BC FORM 53-901F
SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE SECURITIES ACT

Item 1. **Reporting Issuer**

First Venture Capital Corporation (the "Issuer")
Suite 1500 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8

Item 2. **Date of Material Change**

November 15, 2002

Item 3. **Press Release**

News Release dated November 19, 2002 was disseminated through Canada Stockwatch and Market News.

Item 4. **Summary of Material Change**

The Issuer has signed a non-binding term sheet dated November 15, 2002 with The University of British Columbia regarding the grant of an exclusive global license to a new yeast strain. The acquisition of this exclusive license is intended to be the *Qualifying Transaction* under TSX Venture Exchange Policy 2.4 for the Issuer. As an integral part of the transaction, the Issuer will undertake an equity financing to raise approximately $550,000.

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

The Issuer has signed a non-binding term sheet dated November 15, 2002 with The University of British Columbia ("UBC") regarding the grant of an exclusive global license to a new yeast strain. The acquisition of this exclusive license is intended to be the *Qualifying Transaction* under TSX Venture Exchange Policy 2.4 for the Issuer.

The new yeast strain is designed to substantially reduce ethyl carbamate, a naturally occurring potential carcinogen found in wine and other fermented products. Formed during the fermentation process, there is currently no inexpensive means to prevent the formation of ethyl carbamate. Prof. Hennie van Vuuren, the principal inventor, has developed a yeast strain that removes the precursor to ethyl carbamate during fermentation. An "international" patent application has been filed under the Patent Cooperation Treaty to which 117 countries are contracting States.

Hennie van Vuuren Ph.D (Microbiology) is a professor in the UBC Faculty of Agricultural Sciences, director and a founder of the UBC Wine Research Centre and a leading authority in the field of yeast biotechnology. His previous research includes the development of two novel yeast strains, a conventional hybrid strain that is in commercial production and a modified strain that has been licensed and is undergoing large scale trials. Dr. van Vuuren is widely published and is a frequent speaker at conferences and seminars throughout the world.

Under the license, the Issuer will have exclusive rights to commercially exploit the technology, or to sublicense such rights, for a period of 20 years or until the termination of the last patent relating to the technology, whichever is later. The license will not be subject to any restrictions on use. UBC and two other contributing institutions retain the right to use the technology for research, scholarly publication, education or other non-commercial purposes.

The consideration payable for the grant of the exclusive license is 1,116,667 common shares of the Issuer, a small cash fee and the cash reimbursement of patent costs incurred to date estimated to be approximately $15,000. UBC will be entitled to royalties from the sale of products incorporating the technology, with provision made for minimum annual royalty payments. A small annual license fee will also be payable.

A final phase of developmental research leading to a commercialized product is expected to take about three years to complete. The Issuer will fund the estimated costs of this phase, expected to total approximately $500,000, under a collaborative research agreement to be entered into with UBC.

The provisions of the non-binding term sheet are to be incorporated into a comprehensive license agreement. The term sheet provides that the grant of the exclusive license is subject to the satisfaction or waiver of certain conditions precedent, namely (a) the acceptance by the TSX Venture Exchange of the license grant as constituting the Issuer's *Qualifying Transaction*, (b) the execution of a consulting agreement between the Issuer and Dr. van Vuuren and (c) UBC's execution of agreements with the two contributing institutions. Completion of the transaction is also subject to "majority of the minority" shareholder approval.

As an integral part of the transaction, the Issuer will undertake an equity financing to raise approximately $550,000.

The Issuer's current management will remain in place following completion of transaction, with the intended addition of Dr. van Vuuren in a lead scientific advisory role. As progress is made through the final phase of developmental research, the company will seek appropriate experienced executives to prepare for product commercialization. UBC will have the right to appoint a director or alternatively, nominate an observer to attend meetings of the Issuer's board of directors.

Trading in the Issuer's stock has been halted pending this announcement and it is expected that trading will remain halted until completion of the transaction. It is expected that, at such time, the Issuer will be listed as a research and development issuer.

Item 6. **Reliance on Section 85(2) of the Act**

If the report is being filed on a confidential basis in reliance on Section 85(2) of the Act, state the reasons for that reliance.

Not applicable

Item 7. **Omitted Information**

Not applicable

Item 8. **Senior Officers**

Howard Louie, President and Chief Executive Officer
Telephone: (604) 602 – 9222

Item 9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, the 19th day of November, 2002.

FIRST VENTURE CAPITAL CORPORATION

Per: *"Howard Louie"*

Howard Louie,
President and Chief Executive Officer