FORM 27

MATERIAL CHANGE REPORT

SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)
SECTION 118(1) OF THE SECURITIES ACT (ALBERTA)

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: *WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS, PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITAL "CONFIDENTIAL". CONFIDENTIAL REPORTS SHOULD BE FILED IN PAPER FORMAT. UPON GENERAL DISCLOSURE BEING MADE, THE FORM 27 SHOULD BE FILED THROUGH SEDAR WITHIN 10 DAYS FOLLOWING SUCH GENERAL DISCLOSURE.*

NOTE ALSO THAT FOR A SEDAR FILING, THE PRESS RELEASE SHOULD BE FILED AS A SEPARATE DOCUMENT FROM THE FORM 27.

Item 1. Reporting Issuer

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

Velocity Computer Solutions, Ltd.
c/o 302-3602 Gilmore Way
Burnaby, BC V5G 4W9
Phone: (604) 320-6566

Item 2. Date of Material Change

June 6, 2000

Item 3. Press Release

State the date and place(s) of issuance of the press release.

The Press Release dated June 6, 2000 was forwarded to the Canadian Venture Exchange and disseminated via Canada News-Wire Ltd., Market News and Canada Stockwatch.

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

Item 4. Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

The Company announced the closings of the previously announced acquisitions of Winnipeg-based Tronica Inc. and Calgary-based Jaguar Systems Ltd., in each case, for a combination of cash and Velocity common stock. These are Velocity's sixth and seventh acquisitions in the past 18 months and are expected to boost the company's annual revenues by more than CDN$9 million

Item 5. <u>Full Description of Material Change</u>

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. <u>Reliance on Section 85(2) of the Act</u>

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

Not Applicable.

Item 7. <u>Omitted Information</u>

Not Applicable.

Item 8. <u>Senior Officer</u>

To facilitate any necessary follow-up by the Commission, give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom such senior officer may be contacted by the Commission.

Basil Peters, Chairman

Phone: (604) 320-6566

Item 9. **<u>Statement of Senior Officer</u>**

The foregoing accurately discloses the material change referred to herein.

Dated at Freeport, Grand Bahamas, Bahamas, this 6th day of June, 2000.

VELOCITY COMPUTER SOLUTIONS, LTD.

Per:

"James Peters"
James Peters,
Director and President

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.

Schedule "A"

News Release **CDNX Trading Symbol: VCS.U**

Velocity Continues Expansion with Closing of Winnipeg and Calgary Acquisitions

HAMILTON, BERMUDA – June 6, 2000 - Velocity Computer Solutions Ltd. (CDNX: VCS.U) a leading eSupport and networking solutions services provider, announced today the closing of previously announced acquisitions of Winnipeg-based Tronica Inc. and Calgary-based Jaguar Systems Ltd., in each case, for a combination of cash and Velocity common stock. These are Velocity's sixth and seventh acquisitions in the past 18 months and are expected to boost the company's annual revenues by more than CDN$9 million.

"Our aggressive acquisition and expansion program is designed to further strengthen Velocity's position as one of North America's top eSupport solutions providers, while at the same time expanding our expertise in remote network and PC management and security services technologies," says Shawn D. Chute, President and CEO of Velocity Canada. "Tronica and Jaguar share our commitment to total customer service using the latest internet-based IT support technology."

Founded in 1980, privately-held Tronica Inc. is the only Manitoba company to support all three major PC operating environments: Windows/NT, Macintosh, and Unix. Tronica serves more than 800 customers and was one of the province's 50 fastest growing companies, according to Manitoba Business Magazine's Year 2000 survey.

"By leveraging Velocity's knowledge and business processes we are strengthening the value we provide to our customers," says Darren Wiebe, President of Tronica. "Joining Velocity will give us the foundation to expand our range of services – and consequently our existing customer base – in ways we could not have considered in the past."

Jaguar Systems Ltd. delivers managed network services and remote access solutions to Calgary's business community, with a particular expertise in security services. These services will be integrated with Velocity's onsite, voice and online IT support programs to create a comprehensive suite of web-based services.

"Joining forces with Velocity is the most effective means for Jaguar and its customers to fully participate in, and benefit from, the evolution of next-generation, Internet-based IT support and services," says Rob Lunney, Vice President of Jaguar.

About Velocity

Velocity is a leading provider of full-service, e-Support solutions and has integrated a complete family of web-based, phone-based and onsite computer and network help technologies to reduce overall support costs for its small to medium-sized business customers. A single online source for customers' entire information technology (IT) needs, Velocity's IT service infrastructure is continually evolving in anticipation and reflection of customer opinion and progress.

Velocity's technical professionals currently serve the needs of over 3000 businesses from a cross-section of industries including telecommunications, legal and financial services, technology, hospitality, entertainment, marketing, forestry, and healthcare sectors.

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

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Investor Relations in Vancouver, Canada
investor@velocityIT.com 604-419-1295

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