

FORM 51-102F3
Material Change Report

ITEM 1 Name and Address of Company

Vecima Networks Inc.
771 Vanalman Avenue
Victoria, British Columbia, Canada
V8Z 3B8

ITEM 2 Date of Material Change

December 20, 2012

ITEM 3 News Release

The news release was disseminated through Marketwire on December 18, 2012.

ITEM 4 Summary of Material Change

The Company has been named a defendant in legal proceedings filed in the Supreme Court of Ontario by Inukshuk Wireless Partnership.

ITEM 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company has been named as a defendant in legal proceedings filed in the Supreme Court of Ontario by Inukshuk Wireless Partnership (“Inukshuk”). Inukshuk alleges in the legal proceedings, among other things, that an agreement existed for Vecima to sell to Inukshuk certain radio spectrum and that Vecima did not comply with that agreement. In the legal proceedings, Inukshuk is seeking, among other things, an order requiring Vecima to sell the radio spectrum to Inukshuk, an injunction preventing Vecima from selling the radio spectrum to any other person, and monetary damages.

Vecima believes the legal proceedings are without merit and intends to vigorously contest them. The radio spectrum at issue in the legal proceedings is not core to Vecima’s continuing operations.

Forward Looking Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words “believes”, “may”, “plans”, “will”, “anticipates”, “intends”, “could”, “estimates”, “expects”, “forecasts”, “projects” and similar expressions, and the negative of such expressions. Forward-looking information in this news release include statements about Vecima’s belief that the legal proceedings are without merit and its intention to vigorously contest them. In connection with the forward-looking information contained in this news release, Vecima has made numerous assumptions, regarding, among other things: the Company is aware of all facts in connection with the legal proceedings; the strength of the Company’s balance sheet;

the current share price of the Company; and, the present or potential value of the Company's core technologies, business operations and asset holdings. While Vecima considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause Vecima's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: risks inherent in legal proceedings; the Company's share price may never increase and may decrease significantly; the Company's balance sheet, as well as value of its core technologies, business operations and asset holdings may be significantly weaker than currently estimated by the Company; there may be no further growth or profitability of the Company; and, there may be no further development or introduction of new products. A more complete discussion of the risks and uncertainties facing Vecima is disclosed under the heading "Risk Factors" in the Company's Annual Information Form dated September 28, 2012, as well as the Company's continuous disclosure filings with Canadian securities regulatory authorities available at www.sedar.com. All forward-looking information herein is qualified in its entirety by this cautionary statement, and Vecima disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

5.2 Disclosure for Restructuring Transactions

Not applicable.

ITEM 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7 Omitted Information

Not applicable.

ITEM 8 Executive Officer

For further information please contact Sumit Kumar, President of the Company, telephone: (250)881-1982.

ITEM 9 Date of Report

December 20, 2012

VECIMA NETWORKS INC.

Per: (signed) "Sumit Kumar"

Sumit Kumar, President