FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Coastal Contacts Inc.
Suite 320 – 2985 Virtual Way
Vancouver, British Columbia V5M 4X7

2. Date of Material Change

The material change described in this report occurred on July 25, 2008.

3. News Release

On July 28, 2008, Coastal Contacts Inc. issued a news release through the facilities of CNW Newswire, a copy of which is attached as Schedule "A" hereto.

4. Summary of Material Change

See the news release attached as Schedule "A" hereto.

5.1 Full Description of Material Change

See the news release attached as Schedule "A" hereto.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report and may be contacted respecting this report:

Glen Kayll
Chief Financial Officer
Telephone: (604) 676-1812

9. Date of Report

July 30, 2008

SCHEDULE "A"

FOR IMMEDIATE RELEASE

TSX Symbol: **COA**

Coastal Contacts Inc.

COASTAL ANNOUNCES FINAL RESULTS OF ISSUER BID

TSX Symbol: COA

Vancouver, British Columbia – July 28, 2008 - Coastal Contacts Inc. (TSX: COA) announced today the final results of its previously announced substantial issuer bid to repurchase up to 5,000,000 of its common shares (the "Offer"), which expired at 5:00 p.m., Eastern time, on Friday, July 25, 2008.

Based on the final report provided by the depository for the Offer, Coastal will purchase for cancellation 5,000,000 common shares (subject to adjustments to avoid the purchase of fractional shares) at a price of $1.00 per share, for a total cost of $5 million. These shares represent approximately 8% of the common shares outstanding as of July 25, 2008. After the repurchase, approximately 58.4 million common shares will remain outstanding.

The number of common shares deposited pursuant to the Offer was 13,549,640 and, as a result, shareholders who deposited common shares to the Offer will have approximately 36.9% of their deposited common shares repurchased at a price of $1.00 per share, subject to adjustments to avoid the purchase of fractional shares.

Payment for common shares tendered and accepted for purchase under the Offer will be made as soon as practicable in accordance with the terms of the Offer. Common shares not repurchased will promptly be returned to depositing shareholders.

Important Income Tax Information for Coastal Shareholders

As described in the Offer to Purchase and Issuer Bid Circular describing the Offer that was mailed to Coastal's shareholders, Coastal is hereby designating the entire amount of the deemed dividend arising from its purchase of common shares under the Offer as an "eligible dividend" for purposes of the enhanced dividend tax credit pursuant to subsection 89(14) of the *Income Tax Act* (Canada) and any relevant provincial legislation of comparable effect. This notice meets the requirements of the *Income Tax Act* (Canada). Please contact your tax advisor if you have any questions with regard to the designation of the eligible dividends.

About Coastal Contacts:

Coastal Contacts is the world's leading direct to consumer vision products company which designs, produces and distributes a diversified offering such as contact lenses and eyeglasses. The Company's unique combination of branded and private label products represent quality, value and above all, service. Coastal sells into more than 150 countries through proprietary web properties which reflect the culture and consumer preference of the target market. As new markets for eyeglasses and contact lenses evolve, the Company is positioned to become the vision product consumer's retailer of choice owing to its unbeatable value proposition combining value and service. Already #1 in many of its markets, Coastal is rapidly advancing toward its goal of becoming the "World's Optical Store".

For further information:

Terry Vanderkruyk
Vice President, Corporate Development
Coastal Contacts Inc.
604-676-4498
terryv@coastalcontacts.com

This news release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to buy or the solicitation of an offer to sell common shares of Coastal. The full details of the Offer are described in the Company's offer to purchase and issuer bid circular and related materials filed by Coastal with Canadian securities regulatory authorities.

This news release may contain certain forward-looking statements that reflect the current views and/or expectations of Coastal with respect to its performance, business and future events. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, those relating to changes in the market, potential downturns in economic conditions, credit market conditions and consumer credit risk, limited suppliers, inventory risk, disruption in our distribution facilities, foreign exchange fluctuations, regulatory requirements, demand for contact lenses, changes in business strategy, competition and dependence on the internet. These risks, as well as others, including those described in detail in Coastal's Annual Information Form and other filings with Canadian securities regulatory authorities, could cause actual results and events to vary significantly. Coastal does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements.

Not for distribution to United States newswire services or for dissemination in the United States.