

Form 27

SECURITIES ACT (Ontario)

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE SECURITIES ACT (ONTARIO) AND THE EQUIVALENT SECTION IN THE SECURITIES LEGISLATION OF QUEBEC

NOTE: This form is a guideline only. A letter or other document may be used if the substantive provisions of this form are complied with.

WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL—S.75"

ITEM 1 — Reporting Issuer:

State the full name and address of the principal office in Canada of the reporting issuer.

IMI International Medical Innovations Inc.
5955 Airport Road
Suite 222
Mississauga, Ontario
L4V 1R9

ITEM 2 — Date of Material Change:

March 23, 2000

ITEM 3 — Press Release:

State the date and place(s) of issuance of the press release issued pursuant to section 75(1) of the Act.

A press release was disseminated on March 23, 2000 through Canadian Corporate News.

ITEM 4 — Summary of Material Change:

Provide a brief but accurate summary of the nature and substance of the material change.

Completion of special warrant financing for gross proceeds of \$12,000,000.

ITEM 5 — Full Description of Material Change:

Supplement the summary required under Item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

This description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely describes examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

See press release dated March 23, 2000 attached hereto as Schedule "A".

ITEM 6 — Reliance on Section 75(3) of the Act:

If the report is being filed on a confidential basis in reliance on section 75(3) of the Act, state the reasons for such reliance.

INSTRUCTION:

Refer to section 75 of the Act and to the Regulation concerning continuing obligations in respect of reports filed pursuant to section 75(3) of the Act.

N/A

ITEM 7 — Omitted Information:

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but section 75(3) of the Act will no longer or will not be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to section 140(2) of the Act.

The reasons for the omissions may be contained in a separate letter filed as provided in section 4 of the Regulation.

N/A

ITEM 8 — Senior Officers:

To facilitate any necessary follow-up by the Commission, give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom such senior officer may be contacted by the Commissions.

Ronald Hosking

Vice-President and Chief Financial Officer

Tel: (905) 677-6235

Fax: (905) 677-4912

ITEM 9 — Statement of Senior Officer:

Include a statement in the following form signed by a senior officer of the reporting issuer:—

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto this 28th day of March, 2000.

“Ronald Hosking”

Ronald Hosking

Vice-President and Chief Financial Officer

SCHEDULE "A"



INTERNATIONAL MEDICAL INNOVATIONS INC.

5955 Airport Road
Suite 222
Toronto, Ontario L4V 1R9

News Release

IMI COMPLETES PRIVATE PLACEMENT

Toronto, Ontario: March 23, 2000 - IMI International Medical Innovations Inc. (CDN: IMIN) announced today that it has completed the sale by way of private placement of 3,157,895 Special Warrants at a price of \$3.80 per Special Warrant, resulting in net proceeds to IMI of approximately \$11,226,500. The net proceeds will be held in escrow pending receipt of a final prospectus qualifying the related securities. Dlouhy Investments Inc. acted as agent in connection with the private placement. Each Special Warrant will be exercisable, without additional payment, into one Common Share of IMI and one-half of one Common Share Purchase Warrant. Each whole Purchase Warrant will entitle the holder thereof to purchase an additional Common share at a price of \$4.50 per Common Share at any time within one year from the date of issue of the Common Share Purchase Warrants. The agent was issued broker's compensation warrants exercisable into Compensation Options which will entitle the agent to acquire up to 315,790 Common Shares at an exercise price of \$4.50 per share at any time prior to one year from the date of issue of the Compensation Options.

"This offering was considerably over-subscribed and it was disappointing to have to turn down the institutions and shareholders who had expressed interest in investing in IMI," said Dr. Brent Norton, President and Chief Executive Officer. "On the other hand, I am very pleased to welcome several new institutional shareholders to IMI and look forward to a long and rewarding relationship with them. As I mentioned in the March 15 announcement regarding the proposed financing, this increased capital will support our intention to apply for a listing on The Toronto Stock Exchange."

"The proceeds from this offering will finance the completion of our clinical trial for Cholesterol 1,2,3™, a rapid, non-invasive test that measures skin cholesterol on the palm of the hand without requiring a blood sample or fasting", Dr. Norton continued. "We can now focus on establishing new partnerships and preparing for its launch as a predictive diagnostic system early next year. As well, having recently completed a clinical trial at the Wellesley site of St. Michael's Hospital in Toronto, we are now entering a new phase of development with ColorectAlert™, a diagnostic tool for detecting colorectal cancer. Over the next few months, we will initiate an expanded clinical trial to prepare for regulatory submission. We have also been evaluating several new technologies and these additional funds will enable us to add them to our portfolio."

IMI is a Canadian “predictive medicine” company, dedicated to developing innovative products for rapid and early detection of serious or life-threatening diseases. IMI has developed diagnostic tools for measuring cholesterol (Cholesterol 1,2,3™), detecting early stage colorectal cancer (ColorectAlert™ and CA1-18) and for determining kidney stone disease (Stone Check™). IMI is located in Mississauga, Ontario. Common shares are traded on the Canadian Dealing Network (CDN: IMIN – 15,301,849 shares outstanding).

This news release contains forward-looking statements, which reflect the company’s current expectation regarding future events. The forward-looking statements involve risk and uncertainties. Actual events could differ materially from those projected herein and depend on a number of factors including, but not limited to, changing market conditions, successful and timely completion of clinical studies, uncertainties related to the regulatory approval process, establishment of corporate alliances and other risks detailed from time to time in the company’s quarterly filings.

For further information, contact:

Ron Hosking, Vice President and CFO

Tel.: (905) 677-6235

Fax: (905) 677-4912

Website: www.imin.ca

E-mail: rhosking@imin.ca

