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

**ITEM 1 —— Name and Address of Company**

MedcomSoft Inc.
1200 Eglinton Avenue East
Suite 900
Toronto, Ontario M3C 1H9

**ITEM 2 —— Date of Material Change**

August 6, 2004

**ITEM 3 —— News Release**

Press release was disseminated on August 6, 2004 through Canada Newswire.

**ITEM 4 —— Summary of Material Change**

MedcomSoft announced that it has closed a private placement equity financing consisting of the issue of 1,111,110 units for gross proceeds of approximately $500,000.

**ITEM 5 —— Full Description of Material Change**

See press release dated August 6, 2004 attached hereto as Schedule "A".

**ITEM 6 —— Reliance on Section 7.1(2) or (3) of National Instrument 51-102 of the Act**

N/A

**ITEM 7 —— Omitted Information**

N/A

**ITEM 8 —— Executive Officer**

Nick Clemenzi
Vice President, Finance
Telephone #: 416.443.8788
Fax #: 416.443.9693

**ITEM 9 —— Date of Report**

August 14, 2004

*"Nick Clemenzi"*
Nick Clemenzi
Vice President, Finance

## SCHEDULE “A”

News release via Canada NewsWire, Toronto 416-863-9350

Attention Business Editors:
MedcomSoft completes private placement

TORONTO, Aug. 6 /CNW/ - MedcomSoft Inc. (TSX - MSF) today announced that it has closed a private placement equity financing consisting of the issue of 1,111,110 units for gross proceeds of approximately $500,000 in cash. Each unit was issued at $0.45 and consists of one common share and one-third of one common share purchase warrant. Each whole warrant is exercisable into one common share at $0.55 per share for a period of two years from the closing date. The securities issued in connection with this private placement have a four-month hold period from the closing date.

"This financing was required in order to satisfy operational liquidity needs as the Company releases the new version of its flagship product MedcomSoft Record 2.0 and continues its accelerated marketing campaigns in the United States", said Nick Clemenzi, MedcomSoft's Vice President of Finance. As stated in the Company's most recent quarterly financial report, the Company remains confident in achieving successful market penetration in the United States for its products.

MedcomSoft Inc. designs, develops and markets cutting-edge software solutions to the healthcare industry. MedcomSoft has pioneered the use of codified point of care medical terminologies and intelligent pen-based data capture systems to create a new generation of electronic medical records (EMR). As a result of MedcomSoft innovations, physicians and managed care organizations can now securely build and exchange complete, structured and homogeneous electronic patient records. MedcomSoft applications are written with the latest Microsoft tools to run on the Windows platform (Windows 2000 & XP), operate with MS SQL Server 2000(TM), support MS Terminal Server and fully integrate with MS Office 2003, Exchange and Outlook(R). MedcomSoft applications are fully compatible with Tablet PCs and wireless technology.

This news release contains forward-looking statements regarding MedcomSoft's expectations and beliefs with respect to future events and/or financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual events or results to differ materially from those expressed or implied in such forward-looking statements. The reader is referred to the documents that the Company files from time to time with applicable Canadian securities and regulatory authorities for a discussion on certain risks and uncertainties that could cause actual results to differ from those projected, anticipated or implied. MedcomSoft does not undertake to update forward-looking statements.

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/For further information: MedcomSoft Inc., 1200 Eglinton Avenue East, Suite 900, Toronto, Ontario, M3C 1H9, Phone: (416) 443-8788, Fax: (416) 443-9693, http://www.medcomsoft.com, E-mail: ir(at)medcomsoft.com/

(MSF.)

CO: MedcomSoft Inc.

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