

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

August 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 August 22, 2012.

Item 3. **News Release**

The Issuer disseminated a News Release on August 22, 2012 and filed the News Release on SEDAR.

Item 4. **Summary of Material Change**

The Issuer announced that Dr. Michel Phipps has resigned from the Board of Directors.

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

The Issuer announced that Dr. Michel Phipps has resigned from the Board of Directors. Dr. Phipps advised the Board he is unable to continue to serve in the capacity as a Director due to continuing health concerns.

The Issuer will consider filling the Board vacancy following the completion of the pending licensing transaction with Clinical Value Corporation previously announced.

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.

