SYSCAN INTERNATIONAL INC.

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, ALBERTA AND QUEBEC

Item 1. ***Reporting Issuer***

The name of the reporting issuer is Syscan International Inc. (the "Issuer"). Its principal office in Canada is located at 208 Migneron Street, St-Laurent, Quebec Canada H4T 1Y7.

Item 2. ***Date of Material Change***

The material change occurred on August 19, 2005.

Item 3. ***Press Release***

A press release was issued through **Canadian Corporate News** in Montreal, Quebec on August 22, 2005. A copy of the press release as issued is annexed hereto as Schedule "A".

Item 4. ***Summary of Material Change***

The material change is fully described in the press release annexed hereto as Schedule "A".

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

The material change is fully described in the press release annexed hereto as Schedule "A".

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

Not applicable.

Item 7. ***Omitted Information***

Not applicable.

Item 8. ***Senior Officers***

For further information, please contact Axel Striefler, President and Chief Executive Officer, of the Issuer at (514) 521-0482.

Item 9. ***Statement of Senior Officer***

The foregoing accurately discloses the material change referred to herein.

DATED at Montreal, Quebec this 22nd day of August, 2005.

SYSCAN INTERNATIONAL INC.

per: (signed)________________________
Axel Striefler
President and Chief Executive Officer

Schedule "A"

FOR IMMEDIATE RELEASE

SYMBOL: SYA

SYSCAN CLOSES PRIVATE PLACEMENT TO FINANCE GROWTH

Montréal Canada, August 22, 2005 – Syscan International Inc. (the "Corporation") is pleased to announce that it has closed the second and final tranche of the previously announced (July 14, 2005) private placement of units for gross proceeds of $135,000. Each unit consists of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Corporation at $0.50 until August 19, 2007.

Loewen, Ondaatje, McCutcheon Limited ("LOM") acted as agent in connection with the sale of these units as well as the earlier tranche aggregating $610,000 of gross proceeds. On this final tranche, LOM received a cash commission equal to 6% of the gross proceeds of the offering and broker's options entitling the holder to purchase up to 20,250 units of the Corporation at a price of $0.40 per unit until August 19, 2007.

Any hold periods on the common share purchase warrants or the broker's options or the common shares underlying them will expire on December 20, 2005.

The net proceeds of the placements will be used for general working capital purposes.

About Syscan

Syscan is a unique supply chain solution provider delivering integrated real time tracking and tracing systems through radio frequency identification (RFID) that help to improve client's results. Its standardized supply chain solutions include traceability, temperature monitoring and quality control methodologies for the food, pharmaceutical and health care sectors.

"The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release."

Syscan International Inc.

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