

This is the form of material change report required under Section 85(1) of the Securities Act.

BC FORM 53-901F
(formerly Form 27)

Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

Item 1. Reporting Issuer

Imagis Technologies Inc.
Suite 1300, 1075 West Georgia Street
Vancouver, B.C. V6E 3C9

Item 2. Date of Material Change

March 12, 2002

Item 3. Press Release

Vancouver, British Columbia, March 12, 2002

Item 4. Summary of Material Change

Sanyo Semiconductor Company, Imagis Technologies Inc., and Intacta Technologies Inc. announced the formation of SecurityART Inc.

Item 5. Full Description of Material Change

Sanyo Semiconductor Company ("Sanyo"), one of five principal companies of Sanyo Electric Co., Ltd.; Imagis Technologies Inc. ("Imagis"); and Intacta Technologies Inc. ("Intacta"), announced the formation of SecurityART Inc. SecurityART will integrate the hardware and software technologies of all three companies providing a high-level, robust and multi-level security and verification solution for access control. The resulting product, ID Controller, is being developed for installation in any environment requiring high security such as airports, secure buildings, laboratories, document authentication and verification for passports, visas and ID cards.

SecurityART, headquartered in Japan, will develop, manufacture and market ID Controller, creating a number of multi-level access control systems that incorporate biometrics. SecurityART will initially be capitalized by several subsidiaries and affiliates of the Sanyo group with approximately US\$1.5 million (180 million yen) and is expected to increase to US\$2.5 million (300 million yen) in the last quarter of 2002. Imagis and Intacta will receive licensing and royalty fees with respect to the marketing of their technologies and will participate in the equity of SecurityART.

The focus of SecurityART will be to design, manufacture, and market sophisticated devices for access control, the first line of defense in controlling who enters secure facilities, as well as ID verification for documents, and ID card authentication. The multi-level solution will include an ID card reader, a fingerprint pad and a digital camera. ID Controller will integrate Imagis' biometric facial recognition technology, ID-2000,

Intacta's compression and encoding technology, Intacta.Code, and hardware that includes a Sanyo CCD camera and fingerprint sensor. As a standalone security system, there is no need for expensive cables and wiring to connect to offsite monitoring stations. ID Controller will allow for in-house creation of authorized ID cards that encode the user's fingerprint, facial and biographic data using Intacta.Code. In addition, the standalone configuration does not require offsite monitoring and allows for low-cost, easy installation without major alterations to access facilities.

ID Controller will verify access when an individual enters their ID-card in a reader and secondly, places a finger on the fingerprint pad. The third level of security is transparent and authenticates the individual's identity using the embedded biometric facial recognition technology in a digital camera.

A prototype of the ID Controller will be demonstrated at CardTech/SecurTech, on April 22 to 25, in New Orleans, Louisiana.

Item 6. Reliance on Section 85(2) of the Act

N/A

Item 7. Omitted Information

None

Item 8. Senior Officers

The following senior officers of the Issuer are knowledgeable about the material change and may be contacted by the Commission at the address and telephone number:

Iain Drummond
President
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Telephone: (604) 684-4691

Rory Godinho
Corporate Secretary
Suite 1020, Montreal Trust Centre
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Telephone: (604) 689-9930

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Date March 12, 2002

"Rory Godinho"
(signature)

Rory Godinho
Name

Corporate Secretary
Position

Vancouver, British Columbia
Place of Declaration