

**PHARMAGAP INC.**  
100 Sussex Drive  
Ottawa, Ontario K1A 0R6.

January 23, 2012

**MATERIAL CHANGE REPORT**

**Item 1.      Name and Address of Company**

The name of the reporting issuer is PharmaGap Inc. (the “**Issuer**” or “**PharmaGap**”). Its head office is located at 100 Sussex Drive, Ottawa, Ontario, K1A 0R6.

**Item 2.      Date of Material Change**

The material change occurred on January 20, 2012.

**Item 3.      News Release**

The Issuer disseminated a News Release and filed the News Release on SEDAR on January 20, 2012.

**Item 4.      Summary of Material Change**

The Issuer completed a private offering of 3,300,000 equity units (the “Units”) at \$0.07 per Unit for a gross aggregate amount of \$231,000.

**Item 5.      Full Description of Material Change**

The Issuer completed a private offering of 3,300,000 Units at \$0.07 per Unit for a gross aggregate amount of \$231,000.

Each Unit consists of one common share and one warrant to purchase one common share at an exercise price of \$0.10 per common share with a three year warrant term. The closing of this private placement is subject to the approval of the TSX Venture Exchange and the shares and warrants issued pursuant to the private placement are restricted from trading for four months from the date of closing.

In connection with this closing, \$18,480 in cash fees and 264,000 broker warrants will be paid to Northern Securities Inc. Broker warrants are issued on the same terms and conditions as the warrants included in the Units.

**Item 6.**        **Reliance on Subsection 7.1(2) of National Instrument 51-102**

The Issuer is not relying on sub-section 7.1(2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report.

**Item 7.**        **Omitted Information**

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

**Item 8.**        **Executive Officers**

For further information, please contact Robert C. McInnis, President of the Issuer, at (613) 990-9551.

**Item 9.**        **Date of Report**

DATED at Ottawa, Ontario this 23<sup>rd</sup> day of January, 2012.

**PHARMAGAP INC.**

(s) Robert C. McInnis

Per:

Robert C. McInnis, President