

**Form 51-102F3
Material Change Report**

1. Name and Address of Company

Gemoscan Canada, Inc.
5000 Dufferin Street, Unit D1
Toronto, Ontario M3H 5T5

2. Date of Material Change

August 20, 2012

3. News Release

August 20, 2012 via Marketwire (Small Cap Disclosure Network)

4. Summary of Material Change

Gemoscan Canada, Inc. ("**Gemoscan**" or the "**Corporation**") – (CNSX: GES) announced that, subject to TSX Venture Exchange ("**TSXV**") final approval, it has completed closing its convertible debenture financing, announced August 3, 2012, with total proceeds of \$142,000. The debentures will have a term of one (1) year and pay interest at the rate of 8% per annum. The debentures will be unsecured. The debentures will be convertible into shares of the Corporation at the rate of one Class A share for each \$0.27 converted. In addition, purchasers shall receive one-half of a share purchase warrant for each \$0.27 in debenture acquired. Each full warrant will entitle the holder to acquire a Class A share at a price of \$0.27 per share until August 20, 2013.

All securities issued pursuant to the above referenced private placement are subject to a statutory four month plus one day hold period from closing and regulatory approval.

The proceeds from the offering will be used for working capital purposes.

5.1 Full Description of Material Change

Same as Section #4 above.

5.2 Disclosure for Restructuring Transactions

N/A

6. Reliance of subsection 7.1(2) of National Instrument 51-102

N/A

7. Omitted Information

N/A

8. Executive Officer

Brian Kalish
Director, President and Chief Executive Officer
Telephone: (416) 650-1200

9. Date of Report

August 20, 2012