

MATERIAL CHANGE REPORT

**SUBSECTION 67(1) OF THE *SECURITIES ACT* (BRITISH COLUMBIA)
SUBSECTION 118(1) OF THE *SECURITIES ACT* (ALBERTA)
SUBSECTION 84(1) OF THE *SECURITIES ACT* (SASKATCHEWAN)
SUBSECTION 73 OF THE *SECURITIES ACT* (QUEBEC)
SUBSECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)**

1. Reporting Issuer

Peachtree Network Inc.
1980 Sherbrooke Street West, Suite 1100
Montreal, Quebec H3H 1E8

2. Date of Material Change

May 11, 2001

3. Press Release

A press release concerning the material change described in this report was disseminated through Canada NewsWire on May 11, 2001.

4. Summary of Material Change

Peachtree Network Inc. (“Peachtree”) has been awarded a contract to provide its online retail grocery platform and in-store fulfillment solutions to IntermarchJ, one of Europe’s largest retailers.

5. Full Description of Material Change

Peachtree has been awarded a contract to provide its online retail grocery platform and in-store fulfillment solutions to IntermarchJ, one of Europe’s largest retailers. IntermarchJ is owned by a group of independent owner/operators representing more than 2,000 grocery stores in Europe including Germany, Italy and Belgium.

IntermarchJ is part of ITM Entreprises, the fifth largest retail group in the world, with over 3,200 stores in various retail sectors including hardware, apparel, service stations and others. ITM Entreprises is also a significant partner in RONA Inc.

This transaction includes a corporate license sold to Stime, the IT organization within the group. Participating stores will operate under a sub-license and pay an initial

license fee plus annual maintenance fees. Peachtree shall also provide additional related services under a separate contract.

Development begins immediately, with Phase 1 launching in the fall of 2001. In Phase 1, Peachtree will provide Web application customization, in-store order fulfillment, delivery logistics and consulting services for 20 stores in France. Application enhancements as a result of this contract will include sophisticated multi-currency, language and European bar-code support. As a continuation, a second phase calls for deeper integration with existing IT systems and additional innovative online tools to further the front to back e-commerce solution.

Peachtree has a 5-year history of developing leading-edge e-commerce technology for the grocery industry. By working with existing retail infrastructures Peachtree has enabled retailers to become more competitive and increase market share through new technology. Working with brick-and-mortar grocers has been Peachtree's model since inception and sets the company apart from the struggling pre-play Internet grocers who build their own fulfillment warehouses and distribution channels.

Peachtree Network is the leading provider of online grocer shopping services for grocery retailers, providing grocers with innovative online tools for shopping and driving in-store traffic. Securities of Peachtree trade on the Canadian Venture Exchange (symbol PCH). Press releases, current quotes, stock charts and other financial information on the Peachtree Network can be accessed through the Internet at www.PeachtreeNetwork.com/investors.

6. Reliance on Provisions Applying to Confidential Filing

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officer

For further information, please contact Léo Bourget, Financial Manager, at (514) 934-1444.

9. **Statement of Senior Officer**

The information contained in this material change report accurately discloses the material change referred to herein.

DATED at Montreal, Quebec this 29th day of May, 2001.

PEACHTREE NETWORK INC.

Signed by: “Neil Bienstock”
Neil Bienstock
Director

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