

FORM 51-102F3

**MATERIAL CHANGE REPORT
UNDER SECTION 7.1 (1) OF NATIONAL INSTRUMENT 51-102**

Item 1. Reporting Issuer

Totally Hip Technologies Inc.
306 - 1040 Hamilton Street
Vancouver, BC V6B 2R9

Item 2. Date of Material Change

August 12, 2005

Item 3. Press Release

Press Release dated August 12, 2005 and disseminated to Vancouver Stockwatch Magazine, B.C. Securities Commission, Alberta Securities Commission and Market News Publishing.

Place of Issuance: Vancouver, British Columbia.

Item 4. Summary of Material Change

The Issuer is proud to announce that it has agreed to up to a \$400,000 private placement.

Item 5. Full Description of Material Change

The Issuer announces that it has agreed to up to a \$400,000 private placement of its securities consisting of the sale of up to 2,222,222 units at \$0.18 per unit, each unit consisting of one common share and one one-year non-transferable share purchase warrant with each such share purchase warrant entitling the holder to purchase one additional common share of the Issuer at an exercise price of \$0.21 per share for a period of two years. The securities will be subject to a hold period.

The proceeds of the private placement will be used for general corporate purposes.

The private placement is subject to acceptance for filing by the TSX Venture Exchange.

Item 6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

The Issuer is not relying on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7. Omitted Information

There is no omitted information.

Item 8. Senior Officers

David Dicaire, President – (604) 685-6525.

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of August, 2005.

“James Boyce”

James Boyce, Director