Form 51-102F3
Material Change Report

Item 1 – Name and Address of Company

Clarke Inc. (the "Company" or "Clarke")
6009 Quinpool Road,
Suite 900 Halifax, NS B3K 5J7

Item 2 – Date of Material Change

October 4, 2011

Item 3 – News Release

A news release was issued in Halifax, Nova Scotia on October 4, 2011, via Canada Newswire.

Item 4 – Summary of Material Change

On October 4, 2011, Clarke announced the final results of its substantial issuer bid (the "Offer") pursuant to which the Company offered to purchase for cancellation up to 3,000,000 of the issued and outstanding common shares ("Common Shares") of the Company from shareholders (the "Shareholders") at the purchase price of $5.00 per Common Share (the "Purchase Price"). Clarke notified its transfer agent on October 4, 2011 that it was taking up 3,000,000 of its Common Shares tendered pursuant to the Offer. The Offer expired at 5:00 pm Atlantic time on October 3, 2011.

Item 5 – Full Description of Material Change

On August 24, 2011, Clarke announced the Offer pursuant to which the Company would offer to purchase for cancellation up to 3,000,000 of the issued and outstanding Common Shares from the Shareholders at the Purchase Price.

The Offer provided that, if more than 3,000,000 Common Shares were properly tendered to the Offer, the Corporation would take-up and pay for at the Purchase Price the deposited Common Shares on a pro-rata basis according to the number of Common Shares deposited (or deemed to be deposited) by the Shareholders (with adjustments to avoid the purchase of fractional Common Shares). The Offer was not conditional on any minimum number of Common Shares being deposited, other than the Locked-Up Shares (as defined below). The Corporation would fund any purchases of the Common Shares pursuant to the Offer from cash available on hand and available credit facilities.

As of August 23, 2011, there were 20,034,809 Common Shares issued and outstanding, and accordingly, the Offer was for up to approximately 14.97% of the total number of issued and outstanding Common Shares. The Offer was subject to various conditions typical of transactions of this nature. The offer to purchase and issuer bid circular and other related documents (the "Offer Documents"), containing the terms of the Offer and the instructions for tendering the Common Shares were mailed to Shareholders and filed with applicable securities regulators on August 26, 2011. The Offer remained open for acceptance until 5:00 p.m. Atlantic time on October 3, 2011.

Sea Spruce Investments Limited ("SSI"), 3140871 Nova Scotia Limited ("314"), Hugh Smith ("Smith"), Scotia Learning Centres Incorporated ("SLC") and Geosam Investments Limited

("GIL") each agreed, pursuant to lock-up agreements with the Company, dated August 23, 2011, to tender Common Shares (the "Locked-Up Shares") to the Offer. Under the terms of the lock-up agreements with SSI, 314 and Smith, 900,000 Locked-Up Shares would be tendered to the Offer. In addition, SLC agreed to tender at least 560,000 Common Shares to the Offer and SLC and GIL agreed to tender such additional number of Common Shares to the Offer as was necessary such that, following the completion of the Issuer Bid, SLC, GIL and such other persons identified by GIL would collectively own not more than 49.9% of the Common Shares on the Payment Date. The purpose of SLC and GIL tendering in this manner was to avoid the Offer causing an acquisition of control of Clarke for tax purposes, which could have adverse income tax consequences to Clarke.

National Bank Financial Inc. ("NBF") was engaged by the Board of Directors of Clarke to prepare a liquidity opinion with respect to the Common Shares (the "Opinion"). A copy of the Opinion of NBF was attached to the Offer Documents.

The directors of the Corporation believe that the purchase of Common Shares under the Offer represents an effective use of the Corporation's financial resources and is in the best interests of its Shareholders as the recent trading price range of the Common Shares is not fully reflective of the value of the Corporation's business and future prospects.

In accordance with applicable Canadian securities laws, Clarke suspended purchases of its 6.0% convertible unsecured subordinated debentures due December 31, 2012 (the "2012 Debentures") pursuant to its normal course issuer bid announced on December 10, 2010 until after the Expiration Date or date of termination of the Offer.

Clarke has completed purchases of an aggregate principal amount of $6,903,000 of its 6.0% convertible unsecured subordinated debentures due December 31, 2013 (the "2013 Debentures") pursuant to its normal course issuer bid announced on April 12, 2011.

Neither the Corporation nor its Board of Directors made any recommendation to Shareholders as to whether to tender or refrain from tendering their Common Shares to the Offer. Shareholders were strongly encouraged to review the Offer Documents carefully and to consult with their financial and tax advisors prior to making any decision with respect to the Offer.

The Offer expired at 5:00 p.m. Atlantic time on October 3, 2011. On October 4, 2011, Clarke announced the final results of its Offer.

Based on the final report provided by the depositary for the Offer, a total of 6,003,061 Common Shares were deposited as at the expiration of the Offer. As the aggregate number of Common Shares deposited under the Offer exceeded 3,000,000 Common Shares, a pro-rata factor will apply such that Shareholders who deposited Common Shares will have approximately 49.97% of the Common Shares they deposited purchased in accordance with applicable securities laws and as set forth in the Offer Documents. Aggregate consideration for the Common Shares acquired pursuant to the Offer was $15 million.

The number of Common Shares deposited to the Offer and the pro-rata factor may be subject to adjustment should Shareholders who delivered notices of guaranteed delivery fail to deliver certificates for such Common Shares within the required time period or should there be any other Common Shares invalidly deposited. Common Shares deposited but not purchased, including Common Shares invalidly deposited, will be returned as soon as practicable by the depositary to the depositing shareholder.

Payment for the Common Shares tendered and accepted for purchase will be made as soon as practicable in accordance with the Offer.

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

Not Applicable

Item Seven - Omitted Information

Not Applicable

Item Eight - Executive Officer

Rob Normandeau, President and Chief Executive Officer at (902) 442-3420

Item Nine – Date of Report

October 6, 2011