

FORM 27

MATERIAL CHANGE REPORT UNDER SECTION 146(1) OF THE SECURITIES ACT (ALBERTA)

ITEM 1 Reporting Issuer:

Watertowne International Inc.

408, 2880 - 45th Avenue S.E.

Calgary, AB T2B 2M1

Tel: (403) 723-0360

Fax: (403) 723-0361

ITEM 2 Date of Material Change:

April 2, 2004.

ITEM 3 News Release:

The Press Release was released on March 19, 2004, by Stockwatch.

ITEM 4 Summary of Material Change:

Roy Lewis, Chairman and CEO of Watertowne International Inc. ("Amalco") (formerly True North Water Corporation) wishes to advise that it has completed the acquisition all of the issued and outstanding shares of Watertowne International Inc. ("WII")(formerly Watertowne Bottling Co. Ltd.). In completing the acquisition a number of corporate steps were taken. First, Watertowne Bottling Co. Ltd. changed its name to Watertowne International Inc. (WII) on December 9, 2003. Second, True North Water Corporation was continued under the provisions of the Canada Business Corporations Act on December 12, 2003. Third, on December 31, 2003 True North Water Corporation acquired all of the issued and outstanding Class "A" common shares of WII in exchange for 4,706,560 common shares of True North Water Corporation. In addition, True North Water Corporation acquired all of the issued and outstanding preference shares of WII consisting of 1,000 Class "G" Preferred shares in exchange for the issuance of 1,000 Class "G" Preferred shares of True North Water Corporation. The redemption value of the Preferred shares was \$100 per Class "G" Preferred share. Fourth, on December 31, 2003, True North Water Corporation and Watertowne International Inc. (WII) amalgamated to form Watertowne International Inc. (Amalco). The resulting entity will have 16,041,156 issued and outstanding common shares upon the issuance of all shares to be issued (20,974,489 common shares on a fully diluted basis). Upon issuance of the requisite Bulletin by the TSX Venture Exchange the stock will begin trading under the symbol "WI". The shares issued to Roy Lewis (1,114,923 shares) and to John McLeod (390,000 shares) will be subject to a Tier 2 value escrow agreement. In addition, as a term of acceptance of the transaction, Roy Lewis (as to \$56,191), Terry Lewis (wife of Roy Lewis)(as to \$133,284) and 937933 Alberta Ltd (owned 50% by Roy Lewis and 50% by John McLeod)(as to \$63,624) have provided the TSX Venture Exchange an undertaking that such debts will not be repaid prior to December 31, 2004 without the consent of the TSX Venture Exchange. None of the entities would be restricted in enforcing the indebtedness vis-a-vis other creditors in the event of actions taken by arms length third party

creditors. Effective January 1, 2004, upon completion of the transaction, Roy Lewis, CEO, President and Director owned 1,765,326 common shares, directly or indirectly. John McLeod, Vice President and Director, owned 2,335,660 common shares, directly or indirectly.

In addition, the Corporation wishes to advise that it has approved the granting of stock options entitling qualified parties the right to acquire up to 1,490,000 common shares of Amalco for \$0.35 per share. Directors and officers who have received grants include: Roy Lewis 525,420 shares, John McLeod 301,921 shares; Ritchie E. Twa, Director 78,421 shares, Les Gower, Director, 39,211 shares; Jim Jensen, Director 39,211 shares; Janet Folk, Director 39,211 shares; Blair Crawford, proposed Director, 117,945 shares; and Bill Ackerman, Chief Financial Officer 125,160 shares.

ITEM 5 Full Description of Material Change:

See Item 4.

ITEM 6 Reliance on Section 146(2) of the Securities Act:

Not applicable.

ITEM 7 Omitted Information:

Not applicable.

ITEM 8 Senior Officer:

Roy Lewis
Chief Executive Officer
Watertowne International Inc.
408, 2880 - 45th Avenue S.E.
Calgary, AB T2B 2M1
Tel: (403) 723-0360
Fax: (403) 723-0361

ITEM 9 Statement of Senior Officer:

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

DATED at the City of Calgary, in the Province of Alberta, this 2nd day of April, 2004.

Watertowne International Inc.

Per: signed "Roy Lewis"
Roy Lewis
CEO & Director