

FORM 27

Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 118 (1) OF THE SECURITIES ACT

This form is intended as a guideline. A letter or other documents may be used if the substantive requirements of this form are complied with.

Every report that is filed under section 118(1) of the Securities Act shall be sent to the Chief of Securities Administration in an envelope marked "Continuous Disclosure".

Where this report is filed on a confidential basis, write at the beginning of the report in block capitals "CONFIDENTIAL - SECTION 118".

ITEM 1 REPORTING ISSUER:

Globel Direct Inc.
1324 - 36th Avenue N.E.
Calgary, Alberta
T2E 8S1

ITEM 2 DATE OF MATERIAL CHANGE:

December 20, 1999

ITEM 3 NEWS RELEASE:

December 22, 1999 - ISDN Wire Service

ITEM 4 SUMMARY OF MATERIAL CHANGE:

Globel Direct, Inc. ("Globel") announced today it has completed a major acquisition and amalgamation with the purchase of Calgary-based Globel Enterprises Inc. ("GEI").

Globel acquired all the outstanding shares of GEI for the purchase price of \$11,464,286 through the issuance of 7,325,524 Common Shares of Globel at a deemed value of \$1.50 per share, and a deferred cash payment of \$476,000 to the preferred shareholders of GEI. Subsequent to the closing of this transaction Globel cancelled 2,142,857 Series "A" Preferred shares and 1,000,000 Common Shares previously issued to GEI for a net total issuance of 4,1182,667 Common Shares.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE:

Globel has acquired all the outstanding shares of GEI for the purchase price of \$11,464,286 through the issuance of 7,325,524 Common Shares of Globel at a deemed value of \$1.50 per

share, and a deferred cash payment of \$476,000 to the preferred shareholders of GEI. Subsequent to the closing of this transaction Globel cancelled 2,142,857 Series "A" Preferred shares and 1,000,000 Common Shares previously issued to GEI for a net total issuance of 4,182,667 Common Shares. The non-arm's length acquisition transaction was approved at the Annual and Special Meeting of shareholders held on December 13, 1999.

The amalgamation of Globel and GEI will be recorded on a pooling of interest basis. From the date of this transaction's closing, the future financial statements of Globel will reflect operating activities of both companies as if they had been one as of June 1, 1999.

GEI operates in the marketing services sector providing innovative direct to customer communication technology and solutions to a wide range of customers including Shell Canada, Telus, Revenue Canada, several post-secondary educational institutions and all major stock transfer companies. Revenue from operations for GEI rose from \$6,349,993 in fiscal 1998 to \$7,795,171 in fiscal 1999, an increase of 23% which resulted from the expansion of the company's existing client base as well as new clients and new marketing activities.

In the first year of operations 1999 annual revenues grew to \$5.8 million with earnings of \$312,652 after tax. With this amalgamation, projections for fiscal 2000 expect annual revenues close to \$20 million or up 250%.

Globel is a technology based marketing services company that provides its customers with unique solutions to improve the format, production and distribution of their critical business communications. Beginning with a database, Globel formats and outputs messages for print-to-mail and Internet presentment. The Company is focusing on internal growth in addition to the strategic acquisition of complementary companies that meet its overall goal to become a leading direct-to-customer communications company.

ITEM 6 RELIANCE ON SECTION 118 (2) OF THE SECURITIES ACT:

N/A

ITEM 7 OMITTED INFORMATION

N/A

ITEM 8 SENIOR OFFICER:

James R. Richardson, President and Chief Executive Officer
Globe Direct, Inc.
1324 - 36th Avenue N.E.
Calgary, Alberta
T2E 8S1

Telephone: (403) 531-6579
Fax: (403) 531-6560

ITEM 9 STATEMENT OF SENIOR OFFICER:

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Calgary, in the Province of Alberta this 23rd day of December, 1999.

"James R. Richardson"

JAMES R. RICHARDSON, President
and Chief Executive Officer

IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATION FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IT IS A MISREPRESENTATION.