

Dear Fellow Shareholders,

We recently launched our new corporate website, detailing our proprietary digital prescription software. Now, I would like to take this opportunity to communicate further updates on company developments over the past months to our shareholders. In this letter, I plan to also discuss our year-to-date progress and our plans for the remainder of 2009, taking into perspective the global economic crisis. Though this economic environment is remarkable, I am confident that digiMedical can not only weather the 'economic storm', but also prosper from it. There has been a lot of news and renewed focus on small business and its historical role in leading the nation out of past recessions. This trend may be due to a variety of factors, including entrepreneurial spirit, lack of dependence on institutional financing and credit lines, the business agility that comes with a smaller organization or the innovation you find in small business.

Operational Update

Last year, digiMedical shifted its focus to a high margin software revenue model and, accordingly, eliminated high overhead operations. The Company sold its 'brick and mortar' pharmacy chain to reduce the significant overhead costs associated with that part of our business. At the same time, the Company retained ownership of its proprietary digital prescription management suite of software and continued to grow the software user base, both on the prescription origination end, namely clinics and doctors' offices, and on the prescription fulfillment end, namely the pharmacies. Though the Company no longer owns its own pharmacies, the company continues to roll out its software to pharmacies in a purely software driven revenue model. Finally, the Company maintains its prescription reauthorization call center to support its user base. This change in Company focus has reduced Company operating overhead and increased sales margins, while maintaining its proprietary software assets.

New Developments

As we focus on our software revenue model, we are not only continuing to sign on new doctors and pharmacies, we are also developing relationships with companies to allow them to private label our software. These relationships are designed to quickly increase our sales channels and associated transaction revenue. As these relationships progress, will plan to issue further updates and details to our shareholders.

In addition to our increased sales strategy, we are continuing to improve our software suite to meet and exceed digital prescription handling security and data standards. Specifically, we are currently working to update our digiRX product to be “Surescript” compatible. Our software already meets all DEA and HIPAA standards.

Summary

I want to extend special thanks to all who have supported digiMedical throughout our development and these troubling economic times. By reducing our operational overhead, shifting to a high margin revenue model and focusing on increasing our sales channels, we feel we are on track to become a leader in the digital prescription industry during a time when lower cost, higher service health care is being called for.

Best Regards,

David Lee

CEO, digiMedical Solutions, Inc.