

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:

February 23, 2004

ITEM 3 News Release:

A news release reporting the material change was issued in Toronto, Ontario, on February 23, 2004 through CCN Matthews.

ITEM 4 Summary of Material Change:

How to Web TV Inc. (the "Corporation") announced that it closed the previously announced short form offering which raised \$636,675 in gross proceeds pursuant to a Short Form Offering Document ("SFOD").

ITEM 5 Full Description of Material Change

The Corporation announced that it has closed the previously announced short form offering which raised \$636,675 in gross proceeds from the sale of 4,244,500 units pursuant to a Short Form Offering Document. Each unit consisted of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one common share at a price of \$0.40 until February 23, 2006. The warrants will be non-transferable.

First Associates Investments Inc. ("First Associates") received a cash commission of 10% of the offering price per unit sold for a total cash commission of \$63,667.50 and a due diligence administration fee of \$20,000. The Corporation also granted First Associates an option entitling the Agent to purchase up to 721,565 units on or before February 23, 2006 at a price of \$0.15 per unit.

The proceeds from the sale of the units will be used for working capital, sales and marketing, capital expenditures, investor relations and website development.

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
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ITEM 9 Statement of Senior Officer:

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

DATED at Toronto, Ontario, this February 26, 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.