

FORM 51-102F3
MATERIAL CHANGE REPORT

PART 1 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Family Memorials Inc.
1415 Victoria Avenue E.
Thunder Bay, Ontario P7C 1C4

Item 2 Date of Material Change

April 12, 2006

Item 3 News Release

Issued April 12, 2006

Item 4 Summary of Material Change

Family Memorials Inc. has signed a Letter of Intent with Rod H. Verduyn to purchase all of the shares of Verduyn Granite Company Ltd.

Item 5 Full Description of Material Change

Family Memorials Inc. has signed a Letter of Intent with Rod H. Verduyn to purchase all of the shares of Verduyn Granite Company Ltd. ("Verduyn Granite"). Verduyn Granite owns and operates a memorial business of preparing and selling monuments, grave stones and markers under the name Peterborough Memorial Works in and around the City of Peterborough, Ontario.

The Letter of Intent is subject to both parties completing an Agreement of Purchase and Sale. The initial terms outlined in the Letter of Intent stipulate a closing date of June 15, 2006 and a purchase price of \$380,000.00 for all shares of Verduyn Granite. FMI will also pay for the value of memorial inventory on closing and certain fixed assets to be agreed upon. It is estimated that the inventory value to be approximately \$74,500. At the time of closing all liabilities of Verduyn Granite will be paid in full.

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

The name and business telephone number of the executive officer of Family Memorials Inc. who is knowledgeable about the material change and this Report is:

Scott C. Kellaway

Telephone number: 807-577-6463

Item 9 Date of Report

April 19, 2006