

PHARMAGAP INC.
1000 Innovation Drive, Suite 400
Ottawa, Ontario K2K 3E7.

February 4, 2013

MATERIAL CHANGE REPORT

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

The name of the reporting issuer is PharmaGap Inc. (the “**Issuer**” or “**PharmaGap**”). Its registered office is located at 1000 Innovation Drive, Suite 400, Ottawa, Ontario, K2K 3E7.

Item 2. **Date of Material Change**

The material change occurred on January 31, 2013.

Item 3. **News Release**

The Issuer disseminated a News Release on February 4, 2013 and filed the News Release on SEDAR.

Item 4. **Summary of Material Change**

The Issuer announced it has suspended all operations, and has vacated its office and laboratory space at 100 Sussex Drive in Ottawa as of January 31, 2013.

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

The Issuer was informed by Clinical Value Corporation (“CVC”) that it has not, to date, been successful in efforts arranging funding required to complete the license of the PharmaGap cancer drug program approved by shareholders on August 3, 2012 to CVC.

The Issuer has suspended all operations, and has vacated its office and laboratory space at 100 Sussex Drive in Ottawa as of January 31, 2013. Intellectual Property assets of the Issuer have been preserved in order to maintain the ability to generate future value from the investment made to date.

The Board of Directors and Management of PharmaGap will continue to pursue alternative arrangements in order to meet or reduce obligations to creditors and employees of the Issuer and to deliver value to shareholders. These arrangements may include the sale or license of the intellectual property of the Issuer and monetization of accumulated tax losses

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) 287-3118.

Item 9. Date of Report

DATED at Ottawa, Ontario this 4th day of February, 2013.

PHARMAGAP INC.

(s) Robert C. McInnis
Per:
Robert C. McInnis, President