

FORM 51-102F3
Material Change Report

1. Name and Address of Company:

ARTEVO CORPORATION (the "Corporation")
514 – 11TH Avenue SW
Calgary, Alberta T2R 0C8

2. Date of Material Change:

July 31, 2008.

3. News Release:

A press release relating to the material change described herein was released by Marketwire on August 8, 2008.

4. Summary of Material Change:

The Corporation announced that on July 31, 2008 it closed on \$1,645,000 of its previously announced Private Placement (the "Private Placement") for a total of \$4,245,000. The Private Placement originally consisted of the issuance of up to \$4,000,000 of convertible debentures of Power Play Art Ltd., a predecessor of Artevo (the "Artevo Debentures"), however, Artevo received TSX Venture approval to exceed that amount by up to 10%. The Artevo Debentures bear interest at a rate of 12% per annum payable quarterly, are repayable in full two years from the date of issue, and will automatically convert into common shares of Artevo (the "Common Shares") at a price of \$0.50 per Common Share if the trading price of the Common Shares on the TSX Venture exceeds \$1.00 for ten consecutive trading days, and are convertible into Common Shares at \$0.50 per Common Share at the option of the holder at any time before maturity. The proceeds made available through the sale of Artevo Debentures will be used to initiate marketing strategies, enhance Artevo's web based technologies, evaluate potential opportunities for acquisition, establish a reserve for interest payments related to the Artevo Debentures for 12 months, and for working capital to fund ongoing operations of Artevo.

5. Full Description of Material Change:

See press release attached as Schedule "A" hereto.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable

7. Omitted Information:

Not Applicable

8. Executive Officer Knowledgeable of Material Change:

Christopher Talbot, President.

9. Date of Report:

August 11, 2008.

SCHEDULE "A"

ARTEVO CORPORATION COMPLETES PRIVATE PLACEMENT

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – August 8, 2008 - Artevo Corporation (“Artevo”) (TSX Venture: AEV) announces that on July 31, 2008 it closed on \$1,645,000 of its previously announced Private Placement (the “Private Placement”) for a total of \$4,245,000. The Private Placement originally consisted of the issuance of up to \$4,000,000 of convertible debentures of Power Play Art Ltd., a predecessor of Artevo (the "Artevo Debentures"), however, Artevo received TSX Venture approval to exceed that amount by up to 10%. The Artevo Debentures bear interest at a rate of 12% per annum payable quarterly, are repayable in full two years from the date of issue, and will automatically convert into common shares of Artevo (the "Common Shares") at a price of \$0.50 per Common Share if the trading price of the Common Shares on the TSX Venture exceeds \$1.00 for ten consecutive trading days, and are convertible into Common Shares at \$0.50 per Common Share at the option of the holder at any time before maturity. The proceeds made available through the sale of Artevo Debentures will be used to initiate marketing strategies, enhance Artevo's web based technologies, evaluate potential opportunities for acquisition, establish a reserve for interest payments related to the Artevo Debentures for 12 months, and for working capital to fund ongoing operations of Artevo.

For further information contact Christopher Talbot, the President and Chief Executive Officer of Artevo at (403) 244-8123.

Reader Advisory

“This news release contains certain forward-looking statements, which include assumptions with respect to (i) future operations; and (ii) future capital expenditure. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. All such forward looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Artevo’s control. Such risks and uncertainties include, without limitation, risks associated with, currency fluctuations, competition from other companies, ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Artevo’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Corporation will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to Artevo or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Artevo does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.”

The TSX Venture Exchange Inc. has in no way passed upon the merits of and has neither approved nor disapproved the contents of this press release.

Not for dissemination in the United States of America