**FORM 51-102F3**

**MATERIAL CHANGE REPORT**
**NATIONAL INSTRUMENT 51-102**

1. **Reporting Issuer**
First One Capital Inc. (the "Company")
810 - 1 First Canadian Place
Toronto, Ontario M5X 1A9

2. **Date of Material Change**

March 18, 2005

3. **Publication of Material Change**

A press release was issued on March 18, 2005.

4. **Summary of Material Change**

The Corporation announced that it has entered into an agreement in principle with Red Media Corp. ("Red Media") to provide for a proposed business combination of the two companies by way of an amalgamation (the "Proposed Business Combination"). The Proposed Business Combination is expected to constitute the Company's Qualifying Transaction as defined in Policy 2.4 of the TSX Venture Exchange Inc.

5. **Full Description of Material Change**

A full description of the material change was described in a news release dated March 18, 2005 attached as Schedule "A" to this report.

6. **Confidentiality of Information**

Neither subsection 7.1(2) nor (3) is being relied upon.

7. **Omitted Information**

N/A

**8. Senior Officer**

Inquiries in respect of the material change referred to herein may be made to:

Owen Menzel,
Chief Executive Officer and Chief Financial Officer
First One Capital Inc.
tel. (416) 919-5735

**9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 24th day of March, 2005.

By: *"Owen Menzel"*
Owen Menzel
Chief Executive Officer and Chief Financial Officer

**Schedule "A"**

**FIRST ONE CAPITAL INC.**

810-1 First Canadian Place
Toronto, Ontario M5X 1A9

## PRESS RELEASE

FOR IMMEDIATE RELEASE — CCNMathews

March 18, 2005 — TSX Venture Exchange: FOC.P
Toronto, Ontario — Shares Outstanding: 6,752,160

# FIRST ONE CAPITAL INC. ANNOUNCES AGREEMENT IN PRINCIPLE REGARDING A PROPOSED QUALIFYING TRANSACTION

March 18, 2005 – First One Capital Inc. ("First One Capital"), a capital pool company, announces that on March 18, 2005, it has reached agreement in principle with Red Media Corp. ("Red Media"), to provide for a proposed business combination of the two companies by means of an amalgamation (the "Business Combination"). The Business Combination will constitute First One Capital's proposed qualifying transaction.

Under the proposed amalgamation, holders of common shares of First One Capital will receive .37 of a common share of the amalgamated entity for each common share held. First One Capital currently has 6,752,160 common shares outstanding. The outstanding options and warrants of First One Capital will be exchanged for 0.37 options or 0.37 warrants, respectively, in the amalgamated company. Shareholders of Red Media will receive one common share of the amalgamated entity for each common share held (representing a deemed value of $0.90 per common share). Red Media currently has 21,537,118 common shares outstanding. The outstanding options and warrants of Red Media. will be each exchanged for one option or warrant, as the case may be, of the amalgamated company and retain their existing exercise prices. Red Media has outstanding 4,915,999 options, 4,565,995 warrants and 125,000 special warrants. On a fully diluted basis, the amalgamated company results from the combination of Red Media and First One Capital (the "Resulting Issuer") will have 34,018,737 common shares outstanding.

Red Media, established in Toronto, Canada in 2003, provides a unique solution to Internet search technology by specializing in local search using key word search parameters. It operates under the name "redToronto" and its site can be found at www.redtoronto.com. For the year ended March 31, 2004, its first full year of operation, Red Media recorded audited revenues of $Nil and a net loss of $881,000. For the ten months ended January 31, 2005, Red Media recorded unaudited revenues of $649,000 and a net loss of $2,654,000. For the year ended March 31, 2006, Red Media has contracted revenue of approximately $2,500,000.

Red Media's business is located at 197 Spadina Ave., Toronto, Ontario. Roger Abbiss, Chief Executive Officer of Red Media, holds directly and indirectly 6,250,000 common shares (23.82%) on a fully diluted basis. No other shareholder of Red Media holds more than 10% of the outstanding shares.

Jeffrey Dawson and Chris Tambakis, directors and shareholders of First One Capital are also directors and shareholders of Red Media. Owen Menzel, an officer, director and shareholder of First One Capital also holds directly and indirectly less than 0.5% of the common shares of Red Media. As a result, the proposed Business Combination is considered to be a non-arm's length transaction and may require majority of minority shareholder approval.

It is intended that the following current directors and senior management of Red Media will be insiders of the "Resulting Issuer":

| Name | Background | Role |
|---|---|---|
| Roger Abbiss | Chief Executive Officer, Red Media | Officer and Director |
| Perry Dellelce | Partner, Wildeboer Dellelce LLP, solicitors | Director |
| Timothy Gould | President, Gould Leasing Ltd. | Director |
| Michael Holiday | President, Harbour Printing and Distribution | Director |
| Jeffrey Dawson | President, Jeffrey Dawson Insurance Agencies Limited | Director |
| Chris Tambakis | Vice-President, Investment Services Group, Colliers International | Director |
| Jeff Jackson | Chief Financial Officer, Red Media | Officer |
| Blair Calder | Chief Technology Officer of Red Media (through Offsite Corp.) | Officer |
| Lynne Guthrie | Vice President, Training, Red Media | Officer |
| Ian Grieve | Vice President, Sales, Red Media | Officer |
| Sandra Antoniani | General Counsel, Red Media | Officer |

As well, Owen Menzel, the current Chief Executive Officer and a director of First One Capital, will be nominated to the board of directors of the Resulting Issuer and will be an insider of the Resulting Issuer.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

***THE TSX VENTURE EXCHANGE INC. HAS IN NO WAY PASSED UPON THE MERITS OF THE PROPOSED TRANSACTION AND HAS NEITHER APPROVED NOR DISAPPROVED THE CONTENTS OF THIS PRESS RELEASE.***

For further information, please contact:

For First One Capital Inc. – Owen Menzel, Chief Executive Officer, (416) 919-5735.

For Red Media Corp. – Roger Abbiss, Chief Executive Officer, (416) 593-5888 ext 226