

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Saratoga Electronic Solutions Inc. (the "Corporation")  
2975 Hochelaga  
Montreal, Quebec  
H1W 1G1

**Item 2 Date of Material Change**

June 12, 2008

**Item 3 News Release**

A news release in respect of the material change were issued on June 12, 2008. A copy of such news release is attached as Schedule "A".

**Item 4 Summary of Material Change**

The Corporation has completed its acquisition of Car-Tel Distributions Inc.

**Item 5 Full Description of Material Change**

The press release attached as Schedule "A" contains a full description of the material change.

**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**

Further information can be obtained from Georges Durst, the President and Chief Executive Officer of the Corporation, at (514) 529-0663.

**Item 9 Date of Report**

June 12, 2008.

**SCHEDULE "A"**

## **Saratoga Electronic Solutions Completes Acquisition of Car-Tel Distributions**

Montreal, Quebec – (June 12 th, 2008) - Saratoga Electronic Solutions Inc. (TSX Venture : SAR) (“Saratoga”) announces that it has completed the acquisition of Car-Tel Distributions Inc. (“Cartel”), a wholesale distributor of prepaid phone cards and point-of-sale activated prepaid PINs (POSA).

Since first entering into an agreement in February 2006 to acquire Cartel, Saratoga has been involved in restructuring the financial situation of Cartel and refining its business model. In consideration for such services, commencing as of June 1, 2006, Cartel has been paying to Saratoga a monthly management fee of \$20,000. In addition, Saratoga has loaned to Cartel an aggregate of \$1.9 million in order to provide Cartel with the working capital necessary to finance its operations. It is expected that this financing facility will be replaced with financing obtained from an outside lending institution once the necessary commitments can be secured.

When Saratoga initially entered into its agreement to acquire Cartel in February 2006, based on the audited financial statements of Cartel for the 12-month period ended October 31, 2006, Cartel earned revenues of approximately \$27.6 million, generated net transactional revenues of approximately \$1.6 million, and incurred a net loss of approximately \$1.4 million. As at October 31, 2006, the assets of Cartel totalled approximately \$3.42 million, against liabilities of approximately \$6.37 million.

Based on the audited financial statements of Cartel for the 12-month period ended October 31, 2007, Cartel’s annual revenues have increased to approximately \$37.7 million, generating net transactional revenues of approximately \$2.3 million, and a net income of approximately \$18,000. As at October 31, 2007, the assets of Cartel totalled approximately \$4.0 million, against liabilities of approximately \$6.9 million, including loans from Saratoga in the aggregate amount of approximately \$1.9 million.

Based on the unaudited financial statements of Cartel for the 3-month period ended January 31, 2008, Cartel’s revenues for the quarter were approximately \$11.1 million, generating net transactional revenues of approximately \$0.8 million, and a net income of approximately \$19,000. As at January 31, 2008, the assets of Cartel totalled approximately \$3.5 million, against liabilities of approximately \$6.3 million, including loans from Saratoga in the aggregate amount of approximately \$2.0 million and an amount payable to Bell Distribution Inc. in the amount of approximately \$0.5 million.

As required under applicable securities legislation, Saratoga has filed and made available to the public a Business Acquisition Report illustrating the impact of the Cartel acquisition on its financial situation. This Business Acquisition Report can be accessed on the SEDAR website under Saratoga’s profile at [www.sedar.com](http://www.sedar.com).

As a result of the transaction, each of Luc Charlebois and Charbel Fraifer have become insiders of Saratoga.

Under the final terms of the transaction, Saratoga has issued an aggregate of 2,500,000 common shares ("Saratoga Shares"), at a deemed price of \$0.40 per share, in consideration for the shares of Cartel. In addition, Georges Durst, the President and Chief Executive Officer of Saratoga, and Saratoga's principal shareholder, has granted to Charbel Fraifer an option to purchase from him up to 1,000,000 Saratoga Shares at a price of \$1.00 per share, exercisable at any time on or before March 31, 2013.

#### ABOUT SARATOGA ELECTRONIC SOLUTIONS INC.

Saratoga is in the business of placing and operating automatic teller machines. In addition, Saratoga has recently developed an infrastructure to support the international electronic remittance of funds designed to enable persons residing in Canada to electronically transfer funds to persons residing overseas. The initial launch of this service by Saratoga has been focused on the needs of the Canadian Filipino community to send funds to the Philippines in an economical and secure manner.

#### Forward looking statements

This news release contains certain forward-looking statements concerning our future operations, economic performance and financial condition. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks, uncertainties and assumptions. Consequently, all of the forward-looking statements made in this news release are qualified by these cautionary statements, and there can be no assurance that the results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us and our subsidiaries or their businesses or operations. We undertake no obligation and do not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

#### CONTACT INFO:

Saratoga Electronic Solutions Inc.  
Georges Durst  
President and Chief Executive Officer  
514-529-0663

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*