FORM 27
Material Change Report
Pursuant to Section 75(2) of the *Securities Act* (Ontario).

Item 1 Reporting Issuer

SiGEM Inc.
84 Hines Road
Ottawa, Ontario K2K 3G3

Item 2 Date of Material Change

October 31, 2001

Item 3 Press Release

Press Release issued November 1, 2001

Item 4 Summary of Material Change

On November 1, 2001, the Company announced that it had reached an agreement to sell its wholly owned subsidiary, Auriga Communications Ltd., to Tait Europe Ltd., a subsidiary of Tait Electronics Ltd.

Item 5 Full Description of Material Change

The Company acquired Auriga Communications Ltd. In early 2001 for $4.9 million in cash and notes and 2.25 million common shares of the Company. As part of the sale to Tait Europe Ltd., Tait will take over the Company's obligation for the outstanding notes representing $3.4 million in future payments.

This agreement also terminates the Company's obligation to issue 1.75 million additional common shares to former Auriga Communications Ltd. shareholders which was announced on August 16, 2001 and terminates any obligation to issue further shares to such persons pursuant to the original acquisition agreement.

This divestiture improves the Company's financial position by removing significant debt from the Company's balance sheet and allows the Company to focus efforts on achieving profitable growth from its existing taxi dispatch and telematics businesses.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Senior Officers

Herb Woods, President and Chief Executive Officer, is knowledgeable about the material change and this report. His business telephone number is (613) 271-1601.

Item 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Ottawa, Ontario, November 1, 2001.

Per: (signed) Herb Woods

Herb Woods
(name of person signing the Form)

President & Chief Executive Officer
(office or capacity)

SIGEM INC.

Canadian Quotes from Telenium
GPS. (TSE)

Attention Business/Financial Editors:

SiGEM Sells Auriga Subsidiary

Move strengthens balance sheet, improves focus

OTTAWA, Canada, Nov. 1 /CNW/ - SiGEM Inc. (TSE:GPS) today announced it has reached an agreement to sell its wholly owned subsidiary, Auriga Communications Ltd., to Tait Europe Ltd., a subsidiary of New Zealand-based radio communications company Tait Electronics Ltd. This strategic move improves SiGEM's financial position by removing significant debt from the Company's balance sheet and allows SiGEM to focus efforts on achieving profitable growth from its existing taxi dispatch and telematics businesses.

Auriga, a UK-based provider of fleet management systems, was acquired in early 2001 for $4.9 million in cash and notes and 2.25 million SiGEM common shares. As part of the agreement, Tait will take over SiGEM's obligation for the outstanding notes representing $3.4 million in future payments. This agreement terminates the obligation to issue 1.75 million additional shares announced on August 16, 2001 and terminates any obligation to issue further shares to the former Auriga shareholders pursuant to the original purchase agreement.

"Although there was strategic value in our acquisition of Auriga, it proved not to be accretive to SiGEM on the schedule we anticipated," said Herb Woods, SiGEM President and Chief Executive Officer. "With the removal of debt related to this acquisition and improvement in our working capital position, we enter the fourth quarter and the year ahead in a much stronger position financially, enabling us to cultivate growth in our established taxi dispatch business and aggressively pursue the large opportunities we've identified in the high-growth telematics market."

About SiGEM

SiGEM (www.sigem.com) ranks as a major force in the emerging telematics market, with an installed base of more than 165,000 units and 20 years' experience in location-based fleet management. Headquartered in Ottawa, Canada, with operations in the US and the UK, SiGEM develops and markets the ePiNG family of hardware, software and services for a variety of wireless location-based applications. SiGEM works with some of the industry's key players, including Cellemetry, Bell Mobility, GenRad, WirelessCar, Tyco

Electronics and STMicroelectronics, to assemble highly integrated and uniquely versatile solutions for specific customer requirements. As wireless equipment and location-based services become standard in cars, trucks, heavy equipment, and other vehicles, SiGEM's mission is to provide the most widely used and feature-rich telematics platform. The common shares of SiGEM trade on The Toronto Stock Exchange under the symbol "GPS".

(TM) ePiNG is a trademark of SiGEM Inc.

This press release may contain forward-looking statements. These statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements.

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