MATERIAL CHANGE REPORT

Section 85(1) of the *Securities Act* **(BRITISH COLUMBIA)**
Section 75(2) of the *Securities Act* **(ONTARIO)**
Section 146(1) of the *Securities Act* **(ALBERTA)**
Section 84(1) of the *Securities Act* **(SASKATCHEWAN)**
Securities Act **(MANITOBA)**

1. Reporting Issuer:

zed.*i* solutions inc.
500, 555 – 4th Avenue S.W.
Calgary, Alberta
T2P 3E7

2. Date of Material Change:

December 20, 2002.

3. News Release:

A Press Release was issued on the CCN Newswire on December 23, 2002 announcing the closing of the private placement.

4. Summary of Material Change:

On December 23, 2002, zed.i solutions inc. (the "Corporation") announced that it had successfully completed its rights offering to shareholders entitling them to acquire 8% convertible debentures ("Debentures") of the Corporation. In addition to the rights offering, the Corporation has also completed a private placement of Debentures to Nunastar Properties Inc. ("Nunastar"). Both the rights offering and the private placement were completed on December 20, 2002.

The Corporation raised aggregate gross proceeds of $2,879,500 pursuant to these transactions, representing the fully subscribed rights offering to shareholders of $2,685,500 principal amount of Debentures and the private placement of $194,000 principal amount of Debentures. The Debentures are convertible at $0.20 per share and mature on July 31, 2004.

A portion of the aggregate gross proceeds were used to redeem, at a discount, a $500,000 convertible debenture previously issued to Nunastar, which redemption was previously announced by the Corporation on December 13, 2002 and was completed on December 20, 2002. The remaining proceeds will be used to pursue the Corporation's business plan and position the Corporation to take advantage of increased growth opportunities.

5. Full Description of Material Change:

Reference is made to the Press Release dated December 23, 2002, a copy of which is attached hereto.

6. Reliance on Section 146(2) of the Alberta Securities Act or other equivalent sections of provincial section legislation where this report is filed:

Not applicable.

7. Omitted Information:

No material information has been omitted from this Report.

8. Senior Officers:

For further information, please contact Robert Gordon, Vice President and General Counsel of zed.*i* solutions inc. at (780) 701-3010.

9. Statement of Senior Officer:

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

Dated at Edmonton, Alberta this 24th day of December, 2002.

zed.*i* solutions inc.

Per: (signed) Robert Gordon
Vice President and General Counsel

NEWS RELEASE

zed.*i* solutions inc. Announces Successful Closing of Rights Offering and Private Placement

CALGARY, December 23, 2002 – zed.*i* solutions inc. ("zed.i" or the "Corporation") is pleased to announce that it has successfully completed its rights offering to shareholders entitling them to acquire 8% convertible debentures ("Debentures") of the Corporation. In addition to the rights offering, the Corporation has also completed a private placement of Debentures to Nunastar Properties Inc. ("Nunastar"). Both the rights offering and the private placement were completed on December 20, 2002.

zed.i raised aggregate gross proceeds of $2,879,500 pursuant to these transactions, representing the fully subscribed rights offering to shareholders of $2,685,500 principal amount of Debentures and the private placement of $194,000 principal amount of Debentures. The Debentures are convertible at $0.20 per share and mature on July 31, 2004. The Debentures issued under the rights offering are free trading, while the Debentures issued to Nunastar are subject to a four month hold period.

A portion of the aggregate gross proceeds were used to redeem, at a discount, a $500,000 convertible debenture previously issued to Nunastar, which redemption was previously announced by the Corporation on December 13, 2002 and was completed on December 20, 2002. The remaining proceeds will be used to pursue the Corporation's business plan and position zed.i to take advantage of increased growth opportunities.

zed.i solutions inc. (ZED on TSX Venture Exchange) is focused on providing energy producers with gas well-monitoring technologies through the Smart-Alek System. Smart-Alek is a wireless digital flow meter that delivers real-time production data through public telecom networks and the Internet to the desktop. The system also acts as a communication hub for multiple sensors at the well site. Our Web based software integrates well performance information with proprietary and public data sources. Through our Virtual Smart-Alek solution, the system can also be interfaced with SCADA systems to liberate trapped data through a single point of access. With the Smart-Alek System producers can reduce costs, optimize production and ultimately increase earnings. For more information please visit www.zedisolutions.com

For additional information:

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