIEVING CORPORATE OBJECTIVES, DEVELOPING ADDITIONAL PROJECT INTERESTS, THE ISSUER'S ANALYSIS OF OPPORTUNITIES IN THE ACQUISITION AND DEVELOPMENT OF VARIOUS PROJECT INTERESTS AND CERTAIN OTHER MATTERS. THESE STATEMENTS ARE MADE UNDER THE "SAFE HARBOR" PROVISIONS OF THE *PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995* AND INVOLVE RISKS AND UNCERTAINTIES WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN. THIS NEWS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

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