*Wave*POINT SYSTEMS INC.

Material Change Report

This report is filed under section 67(1) of the *Securities Act* (British Columbia), section 146(1) of the *Securities Act* (Alberta), section 84(1) of the *Securities Act* (Saskatchewan) and section 75(2) of the *Securities Act* (Ontario) (collectively, the "Acts").

1. Reporting Issuer

   *Wave*POINT Systems Inc. ("*Wave*POINT" or the "Corporation")

2. Date of Material Change

   May 28, 2002.

3. Press Release

   *Wave*POINT issued a press release, the text of which is attached hereto as Schedule "A", on May 29, 2002.

4. Summary of Material Change

   The Board of Directors has resolved that the Corporation make an assignment pursuant to the *Bankruptcy and Insolvency Act*. Deloitte and Touche Inc. has been appointed trustee in bankruptcy. The Corporation further reported that all directors have tendered their resignations from the Corporation's Board of Directors.

5. Full Description of Material Change

   Please see the press release of May 29, 2002 which is attached hereto as Schedule "A".

6. Reliance on Confidentiality Provisions of the Act

   Not applicable

7. Omitted Information

   None

8. Senior Officer

Henry R. Lee, Chief Financial Officer

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to in this report.
DATED at Edmonton, Alberta this 29th day of May, 2002.

***Wave*POINT SYSTEMS INC.**

(signed) "Henry Lee"
By: Henry R. Lee
Chief Financial Officer

Schedule “A”

*Wave*POINT Systems Inc.
Shares issued 14,877,500
Wednesday, May 29, 2002

WVP
May 27, 2002 halted at $0.15
News Release

*Wave*POINT Systems Inc.

*Wave*POINT Systems Inc. (WVP – CDNX) reported today that the Company is in financial difficulty and is no longer able to meet its obligations generally as they become due.

As previously announced, the Company had intended to pursue a private placement offering designed to fund working capital and future expansion. Unfortunately, fundraising efforts to date have been unsuccessful. The Board of Directors has therefore resolved that the Company make an assignment pursuant to the Bankruptcy and Insolvency Act. For that purpose, an officer of the Company has been authorized to execute such documents in connection therewith as may be required. Deloitte and Touche Inc. has been appointed trustee in bankruptcy.

The Company further reported that all directors have tendered their resignations from the Company’s Board of Directors.

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.

Further information may be obtained by contacting:

Deloitte & Touche Inc.

780-421-3611