

JEMTEC INC.

Suite 200, 38 Fell Avenue, North Vancouver, B.C. V7P 3S2

MATERIAL CHANGE REPORT

**THIS MATERIAL CHANGE REPORT IS BEING FILED WITH THE
APPROPRIATE SECURITIES REGULATORY AUTHORITIES
TO COMPLY WITH THE REQUIREMENTS OF SECURITIES LEGISLATION IN
ONTARIO, BRITISH COLUMBIA AND ALBERTA**

Item 1. *Reporting Issuer*

The name of the reporting issuer is JEMTEC Inc. (the "Issuer"). Its principal office in Canada is located at Suite 200, 38 Fell Avenue, North Vancouver, B.C. V7P 3S2.

Item 2. *Date of Material Change*

The material change occurred on September 11, 2014.

Item 3. *Press Release*

A press release was issued through Canada Newswire on September 11, 2014 with a subsequent news release issued on September 15, 2014 which corrected one of the dates disclosed in the September 11, 2014 news release. Copies of the press releases as issued are annexed hereto as Schedules "A-1" and Schedule "A-2" respectively.

Item 4. *Summary of Material Change*

On September 11, 2014, the Issuer declared a special dividend of \$0.59 per share to shareholders of record as at September 19, 2014 which will result in the return of approximately \$1,465,000 or almost half of the Issuer's cash reserves to shareholders.

Item 5. *Full Description of Material Change*

After extensive deliberation and analysis, the directors of the Issuer determined that it would be appropriate to return to shareholders excess funds not required to execute on the Issuer's business plan. Accordingly, on September 11, 2014, the Issuer declared a special dividend of \$1,465,000 or \$0.59 per share to shareholders of record as at September 19, 2014. This constitutes almost half of the Issuer's cash reserves. Additional details regarding this material change are fully described in the press releases annexed hereto as Schedules "A-1" and "A-2".

Item 6. *Reliance on Provisions Permitting the Filing of the Material Change Report on a Confidential Basis*

Not applicable.

Item 7. *Omitted Information*

None.

Item 8. *Senior Officers*

For further information, please contact Eric Caton, President of the Issuer, at (877) 929-4559.

JEMTEC INC.
TSX-V: JTC

Source: JEMTEC Inc.

FOR IMMEDIATE RELEASE

JEMTEC DECLARES A ONE-TIME SPECIAL DIVIDEND

September 11, 2014 - JEMTEC Inc. (TSX-V: JTC) ("JEMTEC" or the "Company") announces that the board of directors has approved the payment of a one time special dividend of \$0.59 per common share (the "Special Dividend"). The special dividend will be payable to shareholders of record as of the close of business on September 19, 2014 (the "Special Dividend Record Date"). The Special Dividend will be done in accordance with the applicable "Due Bill" trading procedures of the TSX Venture Exchange. The dividend will result in a distribution of approximately \$1,465,000 of the Company's cash.

The Special Dividend is payable on October 2, 2014, (the "Special Dividend Payment Date") to shareholders of record on the Special Dividend Record Date. JEMTEC's common shares will be traded in accordance with the "Due Bill" procedures with respect to the Special Dividend from September 17th, 2014 until the close of trading on the Special Dividend Payment Date (the "Special Dividend Due Bill Basis Period"). Any trades executed on the TSX Venture Exchange during the Special Dividend Due Bills Basis Period will be identified to ensure that purchasers of JEMTEC's common shares receive entitlement to the Special Dividend whereby the sellers of JEMTEC's common shares during this Special Dividend Due Bill Basis Period will also sell their entitlement to the Special Dividend to the respective purchasers of such common shares. JEMTEC's common shares will commence trading on an "ex-dividend" basis without an attached "Due Bill" entitlement to the Special Dividend from the opening of trading on October 3rd, 2014, the next trading day after the Special Dividend Payment Date. The last day for settlement of trades executed during the Special Dividend Due Bill Basis Period will be October 6, 2014, which is the Special Dividend Due Bill redemption date.

Shareholders do not need to take any further action. Registered shareholders receive a cheque representing the Special Dividend and beneficial shareholders will have their brokerage accounts automatically updated to reflect the Special Dividend.

The Company has decided to pay a special dividend at this time after considering a number of factors including:

1. The Company is returning surplus cash to the shareholders that is not needed to execute the Company's business plans.
2. The Company's share price has been trading at a substantial discount to the book value per share for an extended period of time. It is hoped that a special dividend will help increase investor returns.
3. Even after payment of the special dividend, the Company will continue to have cash reserves of approximately \$1.4 million, which will allow it to continue to pursue acquisitions.
4. The Company's electronic monitoring business will continue to operate which will provide continued cash flow for operations.

There are currently no plans for future dividends. The Board of Directors continues to review its long-term cash requirements in view of its investment strategies and its capital needs from time to time.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances.

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For further information contact:

Eric Caton, President

Phone (877) 929-4559

Fax (877) 929-4198

www.jemtec.ca

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

JEMTEC INC.
TSX-V: JTC

Source: JEMTEC Inc.

FOR IMMEDIATE RELEASE

CORRECTION TO SPECIAL DIVIDEND DUE BILL REDEMPTION DATE

September 15, 2014 –JEMTEC Inc. (TSX-V: JTC) advises that the Special Dividend Due Bill redemption date announced in its press release of September 11, 2014 is incorrect. The correct Special Dividend Due Bill redemption date is October 7, 2014; not October 6, 2014.

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