FORM 27
SECURITIES ACT
MATERIAL CHANGE REPORT UNDER SECTION 146(1)
OF THE SECURITIES ACT

ITEM 1. <u>REPORTING ISSUER</u>

Lehman Trikes Inc.
9303 – 110 Street
Westlock, Alberta
T7P 2M5

ITEM 2. <u>DATE OF MATERIAL CHANGE</u>

January 19, 2004.

ITEM 3. <u>NEWS RELEASE</u>

A news release respecting the material change was disseminated through the services of Canada News Wire on January 22, 2004.

ITEM 4. <u>SUMMARY OF MATERIAL CHANGE</u>

Lehman Trikes Inc. completed a private placement of 3,000,000 units, each unit consisting of one common share and one share purchase warrant, for total proceeds of approximately $1.1 million in Canadian funds from American and Canadian investors.

ITEM 5. <u>COMPLETE DESCRIPTION OF MATERIAL CHANGE</u>

On January 19, 2004, Lehman Trikes Inc. closed a private placement pursuant to which it issued a total of 3,000,000 units, each unit consisting of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of CAD$0.50 per share or USD$0.35 per share (depending upon the currency of the original subscription) if exercised on or before July 19, 2005. The units were issued at a price of CAD$0.40 per unit if purchased in Canadian funds or USD$0.28 per unit if purchased in US funds. The Corporation received U.S. fund subscriptions for a total of 2,500,000 units for proceeds of USD$700,000 and Canadian fund subscriptions for 500,000 units for proceeds of CAD$200,000; at current exchange rates the total proceeds amount to approximately $1.1 million in Canadian funds. Accordingly, the Corporation issued 2,500,000 share purchase warrants with an exercise price of USD$0.35 per share and 500,000 share purchase warrants with an exercise price of CAD$0.50 per share. The securities issued in this private placement are subject to a hold period expiring January 19, 2005. A total of 750,000 units were purchased by insiders of the Corporation, or parties affiliated or associated with insiders.

The proceeds of this private placement will be used for working capital purposes and, in combination with debt financing, will be used to finance the cost of establishing an expansion facility in the United States, to be located in South Dakota. If the share purchase warrants are exercised, either in whole or in part, then the proceeds therefrom would be used for working capital purposes.

ITEM 6. RELIANCE ON SECTION 146(2) OF THE SECURITIES ACT

Not applicable

ITEM 7. OMITTED INFORMATION

Not applicable.

ITEM 8. SENIOR OFFICER

Garth Sinclaire, Chief Financial Officer of the Corporation is knowledgeable about this material change and may be contacted respecting this Material Change at (780) 349-3738 for further information.

ITEM 9. STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Westlock, in the Province of Alberta, this 30th day of January, 2004.

LEHMAN TRIKES INC.

Per: (signed) "Garth Sinclaire"_
GARTH SINCLAIRE