

**Form 51-102F3**  
***Material Change Report***

**PART 2      CONTENT OF MATERIAL CHANGE REPORT**

**Item 1      Name and Address of Company**

CINEMAGE CORPORATION  
350 – 1090 Homer St.  
Vancouver, B.C.  
V6B 2W9

**Item 2      Date of Material Change**

December 22, 2004

**Item 3      News Release**

News Release dated January 5, 2005 was released through Stockwatch and Market News on January 5, 2005.

**Item 4      Summary of Material Change**

The Issuer announced that it has closed on its private placement announced October 26, 2004 and amended November 23, 2004, and issued 552,590 units (the “Units”) at \$0.135 per unit for gross proceeds of \$74,599.65.

**Item 5      Full Description of Material Change**

The Issuer announced that it has closed on its private placement announced October 26, 2004 and amended November 23, 2004, and issued 552,590 units (the “Units”) at \$0.135 per unit for gross proceeds of \$74,599.65. Each Unit consists of one common share (“Share”) and one share purchase warrant (“Warrant”), each Warrant entitling the holder to acquire one additional common share of the Company for a period of two years from closing at a price of \$0.16 per share. The Units are subject to a four-month hold period expiring April 23, 2005, and the Warrants expire on December 22, 2006.

The private placement proceeds will be used for launching the Company’s Prints-On-Demand service hosted at [www.fineartprints.ca](http://www.fineartprints.ca) and also accessible from the Company’s web site at [www.cinimage.com](http://www.cinimage.com), and for general working capital purposes.

**Item 6            Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102, state the reasons for such reliance.

N/A

**Item 7            Omitted Information**

State whether any information has been omitted on the basis that it is confidential information.

N/A

**Item 8            Executive Officer**

ON BEHALF OF THE  
BOARD OF DIRECTORS:

*“Edgar Froese”*

Cinimage Corporation  
Edgar W. Froese  
President, CEO & Chairman  
604 669 0699  
Email: froese@cinimage.com

**Item 9            Date of Report**

January 5, 2005