PERIGEE INC.

MATERIAL CHANGE REPORT

SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)
SECTION 118(2) OF THE SECURITIES ACT (ALBERTA)
SECTION 84(1) OF THE SECURITIES ACT (SASKATCHEWAN)
SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)
SECTION 73 OF THE SECURITIES ACT (QUEBEC)
SECTION 81(2) OF THE SECURITIES ACT (NOVA SCOTIA)
SECTION 76(2) OF THE SECURITIES ACT (NEWFOUNDLAND)

1. Reporting Issuer

Perigee Inc.
320 Bay Street
Suite 1400
Toronto, Ontario
M5H 4A6

2. Date of Material Change

May 26, 2000

3. Press Release

A press release was issued in Toronto, Ontario on May 26, 2000 and is attached hereto as Schedule A.

4. Summary of Material Change

The acquisition of Perigee Inc. ("Perigee") by Legg Mason, Inc., through its indirect wholly-owned subsidiary, Legg Mason Canada Holdings Ltd., was completed on May 26, 2000 after Perigee shareholder approval and court approval were received on May 18 and May 25, 2000, respectively.

5. Full Description of Material Change

The acquisition of Perigee Inc. ("Perigee") by Legg Mason, Inc., through its indirect wholly-owned subsidiary, Legg Mason Canada Holdings Ltd., was completed on May 26, 2000 after Perigee shareholder approval and court approval were received on May 18 and May 25, 2000, respectively.

The two companies had announced on March 10, 2000 that they had entered into a definitive merger agreement for Legg Mason to acquire Perigee in a pooling of interests transaction for 5.2 million Legg Mason exchangeable shares. The exchangeable shares were issued on May 26, 2000 on the basis of 0.387 exchangeable shares for each Perigee share and commenced trading on the Toronto Stock Exchange on Wednesday, May 31, 2000. The exchangeable shares entitle their holders to dividends and other rights economically equivalent to those of the Legg Mason common shares and to vote at meetings of Legg Mason shareholders. Each exchangeable share is exchangeable at any time at the option of the holder, and in certain circumstances at the option of Legg Mason, and in any event automatically on the fifteenth anniversary of their issue, for one common share of Legg Mason.

Under the merger agreement, Perigee will continue to be managed by its principals and no management or other organizational changes are anticipated.

6. Confidential Filing

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officer

For further information, please contact Alex Wilson, Chief Executive Officer and Managing Principal, at (416) 860-0616.

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED this 1st day of June 2000.

"D. Alexander Wilson"
D. Alexander Wilson
Chief Executive Officer and Managing Principal

Schedule A

Legg Mason completes acquisition of Perigee

BALTIMORE, MD and TORONTO, May 26 /CNW/ - Legg Mason, Inc. (NYSE: LM) and Perigee Inc. (PGC-T) are pleased to report that, subsequent to Perigee shareholder approval received on May 18, all necessary approvals for the acquisition of Perigee by Legg Mason have been granted and the acquisition is now complete.

The two companies had announced on March 10, 2000 that they had entered into a definitive merger agreement for Legg Mason to acquire Perigee in a pooling of interests transaction for 5.2 million Legg Mason exchangeable shares. The exchangeable shares have today been issued by Legg Mason Canada Holdings Ltd. in exchange for Perigee shares on the basis of 0.387 Legg Mason exchangeable shares for each Perigee share. They are the economic equivalent of shares of common stock of Legg Mason and may be exchanged for those shares on a one-for-one basis at any time. The exchangeable shares also carry the right to direct the voting rights of an equivalent number of Legg Mason common
shares and they will receive any future dividends and other distributions on an equal basis.

Under the merger agreement, Perigee will continue to be managed by its principals and no management or other organizational changes are anticipated.

Legg Mason exchangeable shares are expected to commence trading on the Toronto Stock Exchange on Wednesday, May 31, 2000. Until that time, the exchangeable shares for trading purposes will be represented by Perigee common shares.

Legg Mason, Inc., headquartered in Baltimore, is a holding company that provides investment advisory, securities brokerage, investment banking and related financial services through its wholly owned subsidiaries. Perigee Inc., headquartered in Toronto, is the 7th largest pension fund manager in Canada. As of March 31, 2000, Legg Mason reported assets under management of $112 billion (C$163 billion) and Perigee reported assets under management of $14.9 billion (C$21.5 billion).

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For further information: please contact: Lisa Spector (Legg Mason), (410) 454-4461; or Alex Brown (Perigee), (519) 883-1525