

MATERIAL CHANGE REPORT

1. **Reporting Issuer**

Vicwest Corporation
129 South Service Road
Oakville, Ontario
L6L 5T7

2. **Date of Material Change**

March 11, 2005

3. **Publication of Material Changes**

A press release was issued on March 11, 2005 through Canada Newswire.

4. **Summary of Material Changes**

On March 11, 2005, Vicwest Corporation ("Vicwest" or the "Corporation") announced that its Board of Directors has unanimously approved a proposal to pursue conversion of Vicwest into an income trust. It is anticipated that the conversion to an income trust structure would be implemented by way of a plan of arrangement under the *Business Corporations Act* (Ontario). Such arrangement would be subject to the approval of Vicwest's shareholders, which is intended to be sought at the next shareholders' meeting to be held on June 20, 2005, and a number of other conditions, including the receipt of all necessary regulatory and court approvals.

5. **Full Description of Material Change**

On March 11, 2005, Vicwest announced that its Board of Directors has unanimously approved a proposal to pursue conversion of Vicwest into an income trust. The proposed conversion is designed to enhance investor value through the distribution to unit holders of the trust on a tax effective basis, of a significant portion of the cash flow generated by the Vicwest business, while maintaining a platform for growth. Vicwest's management and its board believe that an income trust structure will benefit both Vicwest and its shareholders by providing a capital structure that is more efficient and more tax effective than the Company's current share structure. It is intended that the proposed conversion would provide investors with greater liquidity and the opportunity to participate in the cash flow of the business in the form of monthly distributions. The business and operations of Vicwest will be unaffected by the conversion. It is anticipated that the conversion to an income trust structure would be implemented by way of a plan of arrangement under the *Business Corporations Act* (Ontario). Such arrangement would be subject to the approval of Vicwest's shareholders, which is intended to be sought at the next shareholders' meeting to be held on June 20, 2005, and a number of other conditions, including the receipt of all necessary regulatory and court approvals.

6. **Confidentiality of Information**

This report is not being filed on a confidential basis.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

Inquiries in respect of the material change referred to herein may be made to:

Jack Wilson
Vice-President, Finance
1296 South Service Road
Oakville, Ontario
L6L 5T7
416 469 5702

9. **Date of Report**

March 14, 2004