MATERIAL CHANGE REPORT

1. **Name and Address of Company**

   Montec Holdings Inc.
   6600 Transcanada Highway
   Suite 625
   Pointe-Claire, Quebec
   H9R 4S2

2. **Date of Material Change**

   October 26, 2004.

3. **News Release**

   Montec Holdings Inc. ("**Montec**") issued a press release with respect to the material change described below on October 26, 2004.

4. **Summary of Material Change**

   Montec, a capital pool company, completed its initial public offering in Quebec, Ontario, Manitoba, Alberta and British Columbia by issuing 5,004,500 common shares at a price of $0.20 per share, for gross proceeds to Montec of $1,000,900.

5. **Full Description of Material Change**

   Montec, a capital pool company, completed its initial public offering in Quebec, Ontario, Manitoba, Alberta and British Columbia by issuing 5,004,500 common shares at a price of $0.20 per share, for gross proceeds to Montec of $1,000,900. The initial public offering was effected in Quebec, Ontario, Alberta and British Columbia pursuant to a prospectus dated June 30, 2004, as amended August 25, 2004 and October 12, 2004, and in Manitoba pursuant to a prospectus dated August 25, 2004, as amended October 12, 2004.

   The common shares of Montec were admitted for trading on the TSX Venture Exchange under the trading symbol "MTE.P" at the opening of the market on October 27, 2004.

   The net proceeds of the offering will be used to provide Montec with a minimum of funds with which to identify and evaluate assets or businesses, for acquisition with a view to completing a "Qualifying Transaction" under the capital pool company program of the TSX Venture Exchange.

   Desjardins Securities Inc. ("**Desjardins**") acted as agent for the initial public offering. In connection with the offering, Montec granted Desjardins an option to acquire 500,450 common shares at a price of $0.20 per share. The option may be exercised for a period of 18 months.

   At the closing of the initial public offering, Montec granted stock options to its five directors and two officers in respect of an aggregate of 422,478 common shares. The options may be exercised for a period of five years at a price of $0.20 per share.

At the closing of the offering, all 3,000,000 previously issued and outstanding shares, as well as a total of 130,000 shares subscribed for in the initial public offering by non-arm's length parties to Montec were placed in escrow in accordance with the policies of the TSX Venture Exchange. The shares are held by Montec's seven directors and officers and their associates.

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 senior officer who can answer questions regarding this report is Mr. Myer Bentob, Chairman of Montec. Mr. Bentob can be reached at (514) 630-7262.

9. **Date of Report**

October 29, 2004.