

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

GRIDSENSE SYSTEMS INC. (the "Company")
2300 – 1066 West Hastings Street
Vancouver, B.C. V6E 3X2
Telephone: + 61-2-8878-7700

Item 2: Date of Material Change

January 2, 2008

Item 3: News Release

The news release was disseminated on January 3, 2008 through the facilities of Filing Services Canada, Canada Stockwatch, Market News and subsequently filed on SEDAR.

Item 4: Summary of Material Change

The Company announced that it had completed a private placement financing for gross proceeds of \$1,700,000.

Item 5: Full Description of Material Change

The Company reported it had completed a private placement originally announced October 15, 2007. The Company sold on a non-brokered basis 24,285,714 shares of the Company at a price of \$0.07 per share for gross proceeds of C\$1,700,000.

Acorn Energy, Inc. (formerly known as Acorn Factor, Inc.) (NASDAQ: ACFN) was the lead investor in the placement, acquiring 15,714,285 shares and 15,714,285 warrants for C\$1,100,000. The 15,714,285 shares acquired by Acorn in the placement represent 24.52% of GridSense's issued and outstanding shares. If Acorn exercises all of the 15,714,285 warrants acquired in the placement, it will own 31,428,570 GridSense common shares, representing 39.37% of GridSense's issued and outstanding shares. Acorn does not currently have any intention to, but it may in the future, acquire ownership or control over additional securities of GridSense.

Net proceeds of the private placement will be applied towards accelerating product enhancements, completing commercialization of new products in the development pipeline, buttressing the sales and support organization to meet increasing demand especially in the North American market, expansion into the China marketplace, and general working capital.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Lindon Shiao
President
Tel: + 61-2-8878-7700

Item 9: Date of Report

January 3, 2008