

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Altus Group Limited (“**Altus**”)
33 Yonge Street, Suite 500
Toronto, Ontario M5E 1G4

Item 2 Date of Material Change

March 29, 2012

Item 3 News Release

On March 29, 2012, Altus issued a news release through the newswire services of Marketwire. A copy of the news release is available on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

On March 29, 2012, Altus entered into an agreement with BMO Nesbitt Burns Inc., on behalf of a syndicate of underwriters, pursuant to which the underwriters have agreed to buy, on a "bought deal" basis, \$48 million principal amount of 6.75% convertible unsecured subordinated debentures maturing on June 30, 2017 (the "**Debentures**").

On March 29, 2012, Altus also announced that it had entered into an agreement (the "**Acquisition Agreement**") to acquire the outstanding convertible debentures (the "**US Convertible Debentures**") issued to vendors of the Argus business in connection with Altus' indirect acquisition of Realm Solutions, Inc. ("**Realm**") on June 1, 2011. Subject to the terms and conditions of the Acquisition Agreement, Altus agreed to acquire all of the US Convertible Debentures (which, as of May 1, 2012, will have an aggregate principal and interest amount outstanding of approximately US\$52.2 million) for an aggregate purchase price of US\$46 million if closing of the transaction occurs on or before May 1, 2012.

The net proceeds from the offering of the Debentures will be used to acquire the US Convertible Debentures, which will be retired and cancelled.

Item 5 Full Description of Material Change

Debenture Offering

On March 29, 2012, Altus announced a public offering, on a "bought deal" basis, of \$48 million principal amount of Debentures. The Debentures mature on June 30, 2017 (the "**Maturity Date**") and have an interest rate of 6.75% per annum, payable semi-annually on the last day of June and December in each year commencing on June 30, 2012.

The Debentures will be convertible at the holder's option into common shares in the capital of Altus at any time prior to the earlier of: (i) the Maturity Date and (ii) the business day

immediately preceding the date fixed by Altus for redemption, at a conversion price of \$10.00 per common share (the “**Conversion Price**”). The Debentures will not be redeemable prior to June 30, 2015. On and after June 30, 2015 and prior to the Maturity Date, the Debentures may be redeemed in whole or in part from time to time at Altus’ option, at a price equal to their principal amount plus accrued and unpaid interest, provided that the current market price for the 20 day period ending five trading days preceding the date upon which the notice of redemption is given is at least 125% of the Conversion Price.

The offering is being made through a syndicate of underwriters led by BMO Capital Markets Inc. The offering is subject to customary regulatory approvals, including approval of the Toronto Stock Exchange, and is expected to close on or about April 19, 2012.

The net proceeds of the offering will be used to acquire the existing US Convertible Debentures, which will be retired and cancelled.

Acquisition of US Convertible Debentures

On June 1, 2011, pursuant to an agreement and plan of merger dated April 11, 2011 as amended on June 1, 2011 (the “**Merger Agreement**”), Altus indirectly acquired 100% of the shares of Realm, owner of the Argus business, for aggregate consideration of approximately US\$129.8 million, subject to adjustments. The consideration paid to the vendors included a cash payment of US\$80.0 million, US\$0.5 million of options to purchase common shares of Altus and the issuance of approximately US\$49.3 million principal amount of the US Convertible Debentures to certain shareholders of Realm.

On March 29, 2012, Altus also announced that it had entered into the Acquisition Agreement to acquire the outstanding US Convertible Debentures. Subject to the terms and conditions of the Acquisition Agreement, Altus agreed to acquire all of the US Convertible Debentures (which, as of May 1, 2012, will have an aggregate principal and interest amount outstanding of approximately US\$52.2 million) for an aggregate purchase price of (i) US\$46 million if closing of the transaction occurs on or before May 1, 2012, and (ii) US\$46.4 million if closing of the transaction occurs after May 1, 2012 and on or before June 1, 2012.

Pursuant to the terms of the Acquisition Agreement, Altus has agreed that the vendors of the Argus business shall not have any liability under the indemnity obligations with respect to the vendors’ representations and warranties (other than with respect to certain tax matters and certain fundamental representations) set out in the Merger Agreement unless the losses related thereto exceed a US\$3 million deductible. In these circumstances, the vendors are not required to pay any amount of the deductible. The terms of the Acquisition Agreement also provide that, in certain circumstances, if a change of control of Altus occurs (or an agreement related thereto is executed) on or before the 120th day after closing of the Altus’ acquisition of the US Convertible Debentures, Altus will pay to the vendors of the US Convertible Debentures the difference between the sum of the principal and accrued and unpaid interest amounts (as calculated to the closing of the acquisition) and the purchase price paid for the US Convertible Debentures.

The US Convertible Debentures, which mature on June 1, 2014, bear interest at the following rates during the following terms:

- 6.0% per annum for the period between June 1, 2011 and June 1, 2012;
- 8.0% per annum for the period between June 1, 2012 and December 3, 2012;
- 10.0% per annum for the period between December 3, 2012 and June 1, 2013; and
- 12.0% per annum for the period between June 1, 2013 and June 1, 2014.

The US Convertible Debentures will bear interest at rates ranging between 14.0% and 18.0% per annum if the principal portion remains unpaid beyond a period of three years. The interest is compounded quarterly and is payable on June 1, 2014.

The Debentures issued pursuant to the Offering will have an interest rate until maturity of 6.75%. Having regard to the terms of the Debentures and the US Convertible Debentures, and recognizing the participation of certain directors and officers of subsidiaries of Altus as described below, Altus' board of directors determined it was in the best interests of Altus to issue the new Debentures and acquire and retire the US Convertible Debentures.

Certain former directors and officers of Realm, who are now directors and officers of certain subsidiaries of Altus, received US Convertible Debentures as consideration in connection with the Realm transaction described above, which will be purchased by Altus pursuant to the Acquisition Agreement. Except for the acquisition of the US Convertible Debentures, which does not represent a material change, there is no change to the holdings of these persons in connection with the transactions described herein.

The aggregate principal amount of the US Convertible Debentures held by these individuals is \$1,081,677 and the aggregate amount of consideration to be paid therefore is \$1,008,090 representing 0.66% and 0.62%, respectively, of Altus' outstanding market capitalization as calculated at close of business on April 2, 2012. As a result, this transaction is exempt from the formal valuation and minority approval requirements contained in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) pursuant to sections 5.5(a) and 5.7(a) of MI 61-101.

Further details are included in the Merger Agreement and the Acquisition Agreement, which are filed on SEDAR.

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

Not applicable.

Item 7 Omitted Information

None.

Item 8 Executive Officer

Liana Turrin
General Counsel
416-641-9761

Item 9 Date of Report

April 4, 2012

Forward-Looking Information

Certain of the statements made and information contained herein may contain forward-looking statements or forward-looking information within the meaning of applicable securities laws, including the anticipated effect and timing of the transactions. Forward-looking information is based on the views, opinions, intentions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated or projected in the forward-looking information (including the actions of other parties). Many of these assumptions are based on factors and events that are not within the control of Altus and there is no assurance they will prove to be correct. The timing and completion of the proposed transactions is subject to customary conditions, termination rights and other risks and uncertainties. Accordingly, there can be no assurance that the proposed transactions will occur, or that they will occur on the timetable or on the terms and conditions contemplated. The proposed transaction could be modified, restructured or terminated. There can also be no assurance that the strategic benefits and operational efficiencies expected to result from the transaction will be fully realized. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Altus undertakes no obligation to update forward-looking information except as required by applicable securities laws, or to comment on analyses, expectations or statements made by third parties. The reader is cautioned not to place undue reliance on forward-looking information.

All amounts included herein are in Canadian dollars unless otherwise indicated.