Material Change Report
National Instrument 51-102

<u>Reporting Issuer:</u>

Genworth MI Canada Inc. ("the "Company")
2060 Winston Park Drive, Suite 300
Oakville, Ontario L6H 5R7

<u>Date of Material Change:</u>

July 15, 2010

<u>Press Release:</u>

The press release reporting the material change described in this report was issued on July 15, 2010 through Canada Newswire and filed with each of the Canadian securities regulatory authorities via SEDAR and is attached as Schedule "A".

<u>Summary of Material Change:</u>

On July 15, 2010, the Company announced that it intends to make a substantial issuer bid ("the Offer") to purchase for cancellation up to C$325 million of its common shares ("Shares"). Shareholders wishing to accept the Offer will have an opportunity to tender (i) pursuant to a Dutch auction process, the number of Shares they wish at a price they select within a range of not less than C$24.00 and not more than C$28.00 ("Auction Tender"), or (ii) by way of a proportionate tender that will allow them to maintain their current proportionate Share ownership in the Company following completion of the Offer ("Proportionate Tender").

<u>Full Description of Material Change:</u>

On July 15, 2010, the Company announced the Offer pursuant to which the Company will offer to purchase for cancellation up to C$325 million of its Shares at a purchase price to be determined by the Company.

The purchase price to be paid by the Company for each Share properly tendered ("Purchase Price") will be based on the number of Shares tendered and the prices specified by shareholders making tenders pursuant to an Auction Tender and will be the lowest price which enables the Company to purchase Shares up to the auction limit, determined in accordance with the terms of the Offer. Shares tendered at prices equal to or below the Purchase Price will be purchased at the Purchase Price. Shares tendered at prices above the Purchase Price will be returned to shareholders.

Genworth Financial, Inc., the Company's majority shareholder (via its indirect wholly owned subsidiary, Brookfield Life Assurance Company Limited), has advised the Company that it intends to make a Proportionate Tender, such that it will maintain its Share ownership at the current 57.5% level. To the knowledge of management of the Company after reasonable inquiry, no director or officer of the Company intends to deposit Shares under the Offer.

The offer to purchase and issuer bid circular and other related documents (the "Offer Documents"), containing the terms of the Offer and the instructions for tendering the Shares were mailed to shareholders and filed with each of the Canadian securities regulatory authorities on July 19, 2010. The Offer will remain open for acceptance until 5:00 pm on August 24, 2010, unless withdrawn or extended by the Company.

Scotia Capital Inc. ("Scotia") was engaged by the Board of Directors of the Company to prepare a liquidity opinion with respect to the Common Shares (the "Opinion"). A copy of the Opinion of has been attached to the Offer Documents.

For additional details concerning the material change, reference is made to the news release attached hereto at Exhibit “A”.

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

Not applicable.

Omitted Information:

Not applicable.

Executive Officer:

For further information, please contact:

Philip Mayers
Senior Vice President, Chief Financial Officer
Direct: 905-287-5393
Email: Philip.Mayers@genworth.com

Date of Report:

July 21, 2010

Schedule A

See attached.

Genworth MI Canada Inc.

NEWS RELEASE

2060 Winston Park Drive
Suite 300
Oakville, ON L6R 5R7

Genworth MI Canada Inc. to Repurchase up to $325 million of its Common Shares Through a Substantial Issuer Bid

Toronto, ON (July 15, 2010) – Genworth MI Canada Inc. (the "Company") today announced a substantial issuer bid, pursuant to which the Company will offer to purchase for cancellation up to C$325 million of its common shares.

"Our board of directors believes that the recent market price of the Company's common shares does not fully reflect the value of our business and future prospects," stated Brian Hurley, Chairman and Chief Executive Officer of the Company. "This offer represents an equitable and efficient means of returning capital to our shareholders and allows the Company to continue to pursue our growth agenda."

Shareholders wishing to accept the proposed bid will have the opportunity to tender, pursuant to a Dutch auction process, the number of shares they wish at a price they select, within a range of not less than C$24.00 per share and not more than C$28.00 per share. Alternatively, shareholders may make a proportionate tender that will allow them to maintain their current proportionate share ownership in the Company following the completion of the bid.

Genworth Financial, Inc., the Company's majority shareholder (via its indirect wholly owned subsidiary, Brookfield Life Assurance Company Limited), has advised the Company that it intends to tender a sufficient number of shares to maintain its ownership at the current 57.5% level.

The purchase price to be paid by the Company for each common share properly tendered will be based on the number of shares tendered and the prices specified by shareholders making tenders pursuant to the Dutch auction process, and will be the lowest price which enables the Company to purchase shares up to the auction limit, determined in accordance with the terms of the bid. Shares tendered at prices equal to or below the purchase price will be purchased at such purchase price. Shares tendered at prices above the purchase price will be returned to shareholders.

The common shares trade on the Toronto Stock Exchange under the symbol MIC. As of July 14, 2010, there were 117,100,000 common shares outstanding.

This press release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell the Company's common shares. The solicitation and the offer to buy the common shares will only be made pursuant to a separate offer to purchase and issuer bid circular. The offer to purchase and issuer bid circular, with the terms of the offer and instructions for tendering common shares, will be mailed to shareholders and filed with Canadian provincial securities regulators. The offer will remain open for acceptance for 35 days after the date of commencement, currently expected to be July 19, 2010, unless withdrawn or extended by the Company. The Company advises its shareholders to read the offer to purchase and issuer bid circular, when they are available, as they contain important information.

The Company has retained Scotia Capital Inc. and its U.S. affiliate to act as dealer managers in connection with the offer.

About Genworth MI Canada Inc.

Genworth MI Canada Inc., through its subsidiary, Genworth Financial Mortgage Insurance Company Canada, has been the leading Canadian private residential mortgage insurer since 1995. Known as Genworth Financial Canada, “The Homeownership Company,” it provides default mortgage insurance to Canadian residential mortgage lenders that enables low down payment borrowers to own a home more affordably and stay in their homes during difficult financial times. Genworth Financial Canada combines technological and service excellence with risk management expertise to deliver innovation to the mortgage marketplace. As of March 31, 2010, Genworth Financial Canada had $5.1 billion in total assets and $2.7 billion in shareholders’ equity. Based in Oakville, Ontario, Genworth Financial Canada employs approximately 265 people across Canada. Additional information about Genworth MI Canada Inc. is available at www.genworth.ca.

Cautionary Note Regarding Forward-Looking Statements

This press release includes certain forward-looking statements. These forward-looking statements include, but are not limited to, Genworth MI Canada’s plans, objectives, expectations and intentions, including the Company’s expectations regarding the launch and terms of the proposed substantial issuer bid, and other statements contained in this release that are not historical facts. These statements may be identified by their use of words such as “expects”, “anticipates”, “contemplates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, or words of similar meaning. These statements are based on Genworth MI Canada Inc.’s current beliefs or expectations, including, the Company’s assumptions, beliefs and expectations regarding market conditions. These statements are inherently subject to significant risks, uncertainties and changes in circumstances, many of which are beyond the control of Genworth MI Canada Inc. The Company’s actual results may differ materially from those expressed or implied by such forward looking statements, including as a result of changes in global, political, economic, business, competitive, market and regulatory factors, and the other risks described in the Company’s Annual Information Form. Other than as required by applicable laws, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Contact Information:

Investors – Samantha Cheung, 905-287-5482 samantha.cheung@genworth.com
Media – Anita DiPaolo-Booth, 905-287-5394 anita.dipaolobooth@genworth.com