

This is the form of a material change report required under section 85 (1) of the *Securities Act* and section 151 of the *Securities Rules*.

**BC FORM 53-901F**

*Securities Act*

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

**Item 1: Reporting Issuer**

Cinimage Corporation  
350 – 1090 Homer St.  
Vancouver, B.C.  
V6B 2W9

**Item 2: Date of Material Change**

June 2, 2004

**Item 3: Press Release**

News Release dated June 2, 2004 was disseminated by Stockwatch and Market News on June 2, 2004.

**Item 4: Summary of Material Change**

The Issuer announced that the company has closed its non-brokered private placement previously announced on March 24, 2004 of 1,400,000 units (the “Units”) at a price of \$0.075 per Unit for total proceeds of \$105,000.

**Item 5: Full Description of Material Change**

The Issuer announced that the company has closed its non-brokered private placement previously announced on March 24, 2004 of 1,400,000 units (the “Units”) at a price of \$0.075 per Unit for total proceeds of \$105,000. Each Unit consists of one common share and one share purchase warrant. Each warrant enables the holder to acquire one additional common share of the Company for a period of two years from the closing date of May 26<sup>th</sup>, 2004 at a price of \$0.10 per share in the first year, and \$.125 per share in the second year.

Proceeds will be used to launch the Company’s Prints-On-Demand service located at [www.fineartprints.ca](http://www.fineartprints.ca) and accessible from the Company’s web site at [www.cinimage.com](http://www.cinimage.com), and for General Working Capital.

**Item 6: Reliance on section 85 (2) of the Act**

If the report is being filed on a confidential basis in reliance on section 85 (2) of the Act, state the reasons for that reliance.

N/A

**Item 7: Omitted Information**

N/A

**Item 8: Senior Officers**

Edgar Froese, President  
Telephone: 604-669-0699

**Item 9: Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

**DATED** at Vancouver, B.C. on the 2<sup>nd</sup> day of June, 2004.

CINEMAGE CORPORATION

Per: "*Edgar Froese*"

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Edgar Froese, President & CEO