

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

State the full name of your company and the address of its principal office in Canada.

CAREEREXCHANGE INTERACTIVE CORP.
1525 – 625 Howe Street
Vancouver, B.C. V6C 2T6

Item 2: Date of Material Change

State the date of the material change.

June 25, 2004

Item 3: News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

June 25, 2004 through Filing Services Canada Inc.

Item 4: Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

The Company announced it is defending a complaint made by CareerXchange, Inc.

Item 5: Full Description of Material Change

Supplement the summary required under Item 4 with the disclosure that should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also Item 7.

CareerExchange Interactive Corp. (the “Corporation”) has been notified that a company called CareerXchange, Inc. (“Xchange”) has filed a complaint in a court in South Florida alleging that CareerExchange’s name has violated its rights in connection with its trademark “CareerXchange” and that the use of the mark “CareerExchange” is intended to trade on Xchange’s goodwill and reputation. The complaint, which has not been served formally on the Corporation at this time, demands, among other things, that the Corporation cease using the name “CareerExchange”.

The Corporation has responded to the complaint by stating, among other things, that:

- The Corporation has been using the mark and domain name WWW.CAREEREXCHANGE.COM in commerce since 1996 in connection with its sole business of providing classified advertisements for others.
- In the summer of 2000, the principals of Xchange and the Corporation discussed both companies' use of their respective trademarks. Xchange's principals specifically stated that the Corporation was entitled to continue using its mark and domain name as long as the Corporation forwarded to Xchange any emails accidentally sent to one of nineteen specified email addresses. Starting in 2000 and continuing to the present, the Corporation has at all times honored the above-described agreement (the "Agreement") and forwarded all emails related to the addresses to Xchange. Given the Agreement between Xchange and the Corporation, Xchange is now estopped from prosecuting trademark infringement and other such actions against the Corporation.
- The Corporation obtained a trademark registration prior to Xchange. Moreover, so far as Management of the Corporation is aware, Xchange is, and always has been, strictly a Southern Florida business. Therefore, the Corporation is the senior user in every state but Florida. Indeed, the Corporation registered its domain name a full year before Xchange registered its domain name. The Corporation also uses its domain name in Canada which is not in dispute.
- Xchange would not be able to prove likelihood of confusion between the Corporation and Xchange's marks. Specifically, a brief analysis reveals that, among other things:
 - (1) The marks are dissimilar in their entirety as to commercial impression, especially given that Xchange's mark is a word plus design mark, and the logos of the two companies are dissimilar;
 - (2) The services offered by the two companies are dissimilar. Specifically, the Corporation is solely a passive classifieds job board, while Xchange is a staffing agency. Xchange is the type of company which might use the Corporation's services, but the companies do not compete;
 - (3) The trade channels between the companies are not similar;
 - (4) Customers of both the Corporation and Xchange are careful, sophisticated purchasers, and not "impulse shoppers";
 - (5) So far as Management of the Corporation is aware, Xchange has no fame outside of Southern Florida. Within Southern Florida, it is not clear whether or not Xchange has built up sufficient fame to exclude others from use of its word mark on their goods and services; and
 - (6) The extent of potential confusion is *de minimis* or unsubstantial.

Based on the above, the Corporation intends to defend vigorously any subsequent litigation initiated by Xchange and will file its own counter suit against Xchange for, among other things, breach of the Agreement and malicious prosecution.

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

If the 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.

Instruction:

For continuing obligations regarding reports filed under this subsection, refer to section 75 (4) of the Securities Act (Ontario) and Part 3.4 of the SEDAR Filer Manual.

N/A

Item 7: Omitted Information

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

N/A

Item 8: Executive Officer

Give the name and business telephone number of a senior officer of your company who is knowledgeable about the material change and the report or an officer through whom such executive officer may be contacted..

Jason Moreau, President, at:
(510) 845-3595

Item 9: Date of Report

Dated this 28th day of June, 2004.