

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1 – Name and Address of Company:**

Meta Health Services Inc.  
6891 Edwards Boulevard  
Mississauga, Ontario L5T 2T9

**Item 2 - Date of Material Change:**

January 5, 2007

**Item 3 – News Release:**

A news release was issued in Toronto, Ontario through Canada Newswire on January 5, 2007. A copy of the news release is attached as Schedule “A”.

**Item 4 – Summary of Material Change:**

Meta Health Services Inc. (the “Company”) announced that due to an unexpected loss of sales opportunities the Company is exploring strategic alternatives to restructure the business of its wholly-owned operating subsidiary, Theramed Corporation (“Theramed”). As part of the restructuring, the Company will implement cost-cutting measures. Theramed has laid-off nineteen employees, comprising most of its sales staff.

**Item 5 – Full Description of Material Change:**

See attached news release.

**Item 6 – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

This material change report is not being filed on a confidential basis.

**Item 7 - Omitted Information:**

No material information has been omitted from this material change report.

**Item 8 – Executive Officer of the Corporation who is knowledgeable about the material change:**

Robert S. Taylor  
President and CEO  
Meta Health Services Inc. and Theramed Corporation  
(905) 564-5009 ext. 228

**Item 9 – Date of Report:**

January 8, 2007

**META HEALTH SERVICES INC.**

Per: ***“Robert Taylor”***

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Name: Robert Taylor

Title: President and CEO

**SCHEDULE “A”**

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**Meta Health Services Inc. Subsidiary Initiates Downsizing**

Mississauga, Canada (January 5, 2007) – Meta Health Services Inc. (TSX-V: MHS) (the “Company”) announced today that due to an unexpected loss of sales opportunities the Company is exploring strategic alternatives to restructure the business of its wholly-owned operating subsidiary, Theramed Corporation (“Theramed”). The unexpected loss of sales opportunities was caused by “Plendil” becoming genericized and “Bellergal” being unavailable for sale for several months during the year.

As part of the restructuring, the Company proposes to implement cost-cutting measures. As an initial step, Theramed has laid-off nineteen employees, comprising most of its sales staff. The Company will announce specific plans for the future direction of the Company once they have been finalized.

For additional information about this news release contact:

Robert Taylor  
President and CEO  
Meta Health Services Inc. and Theramed Corporation  
Tele: 905.564.5009  
Email: rtaylor@theramed.com

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release and has neither approved nor disapproved of the contents of this release.*