MATERIAL CHANGE REPORT

SECTION 118(2) OF THE SECURITIES ACT (ALBERTA)
SECTION 67(2) OF THE SECURITIES ACT (BRITISH COLUMBIA)
SECTION 81(3) OF THE SECURITIES ACT (NOVA SCOTIA)
SECTION 75(3) OF THE SECURITIES ACT (ONTARIO)
SECTION 84(2) OF THE SECURITIES ACT (SASKATCHEWAN)
SECTION 76(3) OF THE SECURITIES ACT (NEWFOUNDLAND)

ITEM 1. **Reporting Issuer** - First Marathon Inc.

Registered and Head Office:

The Exchange Tower
130 King Street West
Suite 3200, P.O. Box 21
Toronto, Ontario
M5X 1J9

ITEM 2. **Date of Material Change**

August 13, 1999

ITEM 3. **Press Release**

A copy of the press release issued by First Marathon Inc. and National Bank of Canada on August 13, 1999 is attached herewith as Schedule "A".

ITEM 4. **Summary of Material Change**

First Marathon Inc. has announced the closing of the plan of arrangement whereby the National Bank of Canada has acquired all of the shares of First Marathon Inc.

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

A full description of the material change is set forth in the press release attached as Schedule "A".

ITEM 6. **Reliance on Section 75(3) of the Act**

Not applicable.

ITEM 7. **Omitted Information**

Not applicable.

ITEM 8. Senior Officer

F. Michael Walsh
Vice-President and Secretary

phone: (416) 869-8047
fax: (416) 869-8036

ITEM 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Toronto, Ontario this 13th day of August, 1999.

"F. Michael Walsh"
F. Michael Walsh
Vice-President and Secretary

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SCHEDULE "A"

Attention Business/Financial Editors:

Transaction Completed Between National Bank and First Marathon

MONTREAL, QUEBEC/TORONTO, ONTARIO--The National Bank of Canada and First Marathon Inc. reported today the completion of their previously announced transaction. The closing follows the favourable vote by shareholders of First Marathon Inc. on August 10, 1999, the receipt of required regulatory approvals, and approval by the court on August 11, 1999 to a plan of arrangement entered into by National Bank of Canada and First Marathon Inc.

Following acquisition by the National Bank, First Marathon Securities Limited, the principal subsidiary of First Marathon Inc., intends to merge with Levesque Beaubien Geoffrion Inc. It is also the intention of the National Bank to purchase the 25 percent minority interest in Levesque Beaubien Geoffrion Inc. now held by employees of that company, after which the investment firm would be a wholly owned subsidiary of National Bank of Canada. The name of the new firm will be announced in September at a formal launch.

The merged investment firm will have a capital base of approximately $450 million, and client assets of $39 billion. It will have approximately 2,500 employees, including over 800 investment advisors, working in 89 Canadian and international offices.

"The acquisition of First Marathon is the most strategic transaction for the National Bank in recent history," said Andre Berard, Chairman of the Board and Chief Executive Officer. "It has long been an important objective of the Bank to diversify our sources of revenue, both geographically and by business sector. This acquisition enables us to substantially increase our revenues outside of Quebec while at the same time increasing the proportion of non-interest revenues from brokerage and corporate finance activities."

"We are fully committed to achieving a leading position among Canadian investment firms," added Jean Turmel, President, Financial Markets, Treasury and Investment Bank of National Bank. We are confident that the new company will have the leadership, the people, and the financial resources to meet this ambitious objective."

Lawrence Bloomberg, who will be co-Chairman and co-Chief Executive Officer of the investment firm, stated: "Our businesses, experience, core principles, and goals closely complement each other. The company will provide a strong platform from which we can offer a broad range of investment banking, investment management, and other financial products to our many clients."

Pierre Brunet, who will be co-Chairman and co-Chief Executive Officer of the investment firm added: "For both companies, the foundation of our past success has been a deep and abiding commitment to client service, and that commitment will remain the cornerstone of our philosophy. Our culture will remain performance-driven and team-oriented. We have the scale, the product and distribution breadth, and the capital and human resources to play a leading role in Canadian capital markets, and we intend to do so."

The National Bank of Canada, founded in 1859, is an integrated financial group whose mission is to provide comprehensive financial services to consumers, small and medium-sized enterprises and large corporations in its core market, while offering specialized services to its client elsewhere in the world. Ranking sixth among Canada's chartered banks, National Bank is the leading banking institution in Quebec and the bank of choice for independent businesses. It now has $77 billion in assets, $3.2 billion in equity capital, and more than 17,000 employees. It has 660 Canadian branches, and through its representative offices is well represented in the United States, Europe and elsewhere in the world.

This news release does not constitute an offer to sell, or the solicitation of an offer to buy any securities in any jurisdiction.

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FOR FURTHER INFORMATION PLEASE CONTACT:

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