

**Form 51-102F3**

***Material Change Report***

**Item 1 Name and Address of Company**

JEMTEC Inc.  
200 - 38 Fell Avenue  
North Vancouver, BC V7P 3S2

(the "Issuer")

**Item 2 Date of Material Change**

July 13, 2007

**Item 3 News Release**

A news release was issued on July 13, 2007 via CCN Matthews Canadian Timely Disclosure Network.

**Item 4 Summary of Material Change**

The Issuer has announced today it has received notice that the Ontario Ministry of Community Safety and Correctional Service has decided not exercise its right to extend the present Services Agreement beyond the contracted term of January 2008.

**Item 5 Full Description of Material Change**

See attached Schedule "A"

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

The Issuer is not relying on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7 Omitted Information**

No information has omitted from this form on the basis that it is confidential.

**Item 8 Executive Officer**

The following executive officer of the Issuer may be contacted about the material change:

Mr. Eric Caton, President  
Telephone: 604-929-4559

**Item 9 Date of Report**

July 13, 2007