

**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

June 13, 2005

ITEM 3 — News Release

Press release was disseminated on June 13, 2005 through Canada Newswire.

ITEM 4 — Summary of Material Change

MedcomSoft Inc. announced that it has executed a Master Agreement with Independent Physicians Network, Inc. for a pilot project relating to MedcomSoft Record.

ITEM 5 — Full Description of Material Change

See press release dated June 13, 2005 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

Paul Davis
Executive Vice-President
Telephone #: 416.443.8788
Fax #: 416.443.9693

ITEM 9 — Date of Report

June 13, 2005

"Paul Davis"
Paul Davis
Executive Vice-President

SCHEDULE "A"



NEWS RELEASE

Independent Physicians Network and MedcomSoft announce pilot project to improve quality of patient care, reduce costs and risks and increase efficiency by utilizing MedcomSoft®™ Record

Milwaukee – June 13, 2005 –Independent Physicians Network, Inc. (IPN), one of the largest managed medical provider networks in the U.S. with over 1,000 member physicians, and MedcomSoft Inc. (TSX – MSF) announced today that they have executed a Master Agreement which provides for a pilot project and the basis on which IPN members outside of the pilot project can acquire MedcomSoft®™ Record. The goal of the pilot project is to validate to IPN members the superior functionality of MedcomSoft®™ Record's clinical application and its direct impact on the quality, safety and efficiency of healthcare delivery, while increasing revenues and reducing costs.

The adoption of MedcomSoft®™ Record, a fully integrated medical office automation suite, will encourage physicians to improve patient care and maintain clinical excellence through the automated use of physician performance measurement sets. The performance measurement sets and reporting tools to be included within MedcomSoft®™ Record are derived from evidence - based clinical guidelines that have been developed by leading national medical associations and organizations.

The pilot project involves the implementation of MedcomSoft®™ Record in several clinics by Clinical Transformation Management, LLC (CTM, a value added reseller of MedcomSoft), and the implementation is expected to be completed by the fall of 2005.

IPN and MedcomSoft have also agreed to the terms under which MedcomSoft will provide to IPN its new Clinical Data Repository (MCDR), upon the achievement of certain milestones related to the adoption of MedcomSoft®™ Record by IPN members. MCDR, which is subject to a provisional patent, will be a new generation of community based clinical data repositories that could revolutionize the way clinical data and Electronic Health Records are aggregated, stored and mined. Through automated and secure web transactions generated by different providers in a community, MCDR will be capable of aggregating, in a completely unmanned fashion, the incremental pieces of a health record as they are generated by providers using MedcomSoft®™ Record. MCDR will be fully codified with the Medcin® point of care medical terminology, producing an unprecedented level of granularity and interoperability of clinical data. MCDR will allow advanced data mining based on any combination of clinical data entries including symptoms, medical history, examinations, test results, conditions, therapies and outcomes. MedcomSoft believes that MCDR will enable healthcare organizations to track outcomes, disease evolution and population health leading to better prevention, disease management and surveillance. MCDR will ensure that IPN and its member healthcare providers will be at the forefront of the drive towards quality of care and Level 4 interoperability.

Dr. Sami Aita, the Chairman and CEO of MedcomSoft, stated that "MedcomSoft is pleased to have the opportunity to work with Independent Physicians Network and their member physicians to

provide them with a full office automation suite which will become an integral part of the way they practice medicine, and will contribute to the delivery of better care while improving revenues and reducing costs. We are also looking forward to the first installation of MCDR, our revolutionary clinical data repository”.

“By implementing MedcomSoft®™ Record, the physicians of the IPN have taken a significant step toward achieving true, usable interoperability,” according to Jamil Adi, President of CTM. “Beyond the potentially incalculable benefits of wide-scale participation among the IPN physicians in the MCDR, the interoperability levels made possible by MedcomSoft®™ Record will give doctors the peace of mind of knowing that their data, and therefore their practices, are protected. Truly interoperable data is safe data, now and into the future: that is one of the many advantages of capturing and exchanging point of care information in a codified format,” Adi said

About MedcomSoft: MedcomSoft Inc. designs, develops and markets cutting-edge software solutions to the healthcare industry. MedcomSoft®™ Record is an office automation solution enabling healthcare providers to use a single platform to achieve office efficiency. 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 highly interoperable 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™, support MS Terminal Server and fully integrate with MS Office 2003, Exchange and Outlook®. MedcomSoft applications are fully compatible with Tablet PCs and wireless technology. *Contact Information: Marcia Newell, MedcomSoft Inc. Phone: (416) 443-8788 Fax: (416) 443-9693, <http://www.medcomsoft.com>*

About Independent Physicians Network: Independent Physicians Network, Inc. is a physician managed and controlled medical delivery network established in 1984. There are over 1,000 member physicians in the network who utilize all hospitals in the Milwaukee and surrounding areas. Independent Physicians Network also offers patient access to many free standing centers such as imaging, laboratory and therapy sites. Member physicians currently provide services to over 85,000 Medicaid and Commercial enrollees through contracted health plans. Independent Physicians Network takes pride in its medical management services and its ability to arrange for the provision of quality, cost effective care for its enrollees. The Network success manages millions of dollars in medical services annually. *Contact Information: Michael Repka, Executive Director, Independent Physicians Network Phone: (414) 771-6177 Fax: (414) 771-1159, <http://www.ipn-wi.com>*

About Clinical Transformation Management: Clinical Transformation Management, LLC is a third party system integrator specializing in the enhancement of clinical workflows. CTM operates out of Milwaukee, WI and also has an office in the Boston, MA metro area. *Contact Information: Jamil Adi, President, Clinical Transformation Management, LLC Phone: (262) 925-6550 Fax: (414) 347-9513, <http://www.clinicaltransformation.com>*

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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