

This is the form of a material change report required under Section 85(1) of the Securities Act and Section 151 of the Securities Rules.

Form 27

SECURITIES ACT

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

Item 1. **Reporting Issuer**

AVC VENTURE CAPITAL CORP.

#1400 - 400 Burrard Street
Vancouver, BC, V6C 3G2

Telephone No. (604) 929-9694

Item 2. **Date of Material Change**

April 26, 2001

Item 3. **Press Release**

Press Release dated April 26, 2001, and forwarded to Canada Stockwatch Magazine, George Cross Newsletter, Market News Publishing Ltd., the Vancouver Stock Exchange and the British Columbia Securities Commission.

Item 4. **Summary of Material Change**

Raymond James has terminated its sponsorship of AVC's proposed qualifying transaction with PharmaChem (USA), Inc.

Item 5. **Full Description of Material Change**

AVC has received advice from Raymond James Ltd. that in its opinion the business of PharmaChem (USA), Inc. was not sufficiently advanced to qualify the listing on the Exchange at this point in time. As a result, Raymond James has elected to terminate its sponsorship of the proposed transaction as a qualifying transaction.

AVC will investigate alternate opportunities in the hopes of completing a qualifying transaction within the time frames permitted under the Rules and Policies of the Exchange.

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

Not applicable.

Item 7. **Omitted Information**

Not applicable.

Item 8. **Senior Officers**

Jim Hitchie – Director/Communications Officer - (604) 929-9694

Item 9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, in the Province of British Columbia, effective the 2nd day of May, 2001.

/s/Jim Hitchie

Jim Hitchie, Director