

**FORM 51-102F3
MATERIAL CHANGE REPORT**

ITEM 1 — Name and Address of Company

IMI International Medical Innovations Inc.
4211 Yonge Street
Suite 615
Toronto, Ontario M2P 2A9

ITEM 2 — Date of Material Change

August 3, 2004

ITEM 3 — News Release

A press release was disseminated on August 3, 2004 through Canada Newswire.

ITEM 4 — Summary of Material Change

IMI announces concern regarding certain U.S. patents

ITEM 5 — Full Description of Material Change

See press release dated August 3, 2004 attached hereto as Schedule "A".

ITEM 6 — Reliance on Section 7.1(2) or (3) of National Instrument 51-102 of the Act

N/A

ITEM 7 — Omitted Information

N/A

ITEM 8 — Executive Officer

Ronald Hosking
Vice President, Finance and Chief Financial Officer
Telephone: 416.222.3449
Fax: 416.222.4533

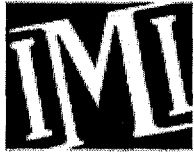
ITEM 9 — Date of Report

August 4, 2004

“Ronald Hosking”

Ronald Hosking
Vice-President, Finance and Chief Financial Officer

SCHEDULE "A"



International
Medical
Innovations Inc.

For immediate release:

IMI Issues Statement Concerning Patents

Toronto, Ontario (August 3, 2004) – IMI International Medical Innovations Inc. (TSX: IMI; Amex: IME) today announced that it has learned that two of its U.S. skin cholesterol patents have been listed as abandoned by the United States Patent and Trademark Office (PTO) for failure to pay maintenance fees. IMI noted that the failure to pay these maintenance fees appears to have occurred while the files were being transferred between U.S. and Canadian patent agents. IMI and its agents have initiated the process to seek reinstatement of the patents.

IMI has additional U.S. patents and patent applications that relate to its skin cholesterol products that are in good standing. IMI's patents in Europe, Canada and other territories have not been affected. The process of reinstating the affected U.S. patents could take several months, and there is no assurance that they will be successful in having the patents reinstated. IMI believes that this situation will not affect the commercialization plans for the skin cholesterol products.

About IMI

IMI is a world leader in predictive medicine, dedicated to developing rapid, non-invasive tests for the early detection of life-threatening diseases. IMI's cardiovascular products are branded as PREVU* Coronary Heart Disease Predictor. The company's cancer tests include ColorectAlert™, LungAlert™ and a breast cancer test. IMI's head office is located in Toronto, and its research and product development facility is at McMaster University in Hamilton, Ontario. For further information, please visit www.imimedical.com.

This release contains forward-looking statements that reflect the company's current expectations regarding future events. The forward-looking statements involve risks 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, annual and other regulatory filings.

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For more information, please contact:

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