

**MATERIAL CHANGE REPORT UNDER
SECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)**

1. Reporting Issuer

Triple G Systems Group, Inc. (the “Corporation” or “Triple G”)
3100 Steeles Avenue East, Suite 600
Markham, Ontario
L3R 8T3

2. Date of Material Change

June 29, 2000

3. Press Release

One Press Release was issued on June 29, 1999 via a Canadian news wire service. A copy of the Press Release has been filed via SEDAR.

4. Summary of Material Change

The Corporation announced that CIBC World Markets Inc. will act as its exclusive agent for a planned private placement of approximately \$12 to \$15 million. The proceeds will be used to further Triple G’s application service provider (ASP) initiatives, expand sales and marketing capabilities and for working capital and general corporate purposes.

In conjunction with this private placement, Triple G announced that it has agreed to accept bridge financing in the amount of \$3 million (the “Financing”) comprised of \$2 million from J.L. Albright II Venture Fund and \$1 million from Working Ventures Canadian Fund Inc. The transaction is expected to close on June 30, 2000. As J.L. Albright II Venture Fund owns approximately 17.7% of the voting securities of Triple G, the Financing may be considered to be a related party transaction under Ontario Securities Commission Rule 61-501.

Pursuant to the terms of the Financing, Triple G will issue convertible debentures bearing interest at an annual rate of 8%. The debentures will be convertible into equity on the same terms as any equity financing (the “Qualifying Financing”) of Triple G of at least \$6 million in the period of 180 days from closing of the Financing. Warrants to acquire up to 900,000 common shares at an exercise price equal to the share price of the Qualifying Transaction will also be issued. If the Qualifying Financing is not completed within 180 days, the principal amount of the debentures and all interest accrued thereon will become immediately due and payable. It is expected that the private placement in which CIBC will act as agent will constitute the Qualifying Transaction.

The Financing will permit Triple G to further its ASP and sales and marketing initiatives concurrently with the proposed private placement transaction. John L. Albright is a director of Triple G and a partner of J.L. Albright II Venture Fund which is a venture capital fund investing primarily in emerging Internet e-commerce, networking and software companies. Djenane Cameron is a director of Triple G and an officer of Working Ventures Canadian Fund Inc., Canada's largest national venture investment fund. CIBC World Markets Inc. is the leading Canadian healthcare investment bank with extensive cross-border capabilities.

The Financing and previous financings of Triple G will result in J.L. Albright II Venture Fund owning, or holding securities convertible into or exercisable for, approximately 14,135,628 or 21.3% of the outstanding common shares of Triple G (assuming their conversion or exercise rights, and no other, are fully exercised), and Working Ventures Canadian Fund Inc. owning, or holding securities convertible into or exercisable for, approximately 7,500,000 or 11.3% of the outstanding common shares of Triple G (assuming their conversion or exercise rights, and no other, are fully exercised). J.L. Albright II Venture Fund and Working Ventures Canadian Fund Inc. have no agreement or arrangement respecting the voting of their securities or the acquisition of any further securities of Triple G.

Neither J.L. Albright II Venture Fund or Working Ventures Canadian Fund Inc. has any current intention to increase its beneficial ownership, control or direction over securities of Triple G. Pursuant to its governing legislation, Working Ventures Canadian Fund Inc. is not permitted to acquire previously issued securities in the market.

5. Full Description of Material Change

See Item 4 above.

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

Not Applicable

7. Omitted Information

No information has been omitted from this material change report.

8. Senior Officer

Robert McQuade, Chief Financial Officer

Telephone: (905) 305-0041 Ext. 293

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto this 30th day of June, 2000.

TRIPLE G SYSTEMS GROUP, INC.

By: “Robert McQuade”
Robert McQuade, Chief Financial Officer