



***Pethealth Inc. and PetSmart Charities, Inc. Join Forces to Help Further
the Cause of Animal Welfare***

Oakville, ON – September 8, 2009. (TSX: PTZ) Pethealth Inc. (“Pethealth” or the “Company”) is pleased to announce that it has signed a licence agreement with PetSmart Charities, Inc. running through to December 31, 2011. During the term of the agreement, Pethealth will provide PetSmart Charities® access to aggregated animal shelter data, as well as technical and IT support, for analyzing trends in animal welfare throughout the United States.

The data support provided by Pethealth is made possible through the success of the Company’s PetPoint animal management system, a SaaS-based application used by over 1,200 animal welfare organisations in the United States and Canada. The success of PetPoint, now the most widely used management software system in animal welfare, has allowed the Company to aggregate data on over 4.2-million animal intakes and 1.5-million pet adoptions since the product was first launched in March 2005.

PetSmart Charities®’ non-exclusive licence will provide it with the ability to access aggregated data from 2007 through 2011 which will assist it in planning and evaluating its various programs to animal welfare organisations at city, state, regional and national levels. Pethealth expects to generate a minimum of US\$400,000 over the life of the contract with PetSmart Charities®.

“We are pleased to announce our partnership with PetSmart Charities,” said Mark Warren, President and Chief Executive Officer of Pethealth. “They represent the first entity to partner with us on the non-insurance side of our business. This agreement confirms a position that we have long maintained that Internet-based software is the only management system through which data can be meaningfully aggregated and used to help support the ongoing endeavours of organisations, both not-for-profit and for-profit, looking to improve the lives of animals in shelters and promote higher levels of adoption.”

PetSmart Charities® has established itself as a leading proponent of animal welfare, as demonstrated through its highly successful pet adoption, spay/neuter and emergency relief programs, as well as its innovative Rescue Waggin’® program through which more than 29,000 dogs and puppies have been transferred and subsequently adopted from high intake/low adoption organisations to low intake/high adoption organisations.

“This resource will provide PetSmart Charities® with another tool by which we can analyze trends in the animal welfare field. This licence agreement, along with our own internal data, will assist us in strategically granting funds and assessing the impact of funding on saving the lives of homeless pets,” said Susana Della Maddalena, Executive Director of PetSmart Charities, Inc.

About PetSmart Charities, Inc.

PetSmart Charities, Inc., was established in 1994 as an independent 501(c)(3) non-profit organisation that creates and supports programs that save the lives of homeless pets, raise awareness of companion animal welfare issues, and promote healthy relationships between people and pets. Since 1994, PetSmart Charities® has funded more than US\$88 million in grants and programs benefiting animal welfare organisations and, through its in-store pet adoption program, has helped save the lives of more than 3.8 million pets. To learn more about how PetSmart Charities® is working to help find a lifelong, loving home for every pet, visit www.petsmartcharities.org or call 1-800-423-PETS.

About Pethealth

Pethealth is North America's second largest provider of medical insurance for dogs and cats to pet owners operating in Canada, the United States and the United Kingdom. In addition, the Company is the leading provider of management software to North American animal welfare organisations through its SaaS program and is the leading provider of pet related database management services to the North American companion animal industry. Pethealth offers a unique range of products and services for veterinarians, shelters and pet owners through a number of wholly owned subsidiaries using a range of brand names including *PetCare*, *24PetWatch*, *Pet Protect*, *petPals*, *ShelterCare*, *PetPoint*, *PawsConnect* and *Petango*.

Pethealth is based in Oakville, Ontario. To find out more about Pethealth, visit the website at www.pethealthinc.com

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