

**PCNET INTERNATIONAL INC.**

**MATERIAL CHANGE REPORT <sup>1</sup>**

**Section 146(1) of the *Securities Act* (Alberta)  
Section 85(1)(b) of the *Securities Act* (British Columbia)**

**Item 1: Reporting Issuer**

PCNet International Inc.  
103- 1315 Esquimalt Road  
Victoria, British Columbia  
V9A 3P5

**Item 2: Date of Material Change**

July 29, 2002

**Item 3: Press Releases**

PCNet International Inc. ("the Corporation") issued a press release on July 30, 2002.

**Item 4: Summary of Material Change**

The Board of PCNET International Inc. (PCNET), announces that Mr. Reed Sumida has been terminated as President and as an officer of PCNET, and has no further involvement in any of it's operations. Mr. Sumida continues to occupy a seat on the Board of directors until the next annual general meeting of the shareholders of PCNET. Mr. Sumida will not be nominated for re-election at that time.

**Item 5: Full Description of Material Change**

The Board of PCNET International Inc. (PCNET), announces that Mr. Reed Sumida has been terminated as President and as an officer of PCNET, and has no further involvement in any of it's operations. Mr. Sumida continues to occupy a seat on the Board of directors until the next annual general meeting of the shareholders of PCNET. Mr. Sumida will not be nominated for re-election at that time.

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<sup>1</sup> This report is itemized in the same manner and reference is made herein to Form 27 under the *Securities Rules* (British Columbia), *Securities Rules* (Alberta), *Securities Regulations* (Nova Scotia) and *Securities Regulations* (Ontario), Form 26 under the *Securities Regulations* (Newfoundland), and Form 25 under the *Securities Regulations* (Saskatchewan).

Mr. Doug Taylor will replace Mr. Sumida as President of the Corporation. Mr. Taylor will also continue in his capacity as Chief Operating Officer. Mr. Taylor's experience includes over two decades as an international management consultant, undertaking assignments in Canada, U.S.A., U.K., Hong Kong, Philippines, Germany, Korea, Vietnam, Taiwan, Thailand, Australia, Malaysia, Singapore, Indonesia and Brunei for private industry, governments and international organizations. Mr. Taylor's experience with technology industries includes among others, robotics, telecommunications, aerospace, environmental sciences, transportation, engineering, advanced manufacturing, medical technology, Internet applications and geographic information systems.

Mr. Taylor is an associate faculty member in the business program at Royal Roads University. He has also taught at the University of Victoria, York University, the British Columbia Institute of Technology, and Seneca College in Canada, and at Singapore Polytechnic and the Marketing Institute of Singapore in Singapore. He has taught international marketing, international trade finance, international business management and strategic planning.

Mr. Taylor holds a B.A. in Economics from Dalhousie University and an M.Sc. in Public International Law from the University of Edinburgh.

**Item 6: Confidential Report**

Not applicable

**Item 7: Omitted Information**

Not applicable

**Item 8: Senior Officers**

For further information, please contact Mr. Peter Casson at the above mentioned address or at (250) 380-7322.

**Item 9: Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Victoria, British Columbia this 30th day of July, 2002.

**PCNET INTERNATIONAL INC.**

A handwritten signature in black ink, appearing to be the name 'Brad Williams', written in a cursive style.

Per:

Brad Williams  
Chief Financial Officer

cc: TSX Venture Exchange