



Pethealth Inc. Announces that Over 7-Million Pets and Pet Parents are now Registered with the 24PetWatch Database

Operating the most extensive database of newly adopted pets and pet owners in North America the Company establishes a new benchmark in its non-insurance business

OAKVILLE, ON, September 5, 2013. (TSX:PTZ) Pethealth Inc. ("Pethealth" or "the Company"), North America's leading provider of animal management software, microchip identification and data related services for companion animals, and pet health insurance, is pleased to announce it has now registered over 7-million animals in its 24PetWatch database.

As of August 31, 2013 the Company had registered 7,334,252 pet and pet owner records to the 24PetWatch database, an increase of 21% year over year (YoY). 24PetWatch provides free registration and a complimentary first year of service for microchips registered in the database, in addition to free lifetime lost pet recovery assistance. After the initial complimentary year, clients can choose from a variety of value added pay as you go data management options for their pet, each of which offer various bundled services. The continuing growth of the Company's database and related data services in both North America and the United Kingdom further entrenches the Company's leadership in providing these services to the animal welfare organizations (AWOs) and veterinary clinics operating within the two regions.

"Leveraging our unique business model we have reached yet another significant benchmark," said Mark Warren, President and CEO of Pethealth Inc. "By providing free registration and data services to new microchip registrants for the first year, we provide our animal welfare and veterinary clinic partners a stronger value proposition to their clients, and the ability to focus their resources on other business priorities, while creating significant revenue potential for Pethealth through future fee based data management services."

The Company actively leverages its unique position as the largest aggregator of newly adopted pet and pet owner data in North America, offering pet adopters and owners a variety of fee based services including:

- its innovative pet insurance programs sold under the 24PetWatch Pet Insurance Program, PetCare Pet Insurance Programs, Pet Protect, and OSPCA Insurance;
- annual and lifetime data management packages;
- pet specialty retail through its online store, ThePetangoStore.com, and a growing list of shelter partners offering the Company's turn-key white label online retail store; and
- unique value added offerings through partnerships with the likes of Rover.com.

While this milestone was achieved through partnership with over 2,000 AWOs and nearly 1,400 veterinary clinics, the 7-millionth pet registered was microchipped at the New Albany Floyd County Animal Control and Shelter.

"We would like to take this opportunity to congratulate everyone at 24PetWatch and Pethealth Inc. for reaching this key milestone," said Theresa Stilger, Animal Care Coordinator at New Albany Floyd County Animal Control and Shelter. "On behalf of New Albany Floyd County Animal Control and Shelter, we are incredibly grateful for the full range of services offered to us through 24PetWatch Pet Protection and the Lost Pet Recovery database. The 24PetWatch Lost Pet Recovery programs help make the adoption process that much smoother and we love the fact that registration is instantaneous. With 24PetWatch, we have the ability to register our chips immediately, ensuring we have accurate and complete contact information in our database at the point of adoption, and allowing us to reunite more lost pets with their owners. Our customers are also extremely satisfied with the added bonus of the Gift of Insurance program made available to them through the 24PetWatch brand, and those that have continued on with the program have told us it is worthwhile."

In addition the Company, already North America's largest supplier of RFID microchip technology for companion animal use, earlier announced that it had reached the 5-millionth adoption recorded through the Company's

PetPoint Data Management Software, also reports a YoY increase of over 72% in microchip registrations for its microchip operations in the United Kingdom, operating under the Pet Protect brand.

About Pethealth Inc.

Pethealth is North America's second largest provider of medical insurance for dogs and cats to pet owners, operating in the United States, Canada 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, PetPoint, Petango.com and ThePetangoStore.com.

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

For further information contact:

Mark Warren, President and Chief Executive Officer
Glen Tennison, Chief Financial Officer
Pethealth Inc. (905) 842-2615