

**Form 51-102F3**  
***Material Change Report***

**Item 1.      Name and Address of Company**

Photon Control Inc. (the "Company")  
8363 Lougheed Highway  
Burnaby, British Columbia  
Canada, V5A 1X3

**Item 2.      Date of Material Change**

February 15, 2007

**Item 3.      News Release**

Date of Issuance: February 15, 2007

Method(s) of Dissemination: The news release was disseminated through Canada NewsWire Limited.

**Item 4.      Summary of Material Change**

The Company announced that it completed the balance of the \$500,000 over-allocation option of the Company's \$2.5 million private placement.

**Item 5.1     Full Description of Material Change**

The Company announced that the balance of the \$500,000 over-allocation option on the Company's \$2.5 million private placement was exercised by the agents M Partners Inc., Research Capital Corporation and Bolder Investment Partners Ltd. The Company issued a further 2,908,700 units for gross proceeds of \$436,305 bringing the total proceeds from the placement to \$3 million. Each \$0.15 unit consisted of one common share of the Company and one-half of one common share purchase warrant exercisable at \$0.21.

The Company paid a total of \$34,904 and issued a total of 232,695 non-transferable agents' warrants as commissions on this closing of the over-allocation option. Each agents' warrant is exercisable at \$0.15 for one unit, consisting of one common share of the Company and one-half of one common share purchase warrant exercisable at \$0.21.

The common shares and warrants sold by the Company, the common shares issuable pursuant to the exercise of the warrants, and all securities issuable upon exercise of the agents' warrants and underlying warrants, are subject to a four-month hold period commencing on the date hereof. The private placement is subject to final approval of the TSX Venture Exchange.

**Item 5.2**      **Disclosure for Restructuring Transactions**

Not applicable.

**Item 6.**      **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7.**      **Omitted Information**

Not applicable.

**Item 8.**      **Executive Officer**

S. Robert Blair, Executive Chair and President  
Telephone: (604) 422-8861

**Item 9.**      **Date of Report**

February 19, 2007