

FORM 27

SECURITIES ACT

**MATERIAL CHANGE REPORT UNDER
SECTION 118(1) OF THE SECURITIES ACT (ALBERTA),
SECTION 151 OF THE SECURITIES RULES (BRITISH COLUMBIA),
SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)**

ITEM 1. REPORTING ISSUER

CST Coldswitch Technologies Inc.
250 - 13155 Delf Place
Richmond, BC, V6V 2A2

ITEM 2. DATE OF MATERIAL CHANGE

August 17, 2000

ITEM 3. PRESS RELEASE

August 17, 2000 - Burnaby, British Columbia

ITEM 4. SUMMARY OF MATERIAL CHANGE

Concurrent with the completion of the initial public offering consisting of a new issue of 4,000,000 common shares at a price of \$1.00 per common share in the capital of the Issuer, the common shares of the Issuer began trading on The Canadian Venture Exchange.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

Please see attached press release.

**ITEM 6. RELIANCE ON SECTION 75(3) OF THE SECURITIES ACT (ONTARIO) AND
EQUIVALENT SECTIONS OF OTHER JURISDICTIONS**

Not applicable.

ITEM 7. OMITTED INFORMATION

Not applicable.

ITEM 8. SENIOR OFFICER

Name: Barney Magnusson
Title: Chief Financial Officer and Secretary
Phone No.: (604) 274-6866

ITEM 9. STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

August 21, 2000
Date

Per: "Barney Magnusson"
Signature

Barney Magnusson
Name of Officer

Chief Financial Officer and Secretary
Title of Officer

Vancouver, British Columbia
Place

NEWS RELEASE

CST COLDSWITCH TECHNOLOGIES BEGINS TRADING

CDNX: LS
RELEASE NO. 01-00

For Immediate Release
August 17, 2000

CST Coldswitch Technologies Inc. (the "Company") is pleased to announce that the Company's initial public offering prospectus dated June 26th, 2000 has been filed with and accepted by the Canadian Venture Exchange, and filed with and receipted by the Securities Commissions of B.C., Alberta and Ontario pursuant to the provisions of the British Columbia Securities Act.

The Company has now completed its initial distribution of securities to the public. The gross proceeds received by the Company for the offering (four million shares at \$1.00 per share) were \$4 million. The Company is classified as a 'Fibre Optic Technology' issuer.

Immediately prior to commencement of trading, a cross will be reported through the facilities of the CDMX to reflect the prior distribution of four million common shares at \$1.00 per share, sold pursuant to the prospectus dated June 26, 2000.

Jurisdiction:	Canada
Capitalization:	100,000,000 common shares with no par value, of which 14,433,805 common shares are issued and outstanding
Escrowed:	5,391,908 common shares
Transfer Agent:	Pacific Corporate Trust Company, Vancouver, B.C.
Trading Symbol:	CDNX-LS
Cusip No.:	12639W103
Sponsor:	Canaccord Capital Corporation
Agent's Warrants:	Non-transferable common share purchase warrants entitling the Agent to acquire such number of common shares as is equal to 20% of the shares issued under the offering for a period of two years from the Listing Date at a price of \$1.00 per share.

**ON BEHALF OF THE BOARD OF DIRECTORS
OF CST COLDSWITCH TECHNOLOGIES INC.**

"John S. Kidder"
John S. Kidder
President