COMNETIX INC.

Suite 100, 2871 Bristol Circle
Oakville, Ontario
L6H 6G4

FILED VIA SEDAR

Alberta Securities Commission
4th Floor, 300-5th Ave SW
Calgary, AB T2P 3C4
Attention: Continuous Disclosure

British Columbia Securities Commission
12th Floor, Pacific Centre
701 W. Georgia Street
Vancouver, B.C. V7Y 1L2
Attention: Continuous Disclosure

Manitoba Securities Commission
1130 - 405 Broadway
Winnipeg MB R3C 3L6
Attention: Continuous Disclosure

Prince Edward Island Securities Commission
Securities Office
Consumer, Corporate and Insurance Services Division
Office of the Attorney General
P.O. Box 2000
Charlottetown, PE C1A 7N8
Attention: Continuous Disclosure

Autorité des marches financiers
Stock Exchange Tower
800 Victoria Square, 22nd Floor
P.O. Box 246,
Tour de la Bourse
Montreal, QC H4Z 1G3
Attention: Continuous Disclosure

New Brunswick Securities Commission
133 Prince William Street, Suite 606
Saint John, NB E2L 2B5
Attention: Continuous Disclosure

Ontario Securities Commission
20 Queen Street West, 19th Floor
Toronto, Ontario M5H 3S8
Attention: Continuous Disclosure

Nova Scotia Securities Commission
2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, NS B3J 3J9
Attention: Continuous Disclosure

Saskatchewan Financial Services Commission
(Securities Division)
6th Floor
1919 Saskatchewan Drive
Regina, Saskatchewan S4P 3V7
Attention: Continuous Disclosure

Registrar of Securities
Department of Justice
Government of the Northwest Territories
1st Floor Stuart M. Hodgson Building
5009 – 49th Street
P.O. Box 1320
Yellowknife, NWT X1A 2L9
Attention: Continuous Disclosure

Securities Commission of Newfoundland and Labrador
2nd Floor, West Block, Confederation Building
PO BOX 8700
ST. JOHN'S, NL A1B 4J6
Attention: Continuous Disclosure

Department of Community Services Yukon
Registrar of Securities
Corporate Affairs C-6
PO Box 2703
Whitehorse, YU Y1A 3C6
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Registrar of Securities
Legal Registries Division
Department of Justice
Government of Nunavut
1st Floor, Brown Building
P.O. Box 1000 - Station 570
Iqaluit, NU X0A 0H0
Attention: Continuous Disclosure

Dear Sirs/Mesdames:

Re: Material Change Report
Form 51-102F3

1. The name of the reporting issuer is **ComnetiX Inc.** ("ComnetiX" or the ACompany@), whose principal office is at Suite 100, 2872 Bristol Circle, Oakville, Ontario L6H 6G4.

2. The material changes occurred on August 5, 2005 and August 10, 2005.

3. Press Releases were published at Toronto on August 10, 2005.

4. ComnetiX announced that it had closed its acquisition of privately held, Carrollton, GA-based Paragon Total Solutions Inc, a well established provider of biometric technology serving law-enforcement and government agencies with a significant customer base throughout the southeastern United States, and that Andy Horton, the former Chief Executive Officer of Paragon Total Solutions Inc., had joined ComnetiX as the Company's Vice-President of Sales, Southeastern Region.

   The Company also announced that Michael Pearson had joined the Company as Executive Vice President, Marketing and Business Development, as two other executives' duties are realigned to fit the strategic goals of the Company.

5. **Acquisition of Paragon Total Solutions Inc.**

The Company's Chief Executive Officer, Jim Scullion, indicated that the acquisition of Paragon was the latest manifestation of the Company's vision to become the dominant player in the biometric technology arena and to change the status quo with the Company's software-centric solutions, and that with the acquisition the Company was expanding its presence in a large and whole new region of the US.

As previously announced, the purchase price of the acquisition was US $4.45 million, of which US $1.5 million was paid in cash, certain liabilities were assumed, and the balance paid by way of issuance of approximately 800,000 common shares of ComnetiX. The issued common shares are subject to contractual restrictions on resale for a period of at least one year, with a majority of such shares subject to a contractual escrow.

Results for the fourth fiscal quarter ending August 31, 2005, will reflect combined results from the date of closing until the quarter end. The first full quarter of combined results will be reported during ComnetiX's first fiscal quarter ending November 30, 2005.

Appointment of Michael Pearson ("Pearson") as Executive Vice President, Marketing and Business Development

Pearson fills the business development role once held by Alan Brousseau as Brousseau has been appointed Vice President, Fingerprinting Services USA. In addition Carter Marantette will now be Vice-President Sales with expanded regional responsibilities as a result of the acquisition of Paragon Total Solutions. Previously Marantette was responsible for marketing as well. All three individuals will report directly to ComnetiX CEO Jim Scullion.

Scullion noted that both Marantette and Brousseau have demonstrated excellent entrepreneurial and leadership skills in their old positions, and the shifts in their respective responsibilities will allow them to focus on strategically important activities as the Company continues its growth.

Most recently Pearson served as Managing Director, North America at SMITHS-Heimann Biometrics, where he developed the North America Biometrics Business Unit from point zero.

During his tenure there, Pearson helped win significant federal and non-criminal contracts, as well as establish robust channel partner relationships that serviced the criminal justice market.

Prior to joining SMITHS in 2000, Pearson served as both Vice President of Sales, International and North America at Identix. In 1986 Pearson was employed as Director of Sales at SAGEM/Morpho, Inc (SMI) where he helped drive the company's growth as it became one of the top AFIS companies in North America; he ended his career at SMI in 1996 as Vice President Sales and Marketing.

6. The report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

7. No information has been omitted because it is believed it should remain confidential.

8. Mr. Tim Zahavich is a director and the Chief Finance Officer may be contacted at 905-829-9988 ext 206 concerning this report.

9. The foregoing accurately discloses the material changes referred to herein.

DATED at Toronto, Ontario this 15th day of August, 2005.

COMNETIX INC.

"Tim Zahavich"

Per: ____

TIM ZAHAVICH
Chief Financial Officer

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