

FORM 27

Securities Act

MATERIAL CHANGE REPORT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

ITEM 1 Reporting Issuer:

Xceleron Inc.

ITEM 2 Date of Material Change:

August 19, 2002

ITEM 3 News Release:

A news release reporting the material change was issued in Calgary, Alberta, on August 20, 2002 through Canada Newswire Ltd.

ITEM 4 Summary of Material Change:

Xceleron Inc. (the "Corporation"), (trading Symbol "XCE") a Capital Pool Company, announces that its proposed qualifying transaction with MyStoryFriend.com Inc., will not proceed. The Corporation intends to review assets, businesses and companies with a view to identifying an alternate qualifying transaction.

ITEM 5 Full Description of Material Change

Xceleron Inc. (the "Corporation"), (trading Symbol "XCE") a Capital Pool Company, announces that its proposed qualifying transaction with MyStoryFriend.com Inc., will not proceed. The Corporation intends to review assets, businesses and companies with a view to identifying an alternate qualifying transaction.

ITEM 6 Reliance on Section 146(2) of the Securities Act:

ITEM 7 Omitted Information:

ITEM 8 Senior Officers:

Xceleron Inc. – Robert Chittick
President
Phone: (403) 286-2440
Fax: (403) 286-2887

Xceleron Inc. – Susan Irish
Secretary and Chief Financial Officer
Phone: (403) 286-3158
Fax: (403) 286-2887

ITEM 9 Statement of Senior Officer:

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

DATED at the City of Calgary, in the Province of Alberta this ____ day of August, 2002.

Xceleron Inc.

Per: Signed "Susan Irish"
Susan Irish, Secretary and
Chief Financial Officer

IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATION FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.