BASIS100 INC.
MATERIAL CHANGE REPORT UNDER SECTION 75(1)
OF THE ONTARIO SECURITIES ACT

1. Reporting Issuer

   Principal Address:

   Basis100 Inc.
   Suite 2505
   1 Adelaide Street East
   Toronto, Ontario
   M5C 2V9

2. Date of Material Change

   January 26, 2000

3. Publication of Material Change

   The press release attached as Schedule "A" was released over BCE Emergis E-News Services on January 24, 2000.

4. Filing of Material Change

   Basis100 Inc. is a reporting issuer in Ontario, and its common shares are listed on The Toronto Stock Exchange under the symbol, “BAS”.

   This material change report has been filed with the Ontario Securities Commission.

5. Full Description of the Material Change

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

6. Reliance on Section 75(4) of the Ontario Securities Act

   Not applicable.

7. Senior Officers

The following senior officer of Basis100 Inc. may be contacted for additional information:

David W. Campbell
Chief Financial Officer
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8. Statement of Senior Officer

The foregoing accurately discloses the material changes referred to herein.

DATED at Toronto, Ontario, January 26, 2000.

Sgd. "David W. Campbell

David W. Campbell

Basis100

For Immediate Release

CUSIP #: 070120 100
TSE: BAS

Basis100 acquires Solimar.Net, a profitable US e-commerce mortgage player

Strategic entry point brings significant customer base

Toronto, CANADA, January 24, 2000 – Basis 100 Inc. ("Basis100"), a leading Internet-based e-commerce solutions provider, announced today that it has formally entered the United States mortgage market with the execution of an agreement to acquire Solimar.Net, a profitable business-to-business e-commerce company based in Orange County, California.

Basis100 has entered into a definitive agreement for the purchase of 100% of the outstanding shares of Solimar.Net. The purchase will close February 8, 2000, in an all cash transaction valued at US$24 million. Solimar's strategic advantage is its advanced property valuation technology, marketed to Fortune 500 banks, mortgage lenders, brokers, loan portfolio securitizers and other financial institutions across the United States. Basis100 will create a Delaware, US-based corporation to support the new subsidiary and additional activities in the US.

"We are extremely excited about this transaction as our first major acquisition in the US mortgage market," said Gary Bartholomew, Chairman and CEO of Basis100. "Solimar's unique property valuation technology supplies a key component of our 2 Minute Mortgage strategy. With its automated appraisal process, Solimar delivers residential property valuations in seconds." Basis100 will fully integrate the property valuation engine into its 2 Minute Mortgage strategy enabling more consumers to be approved for a mortgage in under 2 minutes. The property valuation engine will also be offered on various real estate and mortgage portals so consumers can quickly determine the value of their property.

Solimar's market-proven technology refines and analyses a growing database of recent US home-sales transactions and applies proprietary algorithms to sort through the array of variables involved in determining a home's most probable selling price. This "valuation engine" presents a property valuation estimate, well known in the industry as a "Solimar Value" (along with a confidence score to support the analysis). Lenders use these valuations and confidence scores to support the underwriting and sale of mortgages and to reduce their need for far more costly traditional appraisals. Solimar's Internet-based technology reduces the cost of the appraisal step by 80-to-90% and provides near-instantaneous reports.

Solimar's core property valuation engine underlies a range of products essential to easy information-gathering by consumers, loan officers, mortgage brokers, real-estate agents, appraisers, mortgage-backed securities professionals, insurance underwriters, and others.

"There are approximately 12 million residential loan originations annually in the US market plus more than 40 million loans that constitute a major private debt sector," stated Larry Hudack, CEO of Solimar. "Each property that moves through the origination process provides us with an opportunity to value that property about 3 times before that loan becomes a part of a fixed income security. In residential lending alone this yields approximately 36 million valuation opportunities annually. By pooling resources and by leveraging the management depth, technical scaling strengths and capital markets access of Basis100, we fully expect to unlock a major portion of this huge North American opportunity." The US appraisal industry is estimated to generate annual revenues in the billions of dollars.

Solimar automated valuation products are available to all intermediaries in the mortgage process. Traditional appraisers also benefit from Solimar's strong and effective desktop tools to speed their work flow. Consumers can go to Internet mortgage portals such as HomeGain.com and request an immediate valuation on their properties.

Over 250 mortgage related businesses across the US use the Solimar system today, including Wells Fargo, Chase Funding, Ocwen Federal Bank, First Franklin Financial, Washington Mutual, Ameriquest, and Chicago Title, to name a few. Solimar services are also used by the securitizers who continually assess the value of the properties in their mortgage pools for hedging strategies and to monitor the underlying value of asset backed securities.

Speaking from his offices in West Palm Beach, Florida, David Babbitt, a Senior Manager of Ocwen Realty Advisors (a unit of Ocwen Federal Bank) has high praise for Solimar. "We employ their on-line valuation alternatives as part of our risk management process and have had a successful relationship with Solimar dating back to 1996. The Basis100 acquisition should take Solimar to a new level for automated valuation services."

When asked about the acquisition of Solimar.Net by Basis100, Steve Skolnik, a Senior Vice President at First Franklin Financial said, "We use the Solimar system as an important production tool and the Solimar linkage with our loan processing system has enabled us to make major reductions in loan origination costs and time. With Basis100 ownership we expect our e-commmerce relationship to expand."

Solimar valuation services are available in 425 counties in 40 states, covering over 75% of residential properties in the United States. By combining the resources of the two companies, management believes continued aggressive revenue and earnings growth can be achieved during FY2000 and beyond.

Solimar.Net, a pioneer in automated valuation technology and database systems was founded in California in 1979, by Larry and Marianne Hudack and provides a number of collateral risk-assessment services through an automated residential property valuation system accessible via the Internet. Solimar.Net's services are available both to institutional users seeking valuation results one-at-a-time and to large bulk users who can obtain high-speed valuations of large loan portfolios. Solimar.Net regularly processes portfolios of 100,000 properties with 24-hour turn-around.

Basis100 currently operates in North America and is listed on the Toronto Stock Exchange under the trading symbol BAS. The company, a leading provider of Internet-based business-to-business e-commerce solutions, focuses on creating mortgage, consumer credit, securitization, and fixed income electronic marketplaces. Basis100 provides its technology to financial institutions, intermediaries, and service providers.

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