

**FORM 27**

**SECURITIES ACT**

**MATERIAL CHANGE REPORT UNDER  
SECTION 118(1) OF THE *SECURITIES ACT***

**ITEM 1    REPORTING ISSUER**

P.Z. Resort Systems Inc.  
Suite 560, 171 West Esplanade  
North Vancouver, British Columbia  
V7M 3J9

**ITEM 2    DATE OF MATERIAL CHANGE**

July 28, 2000

**ITEM 3    PRESS RELEASE**

July 31, 2000, through the facilities of the Canadian Venture Exchange.

**ITEM 4    SUMMARY OF MATERIAL CHANGE**

The Company (formerly IX Capital Inc.) has completed and received final Canadian Venture Exchange approval of the acquisition of all of the issued and outstanding shares of P.Z. Resort Systems Holdings Inc. The acquisition and related transactions constituted the Company's "qualifying transaction" pursuant to the policies of the Canadian Venture Exchange. The Company has also completed and received final Canadian Venture Exchange approval of a private placement of 1,300,000 special warrants for total proceeds of \$650,000. The Company's name was changed to P.Z. Resort Systems Inc. effective July 28, 2000.

**ITEM 5    FULL DESCRIPTION OF MATERIAL CHANGE**

Please see attached press release.

**ITEM 6    RELIANCE ON SECTION 118(2) OF THE *SECURITIES ACT***

N/A

**ITEM 7    OMITTED INFORMATION**

N/A

**ITEM 8    SENIOR OFFICERS**

Peter Zandron - President (604) 985-6369

**ITEM 9      STATEMENT OF SENIOR OFFICER**

The foregoing accurately discloses the material change referred to in this report.

Dated at Vancouver, B.C. this 31st \_\_\_\_\_ day of July \_\_\_\_\_, 2000\_\_.

“PETER ZANDRON”

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Peter Zandron/ President

## **NEWS RELEASE**

### **IX Capital Inc. acquires P.Z. Resort Systems Holdings Inc.**

**North Vancouver, B.C. (July 28, 2000)** - IX Capital Inc. (the "Company") is pleased to announce that it has completed its acquisition of all of the issued and outstanding shares of P.Z. Resort Systems Holdings Inc. ("Resort"). The acquisition was completed by way of a share exchange between the Company and the shareholders of Resort. The Company now owns 100% of the issued and outstanding shares of Resort. The share exchange was completed on July 25, 2000 and received final approval from the Canadian Venture Exchange on July 28, 2000. The acquisition was announced on February 3, 2000. The Company was formerly a venture capital pool company and the acquisition and related transactions (described in greater detail herein) constitute the Company's "qualifying transaction". With the completion of the acquisition, the Company is no longer considered a venture capital pool company. The acquisition and related transactions were approved by the Company's shareholders on a majority of the minority basis at a shareholders meeting held on June 9, 2000.

As consideration for the acquisition of all of the issued and outstanding shares of Resort, the Company has issued 4,000,000 common shares to the former shareholders of Resort at a deemed price of \$0.40 per common share. A total of 1,875,000 of the 4,000,000 shares issued to the Resort shareholders have been placed in escrow and will be released to the Resort shareholders in accordance with a performance based release formula modeled on the release formula set out in the British Columbia Securities Commission's Local Policy Statement 3-07. All of the 4,000,000 shares issued to the Resort shareholders will be subject to a 12-month hold period imposed by applicable British Columbia Securities legislation.

### **Corporate Information**

Resort Systems Inc. is a leading developer of property management software and e-commerce applications for the hospitality industry. RSI's software enables boutique property types such as Bed & Breakfasts and Inns to operate their properties with integrated e-Travel management systems and real-time on-line reservations and confirmations. RSI's vision is to become the leading provider of e-commerce solutions for leisure properties through acquisitions, strategic partners, and innovative software.

### **New Board of Directors**

In connection with the acquisition, changes have been made to the board of directors of the Company. R. Allon Shapiro and Bruce A Schmidt will no longer be acting as directors of the Company. Peter Zandron, Adrian Hartmann and John M. Bean have been appointed to the board of directors. Rashid A Aziz will remain as a director of the Company and act as its Chief Financial Officer. Peter Zandron has been appointed as the Company's President and Chief Executive Officer. Marianne Zandron has been appointed secretary of the Company.

### **Private Placement**

The Company has also completed a private placement of 1,300,000 special warrants at a price of \$0.50 per special warrant. The proceeds of the private placement totaled \$650,000. Each special warrant is convertible at no additional cost into one common share of the Company and one non-transferable share purchase warrant. Each share purchase warrant entitles the holder to purchase an additional share of the Company at a price of \$0.62 for a period of one year from the completion of the private placement. The Company intends to file an Annual Information Form, at which time the special warrants will automatically be converted into shares and warrants as described above.

A total of 800,000 of the special warrants were sold by Yorkton Securities Inc. ("Yorkton"). As consideration for its services, Yorkton has been paid a cash commission of \$40,000 and has been granted a compensation option convertible at no additional cost into 80,000 agent's warrants. Each agent's warrant will entitle Yorkton to purchase an additional common share of the Company at a price of \$0.62 for a period of one year from the completion of the private placement.

The shares issued upon conversion of the special warrants, any shares issued on exercise of the warrants and any shares issued on exercise of the agent's warrants will be subject to resale restrictions imposed by the Canadian Venture Exchange for a period of 4 months and may not be traded or resold until November 25, 2000. In addition, all of the aforementioned shares will be subject to resale restrictions imposed by the British Columbia Securities Act and Rules for a period of 12 months and may not be traded or resold until July 25, 2001. If the Company receives confirmation of filing of an Annual Information Form from the B.C. Securities Commission prior to the exercise of the special warrants or the compensation option, this 12 month hold period will be reduced to 4 months and will expire on November 25, 2000.

### **Stock Options**

In connection with the acquisition, the Canadian Venture Exchange has accepted for filing the grant (pursuant to a stock option plan also accepted for filing by the Exchange) of 1,400,000 incentive stock options to directors, officers, employees and consultants of the Company. The options may be exercised at a price of \$0.50 at any time up until July 12, 2005. Pursuant to

the Company's Stock Option Plan, the options granted will vest at a rate of 10% every three months commencing on July 25, 2000.

### **Name Change**

Effective July 28, 2000, the Company's name will be changed to P.Z. Resort Systems Inc. On that date, the Company's shares will commence trading under the name P.Z. Resort Systems Inc. and under the symbol **LLX**.

### **Acquisition of Over 10% of the Common Shares of the company**

As a result of the share exchange, Mr. Peter Zandron and Mrs. Marianne Zandron now each own, directly and indirectly, 1,800,000 common shares representing 19.2% of the issued and outstanding shares of the Company.

Although Mr. and Mrs. Zandron may increase their beneficial ownership of, or control or direction over, securities of the Company from time to time, they have no present intention to increase their holdings of the Company's securities other than upon the exercise of stock options.

THE CANADIAN VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS PRESS RELEASE.

### **P.Z. Resort Systems Inc.**

Per: “Peter Zandron”  
Peter Zandron  
President and Chief Executive Officer

### **For Further Information Contact:**

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