FORM 51-102F3

Material Change Report

Item 1 Name and Address of Company

Lucid Entertainment Inc.
126 John Street
Toronto, Ontario
M5V 2E3

Item 2 Date of Material Change

April 21, 2005

Item 3 News Release

A press release disclosing the material change was issued through Canada News Wire on April 21, 2005.

Item 4 Summary of Material Change

On April 21, 2005, Lucid Entertainment Inc. ("Lucid") announced that the filing of its annual audited financial statements for the year ended December 31, 2004 and its interim financial statements for the first quarter ended March 31, 2005 would be delayed past their respective due dates of April 30, 2005 and May 30, 2005. Lucid also announced that it had made an application to the Ontario Securities Commission, the British Columbia Securities Commission and the Alberta Securities Commission in order to obtain a management cease trade order covering certain insiders of Lucid.

Item 5 Full Description of Material Change

Please see the attached press release.

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

Not applicable.

Item 7 Omitted Information

No significant facts remain confidential in, and no information has been omitted from, this report.

Item 8 Executive Officer

The executive officer of Lucid who is knowledgeable about this material change is:

Alan Moore, President, Interim Chief Executive Officer and Chief Operating Officer
Telephone: 416-345-8243

Item 9 Date of Report

April 29, 2005

LUCID
Entertainment Inc.

126 John Street
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LUCID ENTERTAINMENT INC.

FOR IMMEDIATE RELEASE **05-06**

TORONTO, April 21, 2005 - Lucid Entertainment Inc. LUC : TSX-V

LUCID ENTERTAINMENT INC.

LUCID ANNOUNCES DELAY IN FILING ANNUAL AND FIRST QUARTER FINANCIAL STATEMENTS

(Toronto, April 21, 2005) Lucid Entertainment Inc. announced today that the filing of its annual audited financial statements for the year ended December 31, 2004 and its interim financial statements for the first quarter ended March 31, 2005 will be delayed past their respective due dates of April 30, 2005 and May 30, 2005.

The delay arises as a result of Lucid's recent business and operational challenges imposed by certain developments which have all been previously disclosed, including (i) the resignation of Lucid's Chairman and Chief Executive Officer (ii) the ceasing of the operations of Lucid's subsidiary in Manchester, England due to a failure to transfer the liquor serving license required for its operations and its defaults with lenders, creditors and loan guarantors, (iii) the resignation of a director of Lucid due to conflicts arising from the financial difficulties of Lucid's subsidiary operating in Manchester, England, (iv) Lucid's and some of its other subsidiaries' default under other material contracts and (v) the resignation of Lucid's chief accountant.

As a result of these developments Lucid has been forced to manage some significant changes to its business and operations which among other things are limiting its ability to produce the information necessary in order to complete its annual audited financial statements and to fund the services of its accountants in the UK. This information is necessary for the preparation of Lucid's audited annual financial statements.

Lucid anticipates that both its annual and interim financial statements will be filed no later than June 30, 2005. Until both its annual and interim financial statements are filed, Lucid intends to satisfy the requirements of the "alternate information guidelines" described in Ontario Securities Commission Policy 57-603, including issuing by-weekly default status reports.

Pursuant to this Policy, if Lucid's annual and interim financial statements are not filed by June 30, 2005, one or all of the Ontario Securities Commission, the British Columbia Securities Commission or the Alberta Securities Commission may impose an issuer cease trade order against Lucid. Given the delay in filing that is anticipated by Lucid, Lucid does not believe that it will be affected by this aspect of the Policy and has made an application to the Ontario Securities Commission, the British Columbia Securities Commission and the Alberta Securities Commission in order to obtain a management cease trade order covering certain insiders of Lucid. However, even if Lucid receives an approval for a management cease trade order, an issuer cease trade order may be imposed sooner by any of the securities commissions if Lucid fails to satisfy the requirements of the "alternate information guidelines" described above.

For further information, please contact Alan Moore, Interim CEO and President.

Per: Alan Moore,
Interim CEO and President

Lucid Entertainment Inc. is a leading operator and developer of branded entertainment and hospitality venues internationally. Corporate information is available by request to Alan Moore at Tel. 416-345-8243, Fax 416-345-8240, amoore@lucidworld.com or on the Internet at www.lucidworld.com or by mail to: Lucid Entertainment Inc., 126 John Street, 4th Floor, Toronto, Ontario M5V 2E3

This news release may contain forward-looking statements, which are not historical facts, but are based on certain assumptions and reflect LEI's current expectations. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. LEI disclaims any intention or obligation to update or revise and forward-looking statements, whether as a result of new information, future events or otherwise. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.