

MATERIAL CHANGE REPORT

PURSUANT TO

SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)

SECTION 118(2) OF THE SECURITIES ACT (ALBERTA)

SECTION 84(1) OF THE SECURITIES ACT (SASKATCHEWAN)

SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)

SECTION 73 OF THE SECURITIES ACT (QUEBEC)

SECTION 81(2) OF THE SECURITIES ACT (NOVA SCOTIA)

SECTION 76(2) OF THE SECURITIES ACT (NEWFOUNDLAND)

ITEM 1: REPORTING ISSUER

Mainframe Entertainment, Inc. ("Mainframe")
2025 West Broadway
Suite 500
Vancouver, B.C.
V6J 1Z6

ITEM 2: DATE OF MATERIAL CHANGE

June 5, 2001

ITEM 3: PRESS RELEASE

A press release was issued by Mainframe on June 5, 2001.

ITEM 4: SUMMARY OF MATERIAL CHANGE

On June 5, 2001, Mainframe announced that Lou Novak had been appointed to the position of Chief Executive Officer and that Ian Pearson, Mainframe's former Chief Executive Officer, would be assuming the newly created position of Chief Creative Officer.

ITEM 5: FULL DESCRIPTION OF MATERIAL CHANGE

On June 5, 2001, Mainframe announced the appointment of Lou Novak to the position of Chief Executive Officer. Mr. Novak is expected to provide strategic direction to the Company and oversee all business and operational aspects of Mainframe. Prior to joining Mainframe, Mr. Novak served as President and C.E.O. of Videosnap, a streaming media application service provider based in New York. Previously he spent ten years at Galoob Toys, Inc. in various executive management positions before advancing to Executive Vice President and C.O.O. Before joining Galoob Toys, Inc., he held key senior executive positions at such companies as Coleco Industries, Inc., All American Gourmet Company and Mattel, Inc.

Also on June 5, 2001, Mainframe announced that Ian Pearson, Mainframe's former Chief Executive Officer, would be assuming the newly created position of Chief Creative Officer. This new position is intended to enable Mr Pearson to focus more on the creative side of the business. Mr. Pearson, together with partners Phil Mitchell and Gavin Blair, founded Mainframe eight years ago.

ITEM 6: RELIANCE ON CONFIDENTIALITY SECTION OF THE ACT

Not applicable.

ITEM 7: OMITTED INFORMATION

Not applicable.

ITEM 8: SENIOR OFFICER - FOR FURTHER INFORMATION CONTACT:

For further information, please contact Brett Gannon, Director, Chief Financial Officer and Secretary, (204) 956-2025.

ITEM 9: STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

DATED as of the 18th day of June, 2001.

MAINFRAME ENTERTAINMENT, INC.

By: _____
Brett Cannon, Director, Chief Financial Officer and
Secretary

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