Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

Cantronic Systems Inc. (“Cantronic” or the “Company”)
63A Clipper Street
Coquitlam, BC
V3K 6X2

Item 2. Date of Material Change

April 29, 2011

Item 3. News Release

A press release announcing the material change referred to in this report was issued on April 29, 2011.

Item 4. Summary of Material Change

Cantronic has announced the completion of sale of North American Business, plans to focus on the China Video Surveillance industry.

Item 5. Full Description of Material Change

Item 5.1 Full Description of the Material Change

The Company announced it has completed the sale of its North American Business, comprising the thermal imaging business located in Coquitlam, British Columbia as well as QWIP Technologies, Inc. of Brea, California. The transaction has received conditional approval of the TSX and is valued at approximately CAD5.7 million subject to post-closing adjustments.

The Company will continue to have the right to use some of the thermal imaging technologies of the North American Business for commercial security and surveillance applications (excluding defense applications) outsider of the North American.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) and (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8. Executive officer

The name and business number of the executive office of Cantronic Systems Inc. who is knowledgeable of the material change and this report is:

Kevin Su at 604-516-6667 ext 269.

Item 9. Date of Report

May 9, 2011

Cantronic Completes Sale of North American Business, plans to focus on the China Video Surveillance Industry

Vancouver, British Columbia, April 29, 2011 – Cantronic Systems Inc., ("Cantronic" or the "Company") (TSX-V: CTS.V) today announced that it has completed the sale of its North American Business, comprising the thermal imaging business located in Coquitlam, British Columbia as well as QWIP Technologies, Inc. of Brea, California. The transaction has received conditional approval of the TSX and is valued at approximately C$5.7 million subject to post-closing adjustments, as outlined in the news release of March 29, 2011.

Cantronic will continue to have the right to use some of the thermal imaging technologies of the North American Business for commercial security and surveillance applications (excluding defense applications) outside of North America. The Cantronic corporate website will be changed to www.Cantronicsecurity.com within one week to reflect our new focus on our security and video surveillance business.

"The sale of the North American business clears the way for management to focus its entire attention on growth in our China operations which have tremendous potential over the coming years, commented James Zahn, President and CEO of Cantronic. "We will continue as a Canadian-based company, subject to Canadian corporate governance practices but operating primarily as a provider of solutions and key technology components for IP-based network video surveillance in the Chinese market as well as for OEM/ODM customers and partners worldwide. The Chinese government has announced its intention to implement video surveillance and alarm systems throughout nearly all the 2,300 cities and towns in China as part of its 12th Five-Year Plan (2011-2015), a multi-billion dollar market opportunity," Mr. Zahn noted.

Cantronic is also pleased to announce the grant of the 250,000 stock options exercisable at $0.235 per share and valid for two years to a business consultant of the Company.

About Cantronic Systems Inc.

Cantronic Systems Inc. manufactures, distributes, and provides training and services in the fields of IP-based networked video security surveillance technologies, specializing in networked video management software and video analytics, IP cameras, speed dome cameras, high definition video surveillance cameras and night vision surveillance systems for demanding security and surveillance applications.

Cantronic, through its China subsidiaries Cantronic Security Systems (China) Co. Ltd., Beijing Advanced Videoinfo Technology Co. Ltd. ("AVINFO"), Shenzhen Huanghe Digital Technology Co. Ltd. ("Yellow River") and Actiontop Electronics (Shenzhen) Co. Ltd. ("Actiontop") provides high-speed and digital networked video surveillance solutions to government and corporate customers in China.

Cantronic is a Tier 1 issuer on the TSX-V exchange, trading under the symbol CTS. For further information about Cantronic and Cantronic China, please visit our websites at www.cantronicsecurity.com and www.cantronics.com.cn

Cantronic is a Tier 1 issuer on the TSX-V exchange, trading under the symbol CTS. For further information about Cantronic and Cantronic China, please visit our websites at www.cantronics.com and www.cantronics.com.cn.

For further information, contact:

James Zahn
Chief Executive Officer
Cantronic Systems Inc.
Tel: 604-516-6667 ext 228
Email: jzahn@cantronics.com

Lawrence Casse
Investor Relations
Email: invest@cantronics.com
Tel: 416-992-7227

Forward-looking statements

This news release contains forward-looking statements, within the meaning of applicable securities legislation, concerning Cantronic Systems Inc. and the markets in which it operates. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements of Cantronic to be materially different from any future results, performance or achievements expressed or implied by said forward-looking statements.

Forward-looking statements include, but are not limited to: the completion of the Proposed Transaction, anticipated share capital following completion of the Proposed Transaction, expectations, opinions, forecasts, projections and other similar statements concerning anticipated future events, conditions or results that are not historical facts. In certain cases, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "budget," "scheduled," "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved."

Readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking information is provided as of the date of this news release, and Cantronic Systems Inc. assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required under applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.