FORM 27

MATERIAL CHANGE REPORT

Section 146 (1) of the *Securities Act* (Alberta)
Section 85 of the *Securities Act* (British-Columbia)

1. Reporting Issuer:

Rutel Networks Corporation

Head Office : 1440 Ste-Catherine West. suite 535; Montreal, Quebec, H3G 1R8

2. Material Change occurred on:

November 25, 2003

3. News Release:

November 24, 2003 in Montreal, Canada.

4. Summary of Material Change:

Further to the TSX Venture Exchange Bulletin dated November 11, 2002,the Company has now satisfied all filing requirements of TSX Venture Exchange, in connection with the revocation of the cease trade issued by the Commission des valeurs mobilières du Québec.

Effective at the opening Tuesday, November 25, 2003, trading in the securities of the Company will be reinstated.

5. Full Description of Material Change:

See attached Schedule "A" – Press release detailing the material change issued on November 24, 2003.

6. Confidentiality

Not applicable

7. Omitted Information:

Not applicable

8. Senior Officer:

Mr. Louis Tourillon

Telephone: (514) 871-8025

Fax: (514) 398-9975

9. Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

DATED in Montreal, Quebec, on the 24[rst] day of November 2003

RUTEL CORPORATION

Per : *(signé) Louis Tourillon*
Louis Tourillon
President

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, IS A MISREPRESENTATION.

SCHEDULE "A"

RUTEL CORPORATION / CORPORATION RUTEL

PRESS RELEASE

RUTEL NETWORKS CORPORATION ("RTX")
(formerly Rutel Corporation ("RTL")
- Reinstated for Trading, Reverse Takeover-Completed, Name change
- And Consolidation, Private-Placement-Non-Brokered, Warrant Price
- Amendment, Warrant Term Extension

TSX Venture Tier 2 Company

Further to the TSX Venture Exchange Bulletin dated November 11, 2002, the Company has now satisfied all filing requirements of TSX Venture Exchange, in connection with the revocation of the cease trade issued by the Commission des valeurs immobilires du Qubec.

Effective at the opening Tuesday, November 25, 2003, trading in the securities of the Company will be reinstated.

Furthermore, the TSX Venture Exchange has accepted for filing the Company's Reverse Takeover ('RTO') with Phontel Telecom Inc. ('Phontel'), which includes the following transactions:

Reverse Takeover

Pursuant to the Letter of Intent dated February 7, 2003 (replacing the Letter of Intent dated April 2, 2002), between the Company and Phontel, the Company has acquired all of the shares of Phontel for a consideration of 26,996,629 shares at a deemed price of $0.1481666 per share, of which 3,840,067 post-consolidated Company's class A shares and 23,156,562 class B shares convertible in 23,156,562 post-consolidates class A shares, for an aggregate deemed consideration of $4,000,000.

Class B shares are convertible in class A shares, if at least 20% of the issued and outstanding class A shares after the conversion are held by public shareholders and 10% of the issued and outstanding class A shares after the conversion are held by public shareholders and not subject to resale restrictions.

Of the 26,996,629 shares issued to the shareholders of Phontel, 26,394,612 are subject to a value escrow Agreement. For more information, see the Company's circular dated June 25, 2003

The Exchange has been advised that shareholders approved the above transaction on July 21, 2003.

Name change and Consolidation

Pursuant to a special resolution passed by shareholders on July 21, 2003, the Company has consolidated its capital on a 15 old for 1 new basis. The name of the Company has also been changed from Rutel Corporation to Rutel Networks Corporation.

Effective at the opening Tuesday, November 25, 2003, the class A shares of Rutel Networks Corporation will commence trading on TSX Venture Exchange, and the class A shares of Rutel Corporation will be delisted. The Company is classified as 'Telecommunications reseller' company (NAICS Number: 51731).

Post-consolidation and
post-transactional
capitalization: Unlimited number of class A shares with no par value of which 11,577,463 shares are issued and outstanding; and Unlimited number of class B shares with no par value of which 23,156,562 Series 1 class B shares are issued and outstanding.

Escrow: The people who will be principals of the resulting issuer have entered into a Tier 2 Value Security Escrow Agreement pursuant to which they have deposited 26,394,612 shares into escrow. 10% (2,639,461) of these escrowed shares are released today, November 24, 2003 and the remaining shares at a rate of 15% (3,959,192) at six month-intervals from the date of this bulletin.

Transfer agent: Computershare Trust Company of Canada, Montral and Toronto

Trading Symbol: RTX (new)
CUSIP Number: 78318Q 10 5 (new)

Private placement

TSX Venture Exchange has accepted for filing documentation with respect to a non-brokered private placement.

Number of shares: 5,961,302 class A shares
Purchase price: $0.1481666 per class A share

Number of Placees: 4

Insider/Pro Group participation:

Name	Insider = Y / Pro Group = P	Number of shares
Alberto Bernardo	Y	2,975,367
Albert Moghrabi	Y	1,518,561

At the end of the hold period prohibiting transfer of the class A shares issued pursuant to the private placement, on March 24, 2004, a total of 18,525,249 Class B shares will be converted into class A shares. At that time, Alberto Bernardo and Albert Moghrabi will hold less than 10% of the then issued and outstanding class A shares and will not be insiders of the Company.

Pursuant to Corporate Finance Policy 4.1, section 1.11(d), the Company must issue a news release announcing the closing of the private placement and setting out the expiry dates of the hold period(s). The Company must also issue a news release if the private placement does not close promptly.

Warrant price amendment, warrant term extension

TSX Venture Exchange has consented to the reduction in the exercise price and the extension in the expiry date of the following warrants:

Private placement:

Number of warrants: 133,333 (post-consolidation)
Original Expiry date
of warrants: May 15, 2003
New expiry date
of warrants: May 15, 2004
Original exercise price
of warrants: $1.50 (post-consolidation)
New exercise price
of warrants: $0.50 (post-consolidation)

These warrants were issued pursuant to a private placement of 133,333 class A shares post-consolidation with 133,333 share purchase warrants attached, which was accepted for filing by the Exchange affective July 19, 2002.

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