FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Blackline GPS Corp. (the "**Corporation**" or "**Blackline**")
101, 1215 - 13th Street S.E
Calgary, Alberta T2G 3J4

2. **Date of Material Change**

February 3, 2011.

3. **News Release**

A press release was disseminated on February 7, 2011 via Marketwire.

4. **Summary of Material Change**

The Corporation announced that it completed its brokered private placement offering of 53,333,333 units of the Corporation (the "**Units**") at a price of $0.15 per Unit for aggregate gross proceeds of approximately $8,000,000. The Corporation also announced that it has granted stock options to acquire 350,000 Common Shares of the Corporation to Dr. John Finbow in connection with his appointment to the board of directors.

5. **5.1 Full Description of Material Change**

As previously announced on December 14, 2010 and January 25, 2011, Blackline is pleased to announce that it has completed its brokered private placement offering of 53,333,333 Units at a price of $0.15 per Unit for aggregate gross proceeds of approximately $8,000,000 (the "**Offering**"). Each Unit is comprised of one common share of the Corporation (a "**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to acquire one Common Share for a period of twelve months following the closing of the Offering at an exercise price of $0.25 per Common Share. All securities issued in connection with the Offering are subject to a four month plus one day hold period.

Lightyear Capital Inc. (the "**Agent**") acted as the agent for the Offering. The Agent received a total cash commission of 7.0% of the gross proceeds raised pursuant to the Offering and agent's options, being 10.0% of the Units issued pursuant to the Offering.

Proceeds of the Offering will be utilized for expanding the Corporation's industrial safety and commercial business.

Completion of the Offering is subject to final approval of the TSX Venture Exchange.

The Corporation is also pleased to announce that it has granted stock options to acquire 350,000 Common Shares of the Corporation to Dr. John Finbow in connection with his appointment to the board of directors. For further information on the appointment please refer to the Corporation's press release issued January 10, 2011, available on SEDAR. The options have an exercise price of $0.20 per Common Share and expire five years from the date of grant. All of the options vest immediately.

Blackline has determined that exemptions from the various requirements of the TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 are available for the grant of options (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than 25% of Market Capitalization).

5.2 Disclosure for Restructuring Transactions

Not Applicable

6. **Reliance on Section 7.1(2) of National Instrument 51-102**

Not Applicable

7. **Omitted Information**

Not Applicable

8. **Executive Officer**

The name and business number of the executive officer of Blackline GPS Corp. who is knowledgeable about the material change and this report is:

Cody Slater, Chief Executive Officer
Telephone: (403) 451-0327

9. **Date of Report**
February 11, 2011