

BC FORM 53-901F (Previously Form 27)

Securities Act

Material Change Report Under Section 85(1) of the Act

ITEM 1 REPORTING ISSUER

NEW HORIZONS CAPITAL CORP.
500 – 1090 West Pender Street
Vancouver, BC V6E 2N7

ITEM 2 DATE OF MATERIAL CHANGE

May 28, 2002

ITEM 3 PRESS RELEASE

Issued June 6, 2002 at Vancouver, BC and distributed through the facilities of Stockwatch, Stockhouse and Market News.

ITEM 4 SUMMARY OF MATERIAL CHANGE

New Horizons Capital Corp. has entered into a Letter of Intent dated May 28, 2002 for the acquisition of Cardio Metabolics Inc. (“CMI”) as a potential qualifying transaction (the “Transaction”).

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

Please see attached Schedule “A”

ITEM 6 RELIANCE ON SECTION 85(2) OF THE ACT

This report is not being filed on a confidential basis.

ITEM 7 OMITTED INFORMATION

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8 DIRECTOR/SENIOR OFFICER

Contact: Martin J. Reynolds
Telephone: (604) 669-1500

ITEM 9 STATEMENT OF SENIOR OFFICER/DIRECTOR

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, BC this 6th day of June 2002.

“Martin J. Reynolds”

Martin J. Reynolds
President

SCHEDULE "A"

**NEW HORIZONS CAPITAL CORP. ENTERS INTO
A LETTER OF INTENT WITH CARDIO METABOLICS INC.**

VANCOUVER – JUNE 6, 2002 - NEW HORIZONS CAPITAL CORP. ("NHCC") (NH: TSX) has entered into a Letter of Intent dated May 28, 2002 for the acquisition of Cardio Metabolics Inc. ("CMI") as a potential qualifying transaction (the "Transaction"). CMI is a University (Alberta) spin off company, incorporated in the year 2000, pursuant to the provisions of the Business Corporations Act of Alberta, to commercialize a new class of medicine - energy metabolism therapeutics. At a point during heart surgery the heart tissue undergoes added stress leaving the heart open to potential heart tissue damage. CMI's technology is intended to allow the heart to use energy effectively, to provide more work with less stress, and protect heart tissue from cell death during heart surgery or heart failure. It is intended to provide cardio protection during ischemia, hypoxia and / or shock, by providing pH (potenz Hydrogen) balance to reduce damage to heart cell tissue during heart attack or surgery. CMI's energy metabolism agent is intended to provide a cost effective way to improve current cardio vascular therapies.

New Horizons Capital Corp. was incorporated pursuant to the provisions of the Company Act (British Columbia) on October 1, 1999. It's principal shareholders and directors are Martin J. Reynolds, N. John Campbell, Hugh C. McKinnon, Robert D. McCue and Michael Tam. NHCC currently maintains approximately \$609,664 in its treasury from its initial public offering and any funds not used for the Transaction with CMI will remain in the treasury at the time of closing of the Transaction.

Pursuant to the Letter, NHCC has agreed to issue 35,700,000 common shares to the shareholders of CMI in exchange for 21,000,000 common voting shares of CMI, those being all of the issued and outstanding shares of CMI. This exchange ratio and number of shares will be adjusted to reflect the increase in value of CMI from the private placement referred to in item 3 below. The obligations pursuant to the Letter are expressly subject to several closing conditions, including, among other things:

1. the completion of due diligence by NHCC, including scientific valuation and a legal review of the status of patents pending of CMI;
2. director, shareholder and regulatory approval, including that of the TSX Venture Exchange (the "TSXV"); and
3. CMI raising a minimum of \$500,000 by way of a private placement of securities.

NHCC, in its discretion, may waive the third condition noted above, however, given the closing conditions generally, there is no assurance that the Transaction will be completed as proposed or at all.

In compliance with TSXV policy, NHCC intends to engage a sponsor in connection with the Transaction, however, no agreement regarding this has been negotiated to date.

Concurrently with the proposed Transaction, NHCC will make an offering by way of private placement of common shares with gross proceeds of up to \$1,000,000.

About CMI

The following financial summary was prepared by management of CMI:

Statement of Loss and Deficit for the three months ended March 31, 2002.

Revenue	Nil
Expenses	\$22,160
Net Loss	(\$22,160)
Deficit, Beginning of Period	(\$16,058)
Deficit, End of Period	(\$38,218)

Balance Sheet as at March 31, 2002

Current Assets	\$10,443
Capital Assets	\$30,592
Total Assets	\$41,035
Current Liabilities	\$13,325
Due to Shareholders	\$65,865
Total Liabilities	\$79,190
Shareholders Equity (Deficit)	(\$38,155)

The Current Board of Directors and Executive Team of CMI include:

Eva Mah Borsato, MBA, President, and Director (Business & Operations)

Ms. Mah Borsato developed the technology patent and marketing strategy for the University of Alberta, which resulted in the creation of CMI as an independent corporation. Ms. Mah Borsato is a 1998 Queen's University MBA graduate and holds a 1977 undergraduate degree from the University of Manitoba. She brings over 20 years of operation experience and more recently, Ms. Mah Borsato was President and Managing Principal of Stantec Consulting Ltd. She is currently President of Intellectual Capital Corp Inc., a management consulting firm.

Ed Taylor, CGA, Director (Finance and Administration)

Mr. Taylor has been the VP Finance and Administration and CFO of Biomira Inc. since 1995. Previously Mr. Taylor was Vice President Administration and Finance from 1989 to 1995 for Alberta-Pacific Forest Industries Inc. and Corporate Controller with Crestbrook Forest Industries from 1972 to 1989.

Laine Woollard, BSc, LLB, QC, Director (IP and Legal)

Mr. Woollard represents the University of Alberta and provides guidance on technology transfer and patents for CMI. Mr. Woollard joined the University's Industry Liaison Office in 1994. Mr. Woollard holds degrees in Law and Pharmacy from the University of Alberta. He is also a Director of a number of other biotechnology companies.

On completion of the qualifying transaction two board seats will be granted to nominees of NHCC, namely Martin J. Reynolds and N. John Campbell.

Martin J. Reynolds, B. Comm.

Mr. Reynolds spent 28 years in the investment industry in various executive capacities after receiving his B. Comm. from the University of Calgary in 1970. During that period he served as a director and chair on a number of industry associations including the Pacific District Council of the Investment Dealers Association, the Vancouver Stock Exchange and the Canadian Securities Institute.

N. John Campbell, B. Comm., CA, CFA, MBA

Mr. Campbell is a founding partner of CWC Capital Ltd. / L.P., a regional investment banking firm that commenced operations in 1989. Previously he has had extensive experience in research and money management with Pemberton Securities Inc. (now RBC Securities Inc.) and The Jim Pattison Group. He received his B. Comm. from UBC in 1976, his CA designation in 1978, his CFA designation in 1985 and his MBA from SFU in 1998.

In addition to its Board of Directors CMI will draw upon the expertise of an Advisory Board comprised of the following professionals:

Dr. Gary Lopaschuk, PhD, Scientific Advisor (Pharmacology) – Co-Inventor

Dr. Lopaschuk is a Professor and the Director from the Cardiovascular Research Group, Department of Pediatrics and Pharmacology, Faculty of Medicine, University of Alberta. Dr. Lopaschuk a Medical Heritage Scholar is one of the world's most recognized experts in heart metabolism and currently presides as the Chair of the Heart and Stroke Foundation for Alberta and the Vice Chair of the Heart and Stroke Foundation of Canada. Dr. Lopaschuk obtained his PhD in Pharmacology from the University of British Columbia in 1983.

Dr. Ruth Collins-Nakai, MD, MBA, Clinical Advisor (Cardiology) – Co-Inventor

Dr. Collins-Nakai is a practicing cardiologist at the University of Alberta Hospital, Capital Health Authority, Edmonton, Alberta. She has undertaken clinical science research at the University of Alberta under Dr. Gary Lopaschuk. Dr. Collins-Nakai received her medical degree from the University of Alberta and her licentiate in 1972 and her MBA from the University of Alberta in 1998. Dr. Collins-Nakai is currently a member of the Canadian Institute of Health Research Governing Council (CIHR).

Dr. Koon Teo, MD, PhD, Clinical Advisor (Cardiology & Clinical Trials) – Co-Inventor

Dr. Teo is the Chief of Cardiology, and a practicing cardiologist at the McMaster Medical Centre in Hamilton, Ontario. He is a medical researcher and a Professor in the Department of Medicine at McMaster University in Hamilton, Ontario. Dr. Teo is a Medical Heritage Scholar and is a member of the team awarded the \$24 million Canadian Institute for Health Research project for the Aventis/King Diabetes Clinical Trials project.

Dr. Ivan Rebeyka, MD, Clinical Advisor, (Cardiovascular Surgery) – Research Collaborator

Dr. Rebeyka is a practicing cardiovascular surgeon in at the Cardiac Institute, University of Alberta Hospital, Capital Health Authority, Edmonton, Alberta and a Medical Heritage Researcher and Professor of Surgery in the Department of Medicine at the University of Alberta.

Dr. Jason Dyck, PhD, (Microbiology) – Co-Inventor

Dr. Dyck is an assistant Professor Department of Pediatrics and Pharmacology, Faculty of Medicine, University of Alberta. He is a Medical Heritage Scholar and a recent CIHR grant recipient and a fellow scientific collaborator with Dr. Gary Lopaschuk.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and majority of the minority shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed of at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the Transaction by the management of NHCC, any information released or received with respect to the Transaction as proposed may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company such as NHCC should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

ON BEHALF OF THE BOARD OF DIRECTORS

“Martin Reynolds”

Martin J. Reynolds
President