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Toronto Stock Exchange: PTZ

December 23, 2009

Pethealth Inc. Completes Public Offering

OAKVILLE, ON, December 23, 2009. Pethealth Inc. ("Pethealth" or the "Company") is pleased to announce that today it completed its previously announced public offering of 3,965,517 common shares from treasury, at \$1.45 per common share, for gross proceeds of approximately \$5,750,000. The common shares were purchased by Industrial Alliance Securities Inc. on an underwritten basis. Pethealth intends to use the proceeds primarily for general and administrative expenses and for working capital purposes.

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 organizations through its SaaS-based application 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 Direct, ShelterCare, PetPoint, PawsConnect and Petango.

Forward-looking statements

This news release contains certain statements that may constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Pethealth Inc., or developments in Pethealth Inc.'s business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. Pethealth Inc. cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. The risks and uncertainties that may affect forward-looking statements include, among others: economic market conditions; the ability of the parties to conclude a definitive underwriting agreement on mutually agreeable terms; and other risks detailed from time to time in Pethealth Inc.'s filings with Canadian provincial securities regulators. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and Pethealth Inc. does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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

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