

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company:

Chalk Media Corp.
1071 Mainland Street, 2nd Floor
Vancouver, B.C.
V6B 5P9

Item 2. Date of Material Change:

April 21, 2006

Item 3. Press Release:

The Company issued a press release on April 21, 2006. The press release was issued using Canada News Wire Limited for dissemination nationally in Canada to the financial press and to daily newspapers.

Item 4. Summary of Material Change:

Chalk Media Corp. ("Chalk Media") announced its audited consolidated financial results for the year ended December 31, 2005.

Item 5. Full Description of Material Change:

The Company announced the following financial results:

2005 Corporate Highlights:

- Earned record revenues from interactive media of \$2,379,594 for the year ended December 31, 2005, up 29% from the same period in 2004
- Continued record of revenue growth in interactive media (2005: \$2.4 million; 2004: \$1.8 million; 2003: \$1.3 million)
- Earned record revenues of \$4,868,658 for the year ended December 31, 2005
- New deals signed include AstraZeneca, ATCO Gas, BC Real Estate Association, Best Buy, Business Objects, Canadian Standards Association, Education Safety Association of Ontario, Fuji Photo Film Canada, Future Shop, Microsoft, Ministry of Forests of BC, Overwaitea, Research in Motion, Samsung of Canada, SANT Corporation, SaskEnergy, SaskTel, ScotiaBank, Sony of Canada, Staples/Business Depot and TELUS
- Launched United States office and operations in greater Washington D.C. area in Vienna, Virginia
- Completed private placements for proceeds of \$1,854,000
- Released version 3.0 of proprietary Learning Content Management System chalkboard™ LCMS with support of multi-languages and additional industry learning standards

- Launched the second season of the television program Spy Academy for Corus Entertainment's children's channel, YTV
- Appointed Jody Glidden to position of Business Development Director and Mike LeBlanc to position of Vice President of Technology

Chalk Media earned revenues of \$4,868,658 for the year ended December 31, 2005, compared to \$4,801,729 for the same period in 2004. Chalk Media earned revenues of \$2,379,594 for interactive media and \$2,406,147 for television and airline segment production for the year ended December 31, 2005 and \$1,843,107 and \$2,919,567 respectively for the same period in 2004. The net loss for the year ended December 31, 2005 was \$2,979,916, or \$0.09 per share, compared to a net loss of \$2,455,439, or \$0.09 per share, for the same period in 2004. Net loss figures include a non-cash stock-based compensation charge of \$254,230 for the year ended December 31, 2005, compared to \$182,356 for the same period in 2004. Net of the stock-based compensation charge, the net loss for the year ended December 31, 2005 was \$2,725,686 compared to \$2,273,083 for the same period in 2004.

During 2005 Chalk Media transitioned its focus to eLearning products and services. The focus on eLearning, combined with the opening of our US office, the development and release of our proprietary software chalkboard™ LCMS, the two major strategic alliances we signed in early 2006 with Intelligent Decisions, Inc. and Digital Media Broadcasting Corporation, and the recent closing of the US\$3.621 million private placement, have positioned us for significant growth in 2006 and beyond. We are starting to make inroads with our eLearning products and services to large governmental agencies and blue-chip companies in the US and we continue to sign new contracts with blue-chip companies in Canada.

Selected Financial Data (in \$'000's, except per share numbers):

	<u>Year ended December 31,</u>	
	<u>2005</u>	<u>2004</u>
Revenue	\$4,869	\$4,801
Gross margin	\$1,040	\$689
Operating income / (loss)	(\$2,899)	(\$2,412)
Net income / (loss)	(\$2,980)	(\$2,455)
Earnings / (loss) per share	(\$0.09)	(\$0.09)

Chalk Media's audited consolidated financial statements for the year ended December 31, 2005, as well as its management discussion and analysis, can be read at www.sedar.com.

Disclaimer:

While the information contained herein is believed to be accurate and reliable, Chalk and its subsidiaries and / or affiliates, and their respective directors, officers, employees and shareholders make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information, and Chalk expressly disclaims any and all liability that may be based on such information, or errors or omissions thereof.

The forward-looking statements contained herein (such as statements relating to the future anticipated direction of the media and high technology industries, plans for future expansion, revenue targets, various business development activities, planned capital expenditures, future funding sources, anticipated sales growth and potential contracts) involve important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may vary materially from those expressed in any forward-looking statements made by or on behalf of Chalk.

There can be no assurance that Chalk will achieve the results projected or implied by the forward-looking statements included herein. These risks and uncertainties include, but are not limited to, those relating to Chalk's ability to raise sufficient financing to fund its business plan, development and expansion activities, dependence on existing management, financial activities, domestic and global economic conditions, changes in federal or provincial income tax laws, and market competition factors.

Item 6. Reliance of Subsection 7.1(2) or (3) of National Instrument 51-102: N/A

Item 7. Omitted Information: State whether any information has been omitted on the basis that it is confidential information.

N/A

Item 8. Executive Officer: The following executive officer of the Company is knowledgeable about the material change and this Report.

Kris Sutherland
Vice President and Secretary
Chalk Media Corp.
1071 Mainland Street, 2nd Floor
Vancouver, B.C.
V6B 5P9

604-684-9399

Item 9. Date of Report:

April 21, 2006