

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Megawheels Technologies Inc.
Unit B, 4715 1st Street SW
Calgary, Alberta
T2G 0A1

Item 2 Date of Material Change

June 30, 2005

Item 3 News Release

A press release was disseminated June 30, 2005 through the facilities of Filing Services Canada and subsequently filed on SEDAR.

Item 4 Summary of Material Change

Megawheels Technologies Inc. has received notice from the Globe and Mail of their intent to terminate their contractual arrangements effective June 30th.

Item 5 Full Description of Material Change

The Globe and Mail has informed the Company that it has decided not to renew the Co-Branded Website Agreement originally dated January 1, 2000, and amended by Amending Agreements up to the Sixth Amending Agreement of December 8, 2003 and the Insert Agreement originally dated November 24, 1999, and amended by Amending Agreements up to the Sixth Amending Agreement of December 8, 2003.

These agreements between the Company and Bell Globemedia Publishing Inc. expired on December 31, 2004, with each agreement being informally renewed on a month-to-month basis thereafter. The Globe and Mail chose to terminate both agreements under this informal arrangement completely effective June 30, 2005.

In response to the cancellation of the contract, the Company announced June 30, 2005 that a partnership with CanWest MediaWorks will commence effective July 1st, 2005 following the termination of the contractual arrangements with the Globe and Mail. Megawheels' relationship with CanWest MediaWorks will connect Greater Toronto Area used car inventory with driving.ca, part of the Canada.com network and The National Post, to provide more media power for this marketplace.

Automotive dealers will continue to use their Megawheels Showroom media software to place classified advertising. Online inventory from dealers currently under contract with Megawheels will be found on www.driving.ca effective July 1st and printed advertising will be

published in Friday's National Post, commencing with the July 8th issue of their weekly automotive section, Drivers Edge.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

Item 7 Omitted Information

Not Applicable

Item 8 Executive Officer

Christopher T. Bulger	Chairman and CEO	(888) 867-3334
Robert Jolly	President	(403) 543-2998
Peter A. Stone	Secretary	(403) 283-8460

Item 9 Date of Report

Dated at the City of Calgary, in the Province of Alberta, this 30th day of June, 2005.

MEGAWHEELS TECHNOLOGIES INC.

Per: signed "Christopher Bulger"
Christopher Bulger
Chairman and CEO

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