

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

SmartCool Systems Inc., Suite 702 - 750 West Pender Street, Vancouver, BC V6C 2T7

Item 2 Date of Material Change

April 11, 2005

Item 3 News Release

The Company disseminated the news release on April 11, 2005 using Canada News Wire and filed it on SEDAR with the BCSC, ASC and TSX Venture Exchange.

Item 4 Summary of Material Change

SmartCool Systems Inc. has completed a short form offering of 4,545,000 units at a price of \$0.33 per unit for gross proceeds of \$1,499,850.

Item 5 Full Description of Material Change

SmartCool Systems Inc. (the "**Company**") has completed a short form offering (the "**Offering**") of 4,545,000 units at a price of \$0.33 per unit for gross proceeds of \$1,499,850. Each unit consists of one common share of the Company and one-half ($\frac{1}{2}$) non-transferable share purchase warrant. Each whole share purchase warrant entitles the holder thereof to purchase one additional common share at an exercise price of \$0.40 per share until April 11, 2006 and thereafter, at a price of \$0.50 per share until April 11, 2007.

A total of 408,788 units were sold to purchasers subject to a hold period expiring August 12, 2005.

Haywood Securities Inc. acted as agent of the Company in connection with the Offering. The Company paid a cash commission equal to 7.5% of the gross proceeds and issued agent's compensation options to purchase up to 454,500 units at a price of \$0.33 per unit for a period of two years.

The proceeds of this Offering will be used for the purposes set out in the Short Form Offering Document of the Company dated February 28, 2005, namely, to pay expenses of the Offering, to fund marketing of the System 4000 Energy Savings Module ("**ESM**"), to purchase equipment from Abbotly Technologies Inc. ("**Abbotly**") and to provide working capital.

The Company also announced that the TSX Venture Exchange had accepted for filing the Change of Business application of the Company in connection with the license agreements entered into by the Company and its wholly-owned subsidiary, SmartCool Systems (USA) Inc., with Abbotly whereby the Company and/or SmartCool Systems (USA) Inc. have acquired the exclusive marketing and distribution rights to the ESM in Canada and 12 states of the United States and the non-exclusive rights in one additional state.

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

N/A

Item 7 Omitted Information

None.

Item 8 Executive Officer

George Burnes, President
604-669-1388

Item 9 Date of Report

April 12, 2005