

Cat returns to shelters increased 16% in November, according to the PetPoint November Report

Pethealth Inc. releases its November PetPoint Report, a monthly gauge of both pet adoptions and animal relinquishments affecting animal welfare.

Oakville, ONTARIO— **December 20, 2010.** (TSX:PTZ) Pethealth Inc.—*Owner returns* of cats to animal shelters in November increased 16% year over year, while *adoption prices* for cats over 1 year of age decreased by 11%, according to the PetPoint November Report. The two primary reasons for the spike in returns were owners moving and unanticipated allergic reactions.

Conversely, *surrenders of cats* to shelters in November decreased by 5% year over year and adoptions increased 3%. The definition of a *surrender* is when an owner *relinquishes ownership* of their pet to an animal shelter, while a *return* is when a pet previously *adopted from* an animal shelter is returned.

The November report aggregates data from nearly 873 animal welfare organizations and data on 119,266 intakes and 122,094 outcomes for dogs and cats which entered or left animal welfare organizations during the month. The aggregated data used to develop the report comes via PetPoint the most widely used animal management application in animal welfare.

For the November report, which used data from only those organizations that were using PetPoint in November 2009 and November 2010, the following can be summarized:

- Returns of cats increased by 16%.
- Adoption prices declined 11% for cats older than one year, but increased by 2% for dogs older than one year.
- Adoption prices increased for cats and dogs less than one year by 4% and 5% respectively.
- Owner surrender of cats and dogs decreased by 5%.
- Adoptions of cats increased by 3%, while adoptions of dogs remained flat for November.
- Euthanasia of cats and dogs declined by 3% and 9%, respectively.
- Seizures of cats increased by 42%; however, this was caused by events at 4 of the larger animal welfare organizations using PetPoint.

As a SaaS-based application, Pethealth, the owners of the PetPoint application, hosts the data for all of its licensed users and is then able to aggregate the data in a seamless and timely fashion. Today, over 1,550 animal welfare organizations have licensed PetPoint and Pethealth, via PetPoint, aggregates more data on dogs and cats in animal welfare organizations than any other company.

"In recent years, animal welfare organizations have been successful in promoting adoption as a first option for prospective pet owners and have made every effort to educate the public about what to consider before adding an adoptable pet to the family. This education along with reduced adoption fees

should have a positive impact in reducing the return rate of adopted animals," said Christa Chadwick, Director, North American Shelter Outreach.

Interested organizations can subscribe to receive more detailed reports including regional and state data for a monthly fee. The full report can be seen by visiting http://www.petpoint.com/petpoint-report-12-20-2010.asp. PetPoint reports are issued on the third Monday of each month.

About PetPoint

PetPoint was first introduced in 2005, is now licensed by more than 1,550 animal welfare organizations in North America, and since its launch facilitated the adoption of over 2.5 million pets. As a hosted application, animal welfare organizations can not only better organize and care for their homeless and abandoned animals, but can also reduce significantly, if not eliminate, their IT related infrastructure costs. PetPoint is provided free to animal welfare organizations on the basis that these same organizations use the Company's **24PetWatch microchip** program for all companion animals adopted. The 24PetWatch microchip program is the most widely used microchip and lost pet recovery service operating in both Canada and the United States.

About Pethealth Inc.

Pethealth is a leading provider of companion animal services in North America. 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 <u>pet owners</u> through a number of wholly owned subsidiaries using a range of brand names including <u>PetCare</u>, <u>24PetWatch</u>, <u>Pet Protect</u>, <u>Petpals Direct</u>, <u>ShelterCare</u>, <u>PetPoint</u>, <u>Petango.com</u> and <u>ThePetangoStore.com</u>.

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

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