

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.
Penn Center West #4, Ste 200
Pittsburgh, PA 15276
USA

Item 2. – Date of Material Change:

February 18, 2004

Item 3. – Press Release:

February 18, 2004

Item 4. – Summary of Material Change:

Basis100 Inc. announced on February 18, 2004, that its board of directors has appointed Michael Johnston, the chairman of the board to the position of president and CEO. Mr. Johnston replaced Joseph J. Murin who resigned from the position of president and CEO, and from the board of directors.

Item 5. – Full Description of Material Change:

On February 18, 2004, Basis100 Inc. made the following press release:

Pittsburgh, February 18, 2004 – Basis100 (TSX:BAS) a business solutions provider for the mortgage lending marketplace, today announced that its board of directors has appointed Michael Johnston, the chairman of the board, to the position of president and CEO, effective immediately. Mr. Johnston replaces Joseph J. Murin, who resigned from the position of president and CEO, and from the board of directors.

“The company's board of directors and management wish to thank Mr. Murin for his service and especially his leadership in successfully navigating the company through a difficult restructuring period,” said Mr. Johnston. “We wish him well in his new endeavor.”

Joseph Murin joined the company as president and chief operating officer in December 2001. He was named chief executive officer in December 2002.

“Basis100’s strategic focus on its core business remains unchanged. The senior management team and leadership at the operational level will continue to execute our strategy and build upon the company’s core suite of collateral assessment products,” added Mr. Johnston.

About Michael Johnston

Michael Johnston has spent more than 32 years in the U.S. financial community and came to Basis100 from Merrill Lynch Credit Corporation (MLCC), where he was the

chairman, president and CEO, serving the consumer mortgage and investment market. Mr. Johnston was directly responsible for building Merrill Lynch Credit Corporation as an independent, profitable, self-contained business unit. Under his leadership, Merrill Lynch Credit Corporation was awarded the Malcolm Baldrige National Quality Award in 1997.

Mr. Johnston also served as chairman and CEO of Lender's Service, Inc. from June of 1996 until June of 1998. Additionally, he has served as a member of the Mortgage Bankers Association (MBA) and held a board position with the Residential Board of Governors & Industry Leaders.

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:

Michael Johnston
Chairman, President and CEO
Basis100 Inc.
(416) 364-6085 (Toronto)
(412) 922-9181 (Pittsburgh)
mjohnston@basis100.com

Edward J. Hartman
Chief Financial Officer
Basis100 Inc.
(416) 364-6085 (Toronto)
(412) 922-9181 (Pittsburgh)
ehartman@basis100.com

Item 9. – Statement of Senior Officer:

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

Date: February 25, 2004
Pittsburgh, PA

“Edward Hartman”
Edward J. Hartman
Chief Financial Officer