

**MATERIAL CHANGE REPORT
UNDER SECTION 75(2) OF THE SECURITIES ACT (ONTARIO);
SECTION 118(1)(b) OF THE SECURITIES ACT (ALBERTA); AND
SECTION 85(1)(b) OF THE SECURITIES ACT (BRITISH COLUMBIA)**

Item 1. – Reporting Issuer:

Basis100 Inc.
33 Yonge Street, Suite 900
Toronto, ON M4E 1G4

Item 2. – Date of Material Change:

June 19, 2003

Item 3. – Press Release:

June 20, 2003.

Item 4. – Summary of Material Change:

Basis100 Inc. has closed on the previously announced sale of the Company's Canadian Lending Solutions business to FiLogix Inc.

Item 5. – Full Description of Material Change:

On June 20, 2003, Basis100 Inc. made the following press release:

Toronto, ON, (June 20, 2003) – Basis100 (TSX:BAS), a business service provider for the mortgage lending marketplace, announced that it has closed on the previously announced sale of the Company's Canadian Lending Solutions (CLS) business to FiLogix Inc.

Under the terms of the transaction, FiLogix acquired substantially all of the assets of the Company's CLS division as well as the rights to Basis100's mortgage technology, including MortgageBASE™, MortgageBASE Plus™, HomeBASE™, ConsumerBASE™ and LenderBASE™. A separate agreement also gives FiLogix exclusive usage rights to BasisXpress™ in the Canadian market and non-exclusive rights to all areas outside of Canada. The acquisition price was \$16.6 million, including certain adjustments.

“The sale of CLS to FiLogix benefits our clients, while at the same time, drives value to our shareholders,” said Joseph J. Murin, President and Chief Executive Officer at Basis100. “The FiLogix team has the knowledge and expertise necessary to discover emerging technologies and the ability to implement them in the Canadian marketplace – all for the benefit of our customers.”

FiLogix Inc. is a privately owned, 100 percent Canadian owned-and-operated company providing technology solutions for Canada's real estate and mortgage-related industries.

Basis100 estimates that the net cash proceeds from the sale of CLS will be approximately \$15.6 million after deducting certain costs related to the transaction. The Company intends to use the net proceeds for the repayment and possible retirement of debt and the optimization of the Company's capital structure. Basis100 previously announced that it will escrow \$3.75 million from the net proceeds to purchase up to \$5 million principal amount of its outstanding 6.00 percent convertible unsecured debentures due December 30, 2006 (the “Debentures”), at

a bid price of \$750 per \$1,000 principal amount of Debentures, subject to regulatory approval.

“The sale of CLS allows us to reduce expenses and strengthen our balance sheet,” said Murin. “It also allows us to continue the strategic repositioning of Basis100 by allowing us to focus our attention – and our resources – on the U.S. marketplace.”

Basis100 is a major provider of automated property valuations (AVMs) in the United States. From the mortgage origination channel through to the pooling and trading of mortgage-backed securities on Wall Street, Basis100 expects to play an increasingly greater role in the U.S. mortgage market by connecting the investor to the borrower.

“In 2003, we intend to generate 80 percent of our revenues from the U.S. market,” added Murin. “To meet this goal, we must minimize expenses by the continued reorganization of our infrastructure while maximizing long-term revenue opportunities. In effect, we plan to streamline the overall operation to create a more cohesive and blended organization to support our U.S. strategy.”

According to Murin, Basis100 processed orders on six million distinct addresses and produced hits on approximately 70 percent through its AVM business in 2002. With the Company’s plan to expand its automated product offering and offer a comprehensive end-to-end solution, Basis100 expects to capture a portion of this remaining 30 percent, thereby gaining incremental revenue from its current client base.

Item 6. – Reliance on Section 75(3) of the Act:

N/A

Instruction:

N/A

Item 7. – Omitted Information:

N/A

Item 8. – Senior Officers:

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Item 9. – Statement of Senior Officer:

“The foregoing accurately discloses the material change referred to herein.”

Date: June 20, 2003
Toronto, Ontario

“Robert Smith”
Robert J. Smith
Chief Financial Officer