Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Extreme CCTV Inc. (“Extreme” or “the Company”)
3021 Underhill Avenue
Burnaby, British Columbia
V5A 3C2

Item 2. Date of Material Change

December 12, 2005.

Item 3. News Release

The news release was issued at Burnaby, B.C. on December 12, 2005 and disseminated via CCN Mathews.

Item 4. Summary of Material Change

Extreme announced on December 12, 2005 that it has agreed with Obzerv Technologies Ltd. (“Obzerv”) to cancel the Second Closing provided for under the terms of Extreme’s investment in Obzerv in September 2003.

Item 5. Full Description of Material Change

Extreme announced on December 12, 2005 that it has agreed with Obzerv to cancel the Second Closing provided for under the terms of Extreme’s investment in Obzerv in September 2003. Obzerv, a Quebec City-based private company, develops, markets and sells medium and long-range night vision products based upon active imaging technology and the DALIS laser illuminator that is under exclusive license from the INO (National Optics Institute).

Extreme advanced $4,000,000 to Obzerv by way of a convertible debenture on September 12, 2003. This initial investment in Obzerv provided Extreme with a 31% voting interest. A further $3,000,000 (the “Second Closing) was required to be invested by Extreme by way of a convertible debenture, once certain agreed milestones were met. This additional $3,000,000 would have given Extreme a further 13% voting interest in Obzerv and an option to acquire at predetermined prices all of the shares of Obzerv not owned by Extreme, for a period of five years from the date of the initial investment.

Under the terms of the agreement, if the Second Closing had not occurred within two years of the initial investment, Obzerv could give Extreme sixty days notice to proceed with the Second Closing or give up its right to do so. Effective December 12, 2005, Extreme responded to such a notice received from Obzerv on November 7, 2005, by declining to make the additional investment under the terms of the original agreement.

Extreme is a party to a unanimous shareholders’ agreement with Obzerv’s shareholders and Obzerv and Extreme have completed an Agency Agreement and a Technology Development and Licensing Agreement. These agreements remain in effect. The Technology Development and Licensing Agreement provide Extreme with research and development for new product initiatives that will be based on the DALIS laser illumination technology.

Extreme is planning to complete development of the first Obzerv related product in fiscal 2006, based on the DALIS laser illuminator. The Agency Agreement provides Extreme exclusive agency rights in North America for Obzerv’s product line. Furthermore, Extreme will be involved in sales and marketing initiatives with Obzerv’s flagship product, the ATV 2000i, and further new products that Obzerv develops. From the delivery of the first unit of the ATV 2000i to the U.S. Navy in May 2004 until the recent announcement of a sale to the French military, Obzerv has marketed its products diligently around the world. Extreme will earn commissions on its sales of Obzerv’s products through its North American distributorship arrangements.

Extreme remains optimistic regarding the potential for success of Obzerv's products and its underlying technology and is committed to working with Obzerv through the various mutual agreements to which the two companies are parties. Extreme has a right of first refusal until September 2008 to invest in any future financing of equity or securities convertible into equity by Obzerv. Extreme continues to discuss with Obzerv's management the terms of a potential further investment by Extreme.

Note: Certain of the statements contained in this report may contain forward-looking statements which involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of Extreme, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Extreme does not expect to update forward-looking statements continually as conditions change and you are referred to the full discussion of Extreme's business and the risk factors associated with Extreme's business contained in Extreme's Annual Information Form dated January 30, 2005, filed with the securities regulatory authorities in British Columbia, Alberta and Ontario.

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

Not applicable.

Item 7. Omitted Information

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

Item 8. Executive Officer

Name of Executive Officer: Mr. Terry Krepiakevich
Chief Financial Officer

Telephone Number: 604 420 7711

Item 9. Date of Report

December 19, 2005.

"Terry Krepiakevich

Mr. Terry Krepiakevich
Chief Financial Officer