FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1. ***Name and Address of Company***

Municipal Solutions Group Inc. ("**Municipal**" or the "Company")
Suite 1108, Suite 4464 Markam Street
Victoria, BC V8Z 7X8

ITEM 2. ***Date of Material Change***

April 27, 2006

ITEM 3. ***News Release***

A press release was issued by Municipal on April 27, 2006 at Victoria, British Columbia.

ITEM 4. ***Summary of Material Change***

Municipal announced the completion of: (a) a common share financing which raised gross proceeds of $1,871,191; and (b) the conversion of $1,750,000 in previously issued convertible debentures into 5,311,038 common shares and the concurrent cancellation of 3,801,405 common share purchase warrants.

ITEM 5. ***Full Description of Material Change***

Municipal announced today the completion of a new $1,871,191 financing (the "**Financing**") as well as the reorganization (the "**Reorganization**") of securities previously issued to Pender Growth Fund (VCC) Inc. ("**Pender**") and Iain McLean ("**McLean**").

Under the terms of the Financing, Municipal issued a total of 5,670,276 common shares in a non-brokered private placement at an issue price of $0.33 per share for total gross proceeds of $1,871,191. The shares issued in the Financing are subject to a hold period and may not, subject to certain exceptions, be traded until August 28, 2006.

In addition, the Company is working towards completing a second tranche of the Financing (on substantially the same terms described above) which could raise additional gross proceeds of up to approximately $228,000. All or some portion of this second tranche is expected to be completed in the next two weeks.

Under the terms of the Reorganization, a total of:

(a) $1,725,000 principal amount of convertible debentures previously issued to Pender; and

(b) $25,000 principal amount of convertible debentures previously issued to McLean,

together with all interest accrued thereon, was converted into a total of 5,311,038 common shares at a deemed price of $0.33 per share. Concurrently with that conversion, a total of 3,738,905 common share purchase warrants held by Pender and 62,500 common share purchase warrants held by McLean have been cancelled.

Accordingly, the Company no longer has any convertible debentures outstanding and a total of 3,801,405 common share purchase warrants previously outstanding have now been cancelled.

ITEM 6. ***Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102***

Not applicable.

ITEM 7. ***Omitted Information***

No significant facts have been omitted from this report.

ITEM 8. ***Executive Officer***

Iain McLean, CEO
Phone: 1-800-665-5647 ext. 243

ITEM 9. ***Date of Report***

May 8, 2006.