

MATERIAL CHANGE REPORT

1. **Reporting Issuer**

Soyers Capital Limited
20 Eglinton Avenue West, Suite 2100
Toronto, ON M4R 1K8

2. **Date of Material Change**

August 3, 2005

3. **Press Release**

Soyers Capital Limited ("Soyers Capital") issued a press release with respect to the material change described below on August 8, 2005.

4. **Summary of Material Change**

Soyers Capital, a capital pool company listed on the TSX Venture Exchange (TSX-V: SOC.P), announced on August 8, 2005, that it entered into a letter of intent on August 3, 2005, with VisualGate Systems Inc. ("VisualGate") for an arm's-length Qualifying Transaction in accordance with the policies of the TSX Venture Exchange. VisualGate develops and produces advanced video security solutions for the commercial and residential safety markets. The letter of intent provides for the acquisition by Soyers Capital of all of the issued and outstanding shares of VisualGate for an aggregate purchase price of approximately \$13,533,333, payable by the issuance of 96,666,667 common shares of Soyers Capital at a deemed price of \$0.14 per share. Upon the closing of the Qualifying Transaction, the current shareholders of VisualGate will collectively exercise control over Soyers Capital and Soyers Capital's corporate name will be changed to reflect the transaction with VisualGate.

Completion of the proposed Qualifying Transaction is subject, among other things, to regulatory approval and to the closing of a private placement by VisualGate of common shares in a minimum amount of \$3,000,000. Kingsdale Capital Markets Inc. ("Kingsdale") has agreed to act as agent for the private placement on a best efforts basis. Kingsdale will receive cash compensation equal to 8% of the gross proceeds of the private placement. Kingsdale will also receive broker warrants equal to 8% of the number of common shares issued pursuant to the private placement.

Following closing of the Qualifying Transaction, Soyers Capital and VisualGate will amalgamate and the amalgamated entity (the "Resulting Company") will continue as "VisualGate Systems Inc."

The Resulting Company will undergo a consolidation of its issued and outstanding capital on the basis of one (1) new common share of Soyers Capital for four (4) existing common shares of Soyers Capital, thereby reducing Soyers Capital's issued and outstanding shares to 26,486,167.

5. **Full Description of Material Change**

The material change is fully described in the press release attached hereto as Schedule "A".

6. **Confidentiality of Material Change Report**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

The senior officer who can answer questions regarding this report is Mr. Daniel Ezer, President of Soyers Capital. Mr. Ezer can be reached at (416) 646-8771.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

SIGNED the 9th day of August, 2005 at Toronto, Ontario.

(signed) Daniel Ezer
President

Schedule "A"
SOYERS CAPITAL LIMITED

PRESS RELEASE

SYMBOL: SOC.P

SOYERS CAPITAL LIMITED ANNOUNCES AGREEMENT IN PRINCIPLE

Toronto, August 5, 2005 - Soyers Capital Limited ("Soyers") (TSX-V: SOC.P), a capital pool company, announces that, on August 3, 2005 it signed a letter of intent to acquire all of the issued and outstanding shares of VisualGate Systems Inc. ("VisualGate"). The transaction will constitute Soyers' Qualifying Transaction as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") governing Capital Pool Companies. Soyers' is currently classified as a capital pool company pursuant to the policies of the Exchange, and its common shares are listed on the Exchange. The proposed Qualifying Transaction is an arm's length transaction.

If the Qualifying Transaction, VisualGate's Short Term Bridge Financing and the VisualGate Private Placement (all as described below) are all fully completed, the resulting company will have 105,944,667 shares issued and outstanding.

Highlights of the Proposed Qualifying Transaction

- The agreement values VisualGate at \$9,000,000 prior to completion of the financing hereinafter described and any short term financing
- In total, Soyers will issue up to a maximum of 96,666,667 shares at a deemed value of \$0.14 per share to purchase all of the issued and outstanding shares of VisualGate thus resulting in a maximum 105,944,667 issued and outstanding shares of Soyers
- Following closing of the Qualifying Transaction, Soyers and VisualGate will amalgamate and the amalgamated entity (the "Resulting Company") will continue as "VisualGate Systems Inc."
- The Resulting Company will undergo a consolidation (the "Consolidation") of its issued and outstanding capital on the basis of one (1) new common share of Soyers for four (4) existing common shares of Soyers, thereby reducing Soyers' issued and outstanding shares to 26,486,167.
- VisualGate must complete a private placement (the "Private Placement") and raise a minimum of \$3,000,000 prior to closing of the Qualifying Transaction
- Kingsdale Capital Markets Inc. has agreed to act as the lead agent for the Private Placement pursuant to a letter of agreement dated May 30, 2005
- Prior to closing and in order to satisfy its working capital requirements, VisualGate may complete a financing of up to \$400,000 Cdn on terms satisfactory to VisualGate and Soyers (the "Short Term Bridge Financing").
- VisualGate will reorganize its outstanding warrants so that upon completion of the Consolidation there will be a maximum of 1,916,002 warrants outstanding at an exercise price of \$0.70 per share in the Resulting Company.

"At the outset of the CPC process, the board of Soyers was looking for a company that was revenue producing, had strong management, and was operating in an ever expanding market. VisualGate exceeds all of these requirements," remarked Soyers' President Daniel Ezer.

About VisualGate Systems Inc.

VisualGate develops and produces advanced video security solutions for the commercial and residential safety markets. Their customers are traditional security systems dealers who sell VisualGate's products to the end users, and systems integrators that provide custom integration for advanced enterprise applications such as those used in banking and Homeland Security.

VisualGate's current product line includes DVR systems and video capture hardware incorporating both conventional CCTV video cameras as well as the latest in IP network based video hardware and software solutions that provide access over the LAN (local area network) or WAN (the Internet).

VisualGate's proprietary line of PowerLine based video devices will allow the transmission of video data streams through the existing electrical wiring in any home or business from a camera which can then be connected without the need to run any video or LAN type cabling. Initial versions of these Powerline embedded video security devices are currently available in beta sample versions and are set to be released commercially by early 2006. With this Powerline based plug and play technology, VisualGate is well positioned to revolutionize the security industry. VisualGate's Powerline solution will enable dealers to solve difficult installation problems by eliminating cabling costs and the time spent in installation. In fact, in a commercial deployment, the cabling cost alone can be even greater than the actual equipment cost.

Both commercial and residential users will benefit from such reduced costs and the power of an easy deployable security solution which utilizes prevailing Powerline infrastructure and which eliminates the instability and the numerous security concerns associated with wireless solutions in the marketplace. For more information on VisualGate please visit their website at www.visualgate.net.

"VisualGate was looking for a vehicle which would solidify its financial position, and provide a platform for growth for the company. We expect that the \$4 million financing will provide VisualGate with sufficient capital to complete the development of its PowerLine based cameras and DVR products. Additionally the strategic relationships and enhanced profile raised via a public listing, will enhance the future developments of the company," stated David Kerzner, VisualGate Chairman and CEO.

On the basis of unaudited financial statements prepared by management for internal use, VisualGate recorded revenue of \$876,533.16 and a net loss of \$1,183,711.02 for the financial year ended December 31, 2004. The foregoing financial information may be adjusted pending an audit by VisualGate's auditors and is subject to approval by VisualGate's board of directors following such audit.

On the basis of audited financial statements for the period from incorporation (October 9, 2003) to December 31, 2003, as at December 31, 2003, VisualGate had total assets of \$117,277, liabilities of \$353,590, shareholders equity (deficiency) of (\$236,313) and accumulated losses of \$241,246. For the period ended December 31, 2003, VisualGate recorded revenue of \$25,022 and a net loss of \$241,246.

VisualGate was incorporated on October 9, 2003, in the province of Ontario, pursuant to the *Business Corporations Act* (Ontario).

About Soyers Capital Limited

Soyers is a capital pool company which currently has 9,278,000 common shares issued and outstanding, 855,850 stock options granted to directors and officers of Soyers and 527,800 broker warrants granted to Fraser Mackenzie and Leede Financial as part of its initial public offering. It is anticipated that the completion of the Qualifying Transaction, the Amalgamation of Soyers and VisualGate and the Consolidation the Resulting Company will have 26,486,167 issued and outstanding shares.

About Kingsdale Capital Markets

Kingsdale Capital Markets Inc. is a full service investment dealer with offices in Toronto, Vancouver and New York. Kingsdale is a member of the IDA and is focused on providing investment banking and other related services to small to mid size companies looking to grow their business. For more information please go to www.kingsdalecapital.com.

“Kingsdale Capital Markets Inc. is focused on raising expansion capital for growth companies. We think that VisualGate represents that kind of company, and we are very excited to be involved with this opportunity”, stated Cameron R. Prange, President of Kingsdale Capital Markets Inc.

About the Qualifying Transaction and Financing Initiatives

VisualGate has engaged Kingsdale Capital Markets Inc. (“Kingsdale”), on a best efforts basis, to complete the Private Placement which shall involve the sale of VisualGate common shares for gross proceeds of \$4,000,000. VisualGate anticipates closing the Private Placement prior to completing the Soyers’ Qualifying Transaction. In connection with the Private Placement, Kingsdale will receive a commission equal to 8% of the gross proceeds raised in the Private Placement and will be issued that number of broker warrants equal to 8% of the total number of shares subscribed for in the Private Placement. Upon completion of the Qualifying Transaction, the Amalgamation and the Consolidation, the broker warrants issued to Kingsdale shall be exchanged for warrants in the Resulting Company whereby each such warrant shall entitle the holder thereof to purchase one common share in the Resulting Company at an exercise price of \$0.56. Also for additional advisory services being provided to VisualGate, Kingsdale will receive warrants which upon completion of the Qualifying Transaction, the Amalgamation and the Consolidation will be exchanged for approximately 89,285 warrants in the Resulting Company having an exercise price of \$0.56. The maximum amount of warrants in the Resulting Company which Kingsdale may receive is 660,714.

The Resulting Company plans, subject to shareholder and Exchange approval, to reserve up to 10% of its issued and outstanding common shares, for stock options to be issued to Directors, Officers, Consultants and Employees. It is estimated that the current shareholders of VisualGate, (being the existing shareholders assuming all convertible debt is converted) prior to the Qualifying Transaction, will hold approximately 60% of the Resulting Company and the shareholders of Soyers will hold approximately 8.8%. The balance of shares shall be held by the subscribers of the Private Placement and Short Term Bridge Financing (if any).

Following the closing of the Acquisition, the issued capital of Soyers shall consist of 105,944,667 Common Shares held as follows:

	No. of Shares	Percentage of Total
Existing Soyers Shareholders	9,278,000	8.75%
Existing VisualGate Shareholders	64,285,714	60.68%
Shares issued to shareholders who purchased shares of VisualGate pursuant to the Private Placement (assuming \$4,000,000 is raised)	28,571,429	26.97%
Short Term Bridge Financing Converted @ \$0.105 per share assuming \$400,000 is raised	3,809,524	3.60%
Total	105,944,667	100%

The proposed acquisition agreement will contain customary covenants, representations and warranties to be granted by VisualGate in favour of Soyers. Closing of the transaction is subject to a number of conditions precedent for the benefit of Soyers including, due diligence, shareholder approval and Exchange approval all as more particularly set out in the letter of intent.

There can be no assurance that the transaction will be completed, either as proposed or at all.

The principal shareholders (and their percentage of ownership prior to any financing or option conversion) of VisualGate, are David Kerzner (19%) of Toronto, Ontario and Ron Yekutieli (19%) of Thornhill, Ontario.

The Resulting Company is expected to be called VisualGate Systems Inc. Its auditors will be DMCT and Partners LLP and its head office will be located in Toronto, Ontario. Shareholders will be asked to approve a board of directors of the Resulting Company following the Amalgamation to be comprised of five (5) directors, who shall initially be Daniel Ezer, David Kerzner, Ron Yekutieli and two (2) independent outside directors to be named prior to closing.

The proposed Qualifying Transaction constitutes an arm's length Qualifying Transaction. None of the non-arm's length parties to Soyars have any interest in VisualGate, are insiders of VisualGate or otherwise have any relationship with any non-arm's length parties of VisualGate.

Completion of the transaction is subject to a number of conditions, including but not limited to Exchange approval and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For further information please contact:

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