

Form 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Reporting Issuer

Preo Software Inc. ("Preo")
202, 3553 – 31 Street N.W.
Calgary, Alberta T2L 2K7

ITEM 2 Date of Material Change

June 15, 2010

ITEM 3 News Release

A press release setting out information relating to the material change described herein was issued by Preo on June 15, 2010 and was disseminated through the facilities of Marketwire.

ITEM 4 Summary of Material Change

Preo announced that it has entered into a licence agreement with Toshiba America Business Solutions Inc.

ITEM 5 Full Description of Material Change

See the press release attached hereto as Schedule "A".

ITEM 6 Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

ITEM 7 Omitted Information

Not Applicable

ITEM 8 Executive Officer

Gary McCone, President
Tel: (403) 265-0556/3258

ITEM 9 Date of Report

June 15, 2010

Schedule "A"

PRESS RELEASE

PREO SOFTWARE INC.

TOSHIBA PARTNERS WITH PREO TO OFFER CUSTOMERS EVEN GREATER PRINT MANAGEMENT TOOLS

Preo's Printelligence™ MPS Solution Helps Businesses Effortlessly and Effectively Manage Print Behavior, Save Significant Printing Costs and Reduce Their Environmental Impact

CALGARY, Alberta June 15, 2010 – PREO SOFTWARE INC. ("Preo") (CNSX: PKM) Toshiba America Business Solutions Inc. ("TABS"), an industry-leader in MPS, and Preo, the market leader in Print Knowledge Management Systems, today announce a strategic agreement, under which TABS will market Preo's Printelligence™ MPS solution. The flagship value proposition of this partnership is centered around effectively managing end-user print behavior, thus enabling organizations of all sizes to reduce their printing costs and environmental impact, without interfering or interrupting their knowledge-workers' productivity.

Under the terms of the license agreement, TABS and its authorized dealers will distribute the Printelligence™ MPS solutions to Toshiba's customers throughout the United States, Mexico, Central America, South America and the Caribbean. The license agreement is for a term of four (4) years and either party may terminate the license agreement after twenty four (24) months with six (6) months' advance notice. TABS has the option to renew the license agreement for successive one (1) year terms.

"We're always searching for new ways to help our customers effectively, and easily manage end-user print behavior, and thereby improve our own MPS offerings. After carefully evaluating various solutions, we decided that Printelligence™ MPS best met our needs for a flexible end-user solution. It is easy to deploy and use, requires little IT involvement, integrates seamlessly with our existing offerings, allows for remote management, and has the architecture, security and features to ensure strong customer and channel acceptance," said Bill Melo, vice president, Marketing, Services and Solutions, Toshiba.

"We are particularly pleased that Toshiba, with its track record of innovation and leadership in the managed print market has selected Preo's user-centric Printelligence™ MPS solution. It is further validation of the unique benefits Preo can deliver to industry leaders in managed print. The Toshiba team is clearly at the forefront of developing the next major phase of print management focused on the end-user, which we term Print Optimization 2.0," said Gary McCone, President & CEO of Preo.

"We clearly see the end-user aspect of managed print evolving", said Ed Crowley, CEO, Photizo Group, and organizer of MPS 2010, the industry's leading forum for Managed Print. "This agreement between industry leading Toshiba and Preo is a clear indication of the trend for MPS software to move beyond simply managing devices, to being an active component of the change management process for end users".

About Preo™ Software

Preo Software Inc. is the market leader in providing Print Knowledge Management Systems (PKMS) to enterprises and select OEM's around the world. Printelligence™, the company's award winning SaaS

(Software as a Service) offering, empowers users to optimize their print assets and reduce print volumes, yielding significant cost savings and a smaller environmental footprint. Preo customers have achieved significant cost reductions through the deployment of Printelligence's™ patented PKMS Rules Engine, which allows managers to monitor, advice and/or control the print function in their organization.

Printelligence™ MPS is the complete solution for implementing a comprehensive Print Optimization 2.0 service from assessment to print behavior change management and reporting.

About Toshiba America Business Solutions Inc.

Toshiba America Business Solutions Inc. (TABS) manages product planning, marketing, sales, service support and distribution of copiers, facsimiles, multifunction printing products, network controllers, and toner products throughout the United States, Mexico, Brazil, Latin America, and the Caribbean. Headquartered in Irvine, Calif., TABS has five divisions: the Electronic Imaging Division; the Toner Products Division; the Document Solutions Engineering Division; the International Division; and Toshiba Business Solutions (TBS), a wholly-owned subsidiary corporation of TABS, that operates a network of wholly-owned office equipment dealers throughout the United States.

TABS is an independent operating company of Toshiba Corporation, the seventh largest electronics/electrical equipment company and the world's 97th largest company in terms of sales. Ranked by Fortune magazine as the eighth Most Admired Electronics Company in the World, Toshiba Corporation is a world leader in high technology products with more than 300 major subsidiaries and affiliates worldwide. Fiscal year revenue in 2008 was approximately \$67.9 billion.

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The Canadian National Stock Exchange (CNSX) has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

(Not for Dissemination in the United States of America)