NTG CLARITY NETWORKS INC.

MATERIAL CHANGE REPORT

Subsection 75(2) of the *Securities Act* (Ontario)
Subsection 118(1) of the *Securities Act* (Alberta)
Subsection 85(1) of the *Securities Act* (British Columbia)

Item 1 Reporting Issuer

NTG Clarity Networks Inc.
90 Nolan Court
Unit 1A
Markham, Ontario
L3R 4L9

Item 2 Date of Material Change

November 17, 2003

Item 3 Press Release

A press release was issued by NTG Clarity Networks Inc. ("NTG") announcing the material change on November 17, 2003.

Item 4 Summary of Material Changes

NTG announced sale of 2.5 million common shares by its Chief Executive Officer and the proposed issuance of 1,725 million units at $0.25 per unit.

Item 5 Full Description of Material Changes

NTG announced that Mr. Ashraf Zaghloul, the Chief Executive Officer and Chairman of the Company sold 2.5 million of his common shares at a price of $0.25 per share through the facilities of the TSX Venture Exchange. The net proceeds of the sale will be used to fund a private placement by Mr. Zaghloul of 1.725 million units of the Company at a price of $0.25 per unit. Each unit shall consist of one NTG common share and 3/4 of a common share purchase warrant. Each whole warrant shall be exercisable for one NTG common share at an exercise price of $0.30 per share for a period of five years from the closing of the private placement.

Proceeds from the private placement will be used to increase the Company's marketing activities internationally and for general working capital. The private placement is subject to regulatory approval.

The placement has been approved by all directors except by Mr. Ashraf Zaghloul who abstained from voting as a result of his interest in the transaction. The private placement is not subject to the requirements of Ontario Securities Commission Rule 61-501 applicable to related party transactions as the value of the transaction is below 25 percent of the Company's market capitalization.

Prior to the transactions outlined above, Mr. Zaghloul held personally approximately 15.6% of the issued and outstanding shares of NTG. As a result of the completion of these transactions, Mr. Zaghloul will hold 10.4% of the issued and outstanding common shares of NTG (or 15.8% assuming the exercise of all of his warrants).

Item 6 Reliance on Section 75(3) of the *Securities Act* (Ontario) and similar provisions of applicable securities laws

Not Applicable.

Item 7 Omitted Information

Not Applicable.

Item 8 Senior Officers

Mr. Ashraf Zaghloul, Chief Executive Officer and Chairman of NTG, is knowledgeable about the material changes and this report and may be contacted at (905) 305-1325.

Item 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Toronto, Ontario, this 25th day of November, 2003.

"*William Catalano*"
William Catalano
President and Chief Operating Officer