MATERIAL CHANGE REPORT

Reporting Issuer

Compressario Corporation
1256B Kerrisdale Blvd.
Newmarket, Ontario
L3Y 7V1

Date of Material Change

September 30, 2002

Press Release

A press release respecting the material change was issued through the facilities of Canadian Corporate News on September 30, 2002.

Summary of Material Change

Reference is made to the press release annexed as Schedule “A” hereto.

Full Description of Material Change

Reference is made to Schedule “B” annexed hereto.

Senior Officer

Ms. Charlotte May, the President of the Corporation (Tel: 905-898-3133), is knowledgeable about the material change and this report and may be contacted for further information.

Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto this 2nd day of October, 2002,

COMPRESSARIO CORPORATION

Signed

Charlotte May, President

Schedule "B"

Compressario Corporation ("Compressario") has arranged the private placement (the "Private Placements") of up to 6,180,000 common shares from its treasury for aggregate proceeds of $618,000, being a subscription price of $0.10 per share. Of the foregoing, 3,000,000 shares ($300,000) will be directly or indirectly subscribed for by Compressario's Chairman, Dr. James W. Gill, 650,000 of such shares ($65,000) will be subscribed for by other directors and/or officers of Compressario, 1,800,000 of such shares ($180,000) will be subscribed for by various arm's length third parties and, lastly, 730,000 of such shares ($73,000) will be subscribed for by arm's length holders of $220,000 principal amount of Compressario's outstanding 6% convertible debentures due August 31, 2003 (the "Debentures"). In connection with the foregoing subscription of shares by the debentureholders, Compressario has also agreed to reduce the conversion price of the Debentures from $0.35 per share to $0.15 share, including on the $75,000 principal amount of Debentures indirectly held by Dr. Gill. Dr. Gill has further agreed to convert $200,000 of his existing loans to Compressario into a convertible debenture of Compressario on terms identical to those of the Debentures (as amended).

Upon completion of the foregoing private placement, Compressario's issued capital will consist of 15,075,001 common shares, of which Dr. Gill will directly or indirectly hold 4,757,413 shares, or approximately 31.6% thereof.

Should market circumstances permit, Compressario intends to raise up to an additional $382,000 of private placement funds at $0.10 per share.

The net proceeds to Compressario from the private placement will be approximately $605,000 after deducting the estimated expenses thereof of approximately $13,000. These proceeds will be added to the general funds of Compressario and be used for general corporate purposes, including the payment of existing current liabilities as at August 31, 2002 of $369,000, ongoing office administration and overhead expenses (including legal, audit, regulatory and listing fees and shareholder communication costs) and the ongoing marketing and sales of Compressario's products. Compressario will, on a pro-forma basis assuming the raising of $618,000 pursuant to the Private Placements, have transformed itself from having a working capital deficiency of $190,000 to having positive working capital of $628,000.

Compressario's administrative and overhead expenses, including its marketing activities, are expected to aggregate approximately $100,000 per month for the rest of the calendar 2002. It is anticipated that the proceeds of the Private Placements, together with Compressario's current cash resources and its current receivables, will provide Compressario with sufficient working capital to actively pursue its presently proposed business plan and to meet its anticipated administrative and overhead expenses until at least April 2003. Ultimately, monthly sales of at least 40 of Compressario's EP100's waste compacting units, its principal product, will be required in order to meet Compressario's expected ongoing monthly operating costs.

The completion of the Private Placements and the reduction of the conversion price of the Debentures is, pursuant to the policies of the TSX Venture Exchange (the "TSX-V"), subject to Compressario obtaining the written approval thereto by shareholders of Compressario holding at least 50% of the currently issued Compressario shares, excluding the shares held by Dr. Gill. The board of directors of Compressario, as well as a committee of its independent directors, has determined, due to the fact that Compressario is in serious financial difficulty and that the Private Placements are designed to improve its financial position, that the terms of the Private Placements are reasonable in Compressario's circumstances. Compressario has, for some time, been canvassing the market-place in respect of financing alternatives and management of Compressario believes that the Private Placements are the only available solution to Compressario's serious financial difficulty at this time.

Completion of the Private Placements also remains subject to the acceptance thereof by the TSX-V and to the completion of definitive transaction documentation and other conditions typical to transactions of this nature. The foregoing transactions cannot be completed until the required shareholders' and TSX-V approvals are obtained and other conditions are satisfied. Due to the current financial constraints of Compressario, it is intended that the Private Placements will be closed as soon as the foregoing conditions are satisfied.

Also, Mr. Glenn Rochon, the Vice-President of Compressario, has been appointed the Vice-President, Finance of Compressario.