

*This is the form of material change report required under the Securities Act.*

*Securities Act*

**MATERIAL CHANGE REPORT UNDER THE SECURITIES ACT(S)**

**Item 1. Reporting Issuer**

**NETDRIVEN SOLUTIONS INC.**  
c/o High Point Merchant Ventures Inc.  
Suite 830 – 20 Toronto Street  
Toronto, Ontario  
M5C 2B8

**Item 2. Date of Material Change**

March 26, 2004

**Item 3. Press Release**

A press release dated April 5, 2004 was issued in Toronto, Ontario on April 5, 2004.

**Item 4. Summary of Material Change**

Agreement to amalgamate with Cervus Financial Group Inc.

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

See press release attached.

**Item 6. Reliance on sections 85(2) (BC), 146(2) (Alberta) and 75(3) (Ontario) of the Securities Act(s)**

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Senior Officer**

The following senior officer of the Issuer is knowledgeable about the material change and this report:

J. Stephen Barley  
604-926-4300

**Item 9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

April 5, 2004  
Date

(signed) J. Stephen Barley  
(signature)

J. Stephen Barley  
Name of Signatory

Executive Chairman  
Position

West Vancouver, British Columbia  
Place of Declaration





The “Customer for Life™” business model inherently builds automatic earnings growth potential based on loan duration. The longer the loan is held, the more cash flow and profit is generated. The business’ revenues evolve from fees on new originations and even larger fees on a renewal. In addition to the renewal, sales of products such as mortgage life insurance and home warranties are expected to increase revenues. Cervus will retain the servicing rights for all originated loans, generating additional fees on mortgage assets under administration. Annual origination volumes build the assets under administration and drive revenue growth.

#### *Technology Outsourcing*

Outsourcing is a key element of the Cervus technology strategy as it alleviates major expenditures for hardware and software and lowers operating costs that are mostly variable with volumes. Cervus has retained top mortgage technology experts to implement Cervus’ proprietary business processes together with industry leading origination and servicing platforms.

#### *Management*

Cervus was founded in January, 2004 by individuals who recognized the opportunity in the mortgage origination space. This founding executive group have been innovators in the banking and related industries over the last five years and have contributed to growing the mortgage broker market share from 5 percent to 30 percent. Cervus’ management team represents leaders in the industry, with extensive expertise in mortgage operations and risk management, capital markets, mergers and acquisitions, financial modeling and securitization.

The executive team has been engaged at senior levels in the establishment of an international direct bank, design of automated models for mortgage processing in Canada, creation of one of the largest national mortgage broker companies, and the launching and managing of a major technology company in the public markets.

#### **NetDriven Reorganization**

NetDriven announced that it has received conditional approval of the TSX for certain of the restructuring matters approved by the shareholders at the January 19, 2004 Annual and Special General Meeting. NetDriven has issued a total of 27,099,701 common shares pursuant to various private placement and debt settlement arrangements.

#### **Interest of Management and Others in the Transaction**

Stephen Barley is the Executive Chairman of NetDriven and is also a director of Cervus. In addition, he also provides consulting services to Cervus through CHM Financial Services Inc. He will refrain from voting in his capacity as a director on any matter relating to the amalgamation. He will vote as a minority shareholder on the resolution to approve the amalgamation.

In addition, as at March 26, 2004, Gary Bartholomew, the Chairman of the Board of Cervus, is a principal shareholder of both NetDriven and Cervus. Gary Bartholomew holds or controls, both directly or indirectly, approximately 14% (8,123,838 NetDriven common shares) of the issued and outstanding NetDriven common shares and approximately 14% (2,875,001 Cervus common shares) of the currently issued and outstanding Cervus common shares. Mr. Bartholomew will refrain from voting in his capacity as a director of Cervus on any matter relating to the amalgamation. Prior to the special meeting of shareholders of NetDriven in respect of the amalgamation, and as a condition of the amalgamation, Cervus will complete an equity financing that will dilute the holdings of Mr. Bartholomew in Cervus to an anticipated maximum 8% level, such that Mr. Bartholomew will cease to be a principal shareholder of Cervus. Accordingly, he will vote as a minority shareholder on the resolution to approve the amalgamation.



## INSTRUCTIONS

1. This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.
2. Every report required to be filed under the *Securities Act* (BC: section 85(1), Alberta: section 146(1) and Ontario: section 75(2)) must be sent in an envelope addressed to the Commission and marked "Continuous Disclosure" to the British Columbia Securities Commission, Chief of Securities Administration, Alberta Securities Commission or Ontario Securities Commission, as the case may be.
3. WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85 (BC), 118 (Alberta) or 75 (Ontario)" and place everything that is required to be filed in an envelope addressed to the Commission marked "Confidential".

IT IS AN OFFENCE UNDER THE *SECURITIES ACT* (ALBERTA), THE *SECURITIES REGULATION* (ALBERTA) AND THE ALBERTA SECURITIES COMMISSION RULES FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATIONS THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.