MATERIAL CHANGE REPORT

Section 75(2) of the *Securities Act* (Ontario)
Section 118 (2) of the *Securities Act* (Alberta)
Section 67(1) of the *Securities Act* (British Columbia)

1. <u>Reporting Issuer</u>

InBusiness Solutions Inc.
Commerce Plaza
333 Preston Street
Suite 910
Ottawa, Ontario
K1S 5N4
(the “Corporation”)

2. <u>Date of Material Change</u>

October 23, 2000

3. <u>Press Release</u>

A press release reporting the material change described in this report was issued on October 23, 2000. A copy of the press release is attached hereto as Schedule “A”.

4. <u>Summary of Material Change</u>

See the press release attached hereto as Schedule “A”.

5. <u>Full Description of Material Change</u>

On October 23, 2000, Bank of Montreal (“BMO”) and the Corporation entered into definitive agreements (the “Agreements”) providing for the launch of internet business centres for small and mid-sized companies across Canada. The letter of intent for this transaction was announced on September 11, 2000.

The Agreements provide that the Corporation’ s wholly-owned subsidiary, InBusiness.com Inc. (“IBC”), will own and operate regional online business centres customized for BMO and BMO’s business client base, comprising more than 450,000 businesses. BMO and IBC expect to introduce the first BMO business centre this fall, on a pilot basis, in Ottawa, with other regional business centres to follow shortly afterwards.

The business centres will provide:

- e-news services customized to BMO’s small and mid-sized business customers;
- on-line business services for independent business;
- business reference and self-help materials for independent business;
- practical business tools and applications, such as financial management and business planning tools;
- marketplace suites for automatic match-making of buyers and sellers.

The consideration payable by BMO to the Corporation for these services includes a set up fee still to be negotiated but not to exceed $150,000, an annual licence fee of $200,000, and an annual support services fee in the amount of $50,000. The arrangement is for an initial term of two years and may be renewed by BMO on the same terms and conditions for three consecutive one-year terms thereafter.

In addition to operating private-labelled business centres for BMO, for remuneration to the Corporation based on the usage of certain online services, IBC will offer selected financial and e-services from BMO at all of the IBC public business centres, such as *ottawabusinesscentre.com*, which is now operating as a demonstration site.

The Corporation and BMO have also agreed to negotiate towards a mutually acceptable agreement between the Corporation and one or more of BMO's U.S. affiliates pursuant to which the Corporation would grant to such affiliate similar rights with respect to the IBC public business centre in the State of Illinois as were granted to BMO in Canada.

BMO's subsidiary, Bank of Montreal Capital Corporation ("BMOCC"), and the Corporation also entered into an option agreement on October 23, 2000 in which the Corporation grants to BMOCC an option (the "Option") to purchase up to 500,000 common shares in the capital of the Corporation. The Option is exercisable at the Corporation's share price as at the close of business on September 8, 2000 ($2.91 per share) over the period ending September 30, 2002. Conditional regulatory approval has been received. The Corporation's authorized capital consists of an unlimited number of common shares and an unlimited number of non-voting preferred shares issuable in series, of which no preferred shares and 17,690,705 common shares have been duly issued and are currently outstanding as fully-paid and non-assessable shares as of the close of business on October 25, 2000. If fully exercised, the Option would represent approximately 2.82 percent of the Corporation's outstanding shares.

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

N/A

7. Omitted Information

N/A

8. Senior Officer

For further information, please contact:

Elisabeth Preston, General Counsel and Corporate Secretary
InBusiness Solutions Inc.
Telephone: (613) 780-9925 x. 270
Facsimile: (613) 780-9931

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Ottawa, Ontario
this 26th day of October, 2000

INBUSINESS SOLUTIONS INC.

Per: (signed) *"Elisabeth Preston"*
Elisabeth Preston
Secretary

BANK OF MONTREAL AND INBUSINESS FINALIZE E-BUSINESS PARTNERSHIP TO PROVIDE SMALL BUSINESSES WITH NEW INTERNET BUSINESS CENTRES

For Immediate Release

October 23, 2000 (TORONTO, ONTARIO)-- InBusiness Solutions Inc. ("InBusiness" or "The Company") (TSE: BIZ), an Ottawa-based information technology and business media company, has signed an agreement with Bank of Montreal to launch Internet business centres for small and mid-sized companies across Canada.

The terms of the agreement provide for Bank of Montreal to pay set up fees and licensing fees to the Company. As a further provision of the agreement, InBusiness has granted to Bank of Montreal the option to purchase 500,000 common shares of the Company at market price. The signing of a related letter of intent was announced on September 11, 2000.

Under the agreement, the Company's wholly-owned subsidiary, InBusiness.com Inc., will operate regional online business centres customized for Bank of Montreal and the bank's business client base,. Bank of Montreal and InBusiness.com expect to introduce the first BMO business centre before year end, on a pilot basis, in Ottawa, with other regional business centres to follow shortly afterwards.

In addition to operating private-labelled business centres for Bank of Montreal, InBusiness.com will offer selected financial and e-services from the Bank at all of the InBusiness.com public business centres, such as ottawabusinesscentre.com, which is now operating as a demonstration site.

InBusiness and Bank of Montreal have also agreed to work towards a substantially similar agreement between InBusiness and Harris Bank or another American affiliate of Bank of Montreal.

Bank of Montreal, Canada's first bank, has set its sights on becoming the leading bank for small and mid-market businesses in Canada. Bank of Montreal has committed to investing more than $100 million to help enhance financial solutions for small and mid-market businesses over the next two years.

Building on a successful 10 year history, InBusiness Solutions is an established public company with proven expertise in e-Business solutions, as well as its own "e-Channel" of community business publications and virtual business centres through which it markets valuable e-Products for small- and medium-sized enterprises. InBusiness has recorded 29 consecutive quarters of revenue growth and has over 225 professionals working for the Company. More information is available at www.inbusinesssolutions.com.

For further information:

For investor relations, contact Tony Croll, Linear Capital Corp., tel. (416) 364-2266 or (877) 600-6001, tony@linearcapital.com

For InBusiness.com Inc., contact David Luxton at (613) 780-9925 ext. 223, dluxton@inbusiness.com

For Bank of Montreal, contact Ralph Marranca at (416) 927-4460.