

This is the form of a material change report required under Section 85(1) of the Securities Act.

FORM 27

BRITISH COLUMBIA SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

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

NOTE: Every report required to be filed under Section 85(1) of the Act shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item 1. Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer:

Velocity Computer Solutions Ltd.
302 - 3602 Gilmore Way
Burnaby, BC V5G 4W9

Item 2. Date of Material Change

March 9, 2000

Item 3. Press Release

The Press Release dated March 9, 2000 was forwarded to the Canadian Venture Exchange and disseminated via Canada News-Wire Ltd., Stockhouse.com, Canada Stockwatch, SmallCap Center and T-Net.

A copy of the Press Release is attached as Schedule "A".

Item 4. Summary of Material Change

Velocity Computer Solutions Ltd. announced that Canaccord Capital Corporation and Haywood Securities, Inc. have agreed to act as co-agents for a private placement financing of up to US\$5.0 million.

Item 5. Full Description of Material Change

Supplement the summary required under item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to

determine what facts are significant and must disclose those facts in a meaningful manner. See also item 7.

The description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely described examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

For a full description of the material change, see Schedule "A".

Item 6. Reliance on Section 85(2) of the Act

If the report is being filed on a confidential basis in reliance of Section 85(2) of the Act, state the reasons for such reliance.

INSTRUCTION:

Refer to Section 85(3) of the Act concerning continuing obligations in respect of reports filed pursuant to this subsection.

Not Applicable.

Item 7. Omitted Information

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but s. 85(3) of the Act will no longer be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to s. 169(3) of the Act.

The reasons for the omission may be contained in a separate letter filed as provided in section 153 of the Securities Rules.

Not Applicable.

Item 8. Senior Officers

The following Senior Officer of the Company is available to answer questions regarding this report:

Basil Peters, Chairman
(604) 320-6566

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Burnaby, BC, this 9th day of March, 2000.

VELOCITY COMPUTER SOLUTIONS, LTD.

Per:

“Basil Peters”
Basil Peters, Chairman

News Release

CDNX Trading Symbol: VCS.U

Velocity Announces US\$5 Million Financing

HAMILTON, BERMUDA - March 9, 2000 – Velocity Computer Solutions Ltd. (the "Company") is pleased to announce that Canaccord Capital Corporation and Haywood Securities, Inc. have agreed to act as co-agents for a private placement financing of up to US\$5.0 million.

The financing will consist of up to 3,030,303 special warrants at a price of US\$1.65 each. Each special warrant will be exercisable, without further payment, for a Unit of the Company, comprising one common share and one half of a share purchase warrant. Each full share purchase warrant will entitle the holder to purchase one additional common share at a price of US\$1.85 for a period of 12 months.

The special warrants will be deemed to have been exercised upon filing by the Company with the relevant regulatory authorities of an Annual Information Form ("AIF") for the purposes of reducing the hold period applicable to the Units to four months from the date of the closing of the financing. If the Company is unable to reduce the applicable hold period to four months through the filing of an AIF, the Company will use its best efforts to file, within 120 days after the closing of the financing, a prospectus to qualify the issuance of the Units upon exercise of the special warrants.

At closing of the financing, 60% of the proceeds will be released to the Company. The balance of the proceeds will be escrowed and released to the Company when the Units become free trading.

The proceeds of this financing will be used to fund the company's ongoing acquisition program, provide working capital and to continue development of the company's eSupport Online Service Technology.

This financing is subject to regulatory approval.

About Velocity

Velocity Computer Solutions ("Velocity") is the first company to give small to medium-sized businesses **integrated eSupport solutions** for all of their computer and networking services.

Velocity leads the industry in responsiveness -- providing customers fully integrated services and solutions onsite in 60 minutes and online in seconds, - 24 hours a day, 7 days a week.

Velocity's Canadian subsidiary has regional offices in Vancouver and Calgary with over 100 employees serving over 2,000 customers.

On behalf of the Board of Directors:

"Basil Peters"
Basil Peters, Chairman

For more information visit the company's website @ www.velocityIT.com

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This News Release may contain certain statements related to revenue, expenses, development plans and similar items that represent forward-looking statements. Such statements are based on assumptions and estimates related to future economic and market conditions. The assumptions are reviewed regularly by management, however, they involve risks and uncertainties, including, without limitation, changes in markets and competition, technological and competitive developments, and potential downturns in economic conditions generally, that could cause actual results to differ materially from those contemplated in the forward-looking statements.

This news release is not for dissemination in the United States of America or to United States of America news services.