FORM 27

MATERIAL CHANGE REPORT UNDER SECTION 118(1) OF THE SECURITIES ACT (ALBERTA), SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA) AND SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)

ITEM 1 Reporting Issuer:

How to Web TV Inc.
550 Queen St. East, Suite 330
Toronto, ON M5A 1V2

ITEM 2 Date of Material Change:

January 6, 2004

ITEM 3 News Release:

A news release reporting the material change was issued in Toronto, Ontario, on January 6, 2004 through CCN Matthews.

ITEM 4 Summary of Material Change:

How to Web TV Inc. (the "Corporation") announced that it has engaged First Associates Investments Inc. to raise a minimum of $600,000 to a maximum of $750,000 in gross proceeds pursuant to a Short Form Offering Document.

ITEM 5 Full Description of Material Change

The Corporation announced that it has engaged First Associates Investments Inc. ("First Associates") to raise up to a maximum of $750,000 through the sale of units by way of a short form offering document. An aggregate of 5,000,000 units will be offered at a price of $0.15 per unit. Each Unit will consist of one common share and one-half of one common share purchase warrant. Each full warrant will entitle the holder to purchase one additional common share at a price of $0.40 for a period of 24 months following the closing date. The warrants will be non-transferable.

First Associates will receive as compensation for its services a cash commission of 10% of the offering price per unit sold together with a non-transferable agent's option to acquire that number of units equal to 17% of the number of units sold for a period of 24 months from the closing date at a price of $0.15 per unit. First Associates will also be paid a due diligence administration fee of $20,000.

The proceeds from the sale of the units will be used for working capital, sales and marketing, capital expenditures, investor relations and website development. The offering is subject to the approval of the TSX Venture

Exchange and a number of other conditions. At present, the Corporation anticipates closing the offering in February, with the final date to be determined in consultation with First Associates.

ITEM 6 **Reliance on Section 118(2) of the Securities Act (Alberta), Section 85(2) of the Securities Act (British Columbia) or Section 75(3) of the Securities Act (Ontario):**

Not Applicable

ITEM 7 **Omitted Information:**

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

ITEM 8 **Senior Officers:**

The name, address and business contact numbers of a senior officer of How to Web TV Inc. who is knowledgeable about the material change is as follows:

Bala Iyer
Chief Financial Officer
How to Web TV Inc.
550 Queen St. East, Suite 320
Toronto, ON
Canada M5A 1V2
Telephone: (416) 362-2168
Fax: (416) 365-2179
www.howtowebtv.com

ITEM 9 **Statement of Senior Officer:**

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

DATED at Toronto, Ontario, this January 6, 2004.

HOW TO WEB TV INC.
Per:
Bala Iyer, 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.