

**Form 27**  
***Securities Act (Ontario)***

**MATERIAL CHANGE REPORT UNDER SECTION 72(5) OF THE ACT**

**1. Reporting Issuer**

OCI Communications Inc.

**2. Date of Material Change**

December 22, 1999

**3. Press Release**

A press release was issued in Toronto, Ontario through the facilities of Canada NewsWire Services, a copy of which is attached hereto as Schedule "A".

**4. Summary of Material Change**

OCI Communications Inc. ("OCI") announced that Griffiths McBurney & Partners and CIBC World Markets Inc., on behalf of the underwriters of OCI's initial public offering, have exercised the over-allotment option granted by OCI in connection with its initial public offering and have acquired 1,260,000 Class B non-voting shares at an issue price of \$12.00 per share to cover over-allotments.

**5. Full Description of Material Change**

On December 22, 1999, OCI announced that Griffiths McBurney & Partners and CIBC World Markets Inc., on behalf of the underwriters of OCI's initial public offering, have exercised the over-allotment option granted by OCI in connection with its initial public offering and have acquired 1,260,000 Class B non-voting shares at an issue price of \$12.00 per share to cover over-allotments. Total net proceeds to the Company from the exercise of the over-allotment option were \$14,137,200.00.

OCI's Class B non-voting shares commenced trading on The Toronto Stock Exchange on November 4, 1999 under the ticker symbol OCC.B.

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**6. Reliance on Section 75(3) of the Act**

Not applicable.

**7. Omitted Information**

Not applicable.

**8. Senior Officer**

For more information, please contact Christopher Clinning, Chief Financial Officer and Secretary of OCI, at (416) 907-2247.

**9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

**DATED** at Toronto, this 29th day of December, 1999.

“Christopher Clinning”  
Christopher Clinning,  
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.**

**Schedule "A"**  
**OCI Communications Inc.**  
**Press Release**  
**PRESS RELEASE**

(Not for dissemination or distribution in the United States)

**Toronto, Ontario, Canada, December 22, 1999 - OCI Communications Inc. (TSE:OCC.B)** today announced that Griffiths McBurney & Partners and CIBC World Markets Inc., on behalf of the Underwriters of OCI's recently completed initial public offering, have exercised the over-allotment option granted by OCI in connection with its initial public offering and have acquired 1,260,000 Class B non-voting shares at an issue price of \$12.00 per share to cover over-allotments. Total net proceeds to the Company from the exercise of the over-allotment option were \$14,137,200.00.

Through its initial public offering, which closed on November 4, 1999, OCI issued 8.4 million Class B non-voting shares at \$12.00 per share to an underwriting group led by Griffiths McBurney & Partners and CIBC World Markets Inc., and including Credit Suisse First Boston Securities Canada Inc., Scotia Capital Inc. (formerly, Scotia McLeod Inc.) and Yorkton Securities Inc., for total gross proceeds of \$100.8 million.

**About OCI**

OCI, through its wholly-owned operating subsidiary, Optel Communications Corporation, is a rapidly growing Canadian Competitive Local Exchange Carrier providing bundled voice, data and Internet services. Since 1995, Optel has been providing local and long distance phone service to small and medium-sized businesses. A Canadian-controlled company, Optel has offices and an established agent network in Ontario and Quebec. OCI's shares trade on The Toronto Stock Exchange under the symbol OCC-B. For additional information visit <http://www.optel.ca>.

The Class B non-voting shares have not and will not be registered under the United States Securities Act of 1933, as amended, and subject to certain exceptions, may not be offered or sold within the United States or to, or for the account of or benefit of, United States persons.

For further information please contact:

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Chief Financial Officer and  
Secretary  
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