

MATERIAL CHANGE REPORT

1. Reporting Issuer

SAMSys Technologies Inc. (“SAMSys”)
44 East Beaver Creek Road
Unit 11
Richmond Hill, Ontario
L4B 1G8

2. Date of Material Change

January 21, 2002

3. Press Release

A press release was issued and distributed through the facilities of Canada Newswire on January 21, 2002 in the form attached hereto as Schedule A.

4. Summary of Material Change

SAMSys completed a treasury private placement of 2,030,000 units to an arm’s-length purchaser.

5. Full Description of Material Change

On January 21, 2002, SAMSys announced that it had completed a private placement of 2,030,000 units of SAMSys from treasury at a price of \$0.60 per unit, for gross proceeds of approximately \$1.2 million. Each unit consists of one common share and one common share purchase warrant of SAMSys, exercisable for a period of two years from the date of closing at an exercise price of \$0.75 per common share. Common shares issued from the financing will be subject to resale restrictions for a period of four months after the date of closing. The transaction was un-brokered and at arm’s-length to SAMSys. The proceeds from the financing will be applied primarily towards working capital for the commercialization and deployment of SAMSys’ Radio Frequency Identification technology. The press release attached hereto as Schedule A contains a full description of the material change.

6. Reliance on Section 75(3) of the Ontario Securities Act and equivalent provisions of other applicable provincial securities legislation

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officers**

The name and business telephone number of an officer of SAMSys who is knowledgeable about the material change and this report, is as follows:

George Kypreos, Vice-President
(905) 707-0404

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Richmond Hill, Ontario, this 23rd day of January, 2002.

(signed) "George Kypreos"
George Kypreos
Vice-President, SAMSys Technologies Inc.

SCHEDULE A

News Release

January 21, 2002

Company: **SAMSys Technologies Inc.**
Stock Symbol: **SMY**
Listing: **Canadian Venture Exchange (CDNX)**
Outstanding Shares: **20.7 Million**
Web Site: **www.samsys.com**



SAMSys Technologies Inc. Completes \$1.2 Million Private Placement Financing

TORONTO, ON – January 21, 2002 – SAMSys Technologies Inc., ("SAMSys"), (SMY:CDNX), www.samsys.com, of Toronto, a provider of Radio Frequency Identification (RFID) reader hardware, announced today the completion of a \$1,218,000 private placement financing by way of the issuance of 2,030,000 Common Share Units at a price of \$0.60 per Unit. Each Unit consists of one common share and one common share purchase warrant exercisable for 2 years from the date of the closing. Each warrant is exercisable into one common share at a price of \$0.75. Common shares issued from this financing and will be subject to resale restrictions for four months from the date of the closing. This private placement financing was un-brokered and is arms-length to the Company.

The proceeds from this financing will be applied primarily towards working capital for the commercialization and deployment of SAMSys' RFID technology.

The 2,030,000 common shares acquired by Rex King in the private placement transaction represent approximately 9.8% of the issued and outstanding common shares of SAMSys, after giving effect to the transaction. If Rex King were to exercise the 2,030,000 warrants issued to him in the transaction, the common shares issuable on the exercise of such warrants would represent 8.9% of the issued and outstanding common shares of SAMSys, after giving effect to the transaction and the exercise of such warrants.

Prior to the transaction, Rex King owned no common shares and 375,000 warrants of SAMSys. As a result of the transaction, Rex King owns an aggregate of 2,030,000 common shares, or approximately 9.8%, of the issued and outstanding common shares of SAMSys, and 2,405,000 warrants of SAMSys. If Rex King were to exercise the 2,405,000 warrants owned by him, he would own 4,435,000 common shares, or 19.2% of the issued and outstanding common shares of SAMSys, after giving effect the exercise of such warrants.

Rex King acquired the common shares and warrants for investment purposes, and does not have any current intention to acquire additional securities of SAMSys, other than pursuant to the exercise of the above-noted warrants in appropriate circumstances.

About SAMSys Technologies Inc.

SAMSys Technologies Inc., headquartered in Richmond Hill, ON, Canada, is a leading global developer of Radio Frequency Identification (RFID) reader hardware technology, capable of identifying and tracking RFID tags, smart labels and cards supplied by various manufacturers. RFID is an enabling technology for the next generation of asset protection, item management, inventory control, supply chain management, logistics support systems and financial transaction processing. SAMSys Technologies Inc. is a public company whose shares are listed for trading on the Canadian Venture Exchange under the symbol:

“SMY”. The Company has a total of 20,706,498 basic shares outstanding. Visit SAMSys at: www.samsys.com and www.investorfile.com.

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