

MATERIAL CHANGE REPORT

1. Name and Address of the Issuer

Texada Software Inc. (the "Issuer")
7B-291 Woodlawn Road West
Guelph, Ontario N1H 7L6

2. Date of Material Change

January 7, 2008

3. News Release

The news release, attached hereto as Schedule "A", was disseminated on January 7, 2008 through CCNMatthews and was filed on SEDAR with the British Columbia, Alberta and Ontario securities commissions and the TSX Venture Exchange.

4. Summary of Material Change

The Issuer announced it had closed its previously announced private placement of units (the "Units"), each Unit consisting of \$1,000 principal amount secured convertible debentures and 10,000 common share purchase warrants of the Issuer.

5. Full Description of Material Change

The Issuer announced it had completed its previously announced private placement financing of Units which resulted in gross proceeds of \$500,000. The Board of Directors of the Issuer has determined it is reasonable and necessary to close the Private Placement within 21 days of filing a material change report in respect thereof as the Company requires the funds immediately.

Each Unit consists of \$1,000 principal amount 10% senior secured convertible debentures (the "Debentures") and 10,000 warrants (the "Warrants"). The Debentures will mature on November 30, 2009 (the "Maturity Date") and are convertible at the holder's option into common shares (the "Common Shares") of Texada at any time on or prior to the Maturity Date at a conversion price of \$0.05 per Common Share. Conversion may be forced in the event debenture holders holding at least 66⅔ principal amount of the Debentures agree. Each Warrant entitles the holder to acquire one Common Share at any time up to the Maturity Date at an exercise price of \$0.10 per Common Share. The securities issued under this placement will be subject to a hold period until May 8, 2008.

The following related parties of the Issuer participated in the Private Placement: 1610488 Ontario Inc. ("1610488"), a company controlled by Iqbal Kassam, a director of the

Issuer, Cidel Trust Company, as trustee of the Lamb Trust (“Cidel”), an insider of the Issuer and Nigel Miller (“Miller”), the President & CEO of the Issuer. 1610488 and Cidel have filed or will file early warning reports with applicable regulatory authorities and on www.SEDAR.com which set out their respective securityholdings of the Issuer prior to, and upon, giving effect to the Private Placement. The increase in the security holdings of each of 1610488, Cidel and Miller does not represent a material change for the Issuer in the percentage of such securities that each holds.

The Issuer has determined that it is eligible for exemptions to the formal valuation requirement under paragraph 3 of section 5.5 of National Instrument 61-501 (“NI61-501”) since its securities are not listed on any of the stock exchanges set out in that section as well as from the minority of the majority shareholder approval requirements pursuant to paragraph 2 of section 5.7 of NI61-501 since the fair market value of securities to be received by related parties is less than 25% of the market capitalization of the Issuer.

No special process was adopted by the Issuer to approve the transactions contemplated by the Private Placement. The Issuer completed the Private Placement for working capital and the continued execution of its sales and marketing plan.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

No significant facts have been omitted from this report.

8. Executive Officer

For further information, please contact Nigel Miller, President and Chief Executive Officer of the Issuer, at (416) 675-7072.

9. Date of Report

DATED the 11th day of January, 2008.

(“signed”)
Nigel Miller
President & CEO

SCHEDULE “A”

**NOT FOR DISTRIBUTION TO UNITED STATES OF AMERICA WIRE SERVICES OR
DISSEMINATION IN THE UNITED STATES OF AMERICA**

TEXADA SOFTWARE INC.

January 7, 2007

NEWS RELEASE

FOR IMMEDIATE RELEASE

TSX Venture Exchange: TXS

Shares Outstanding: 64,729,683

TORONTO, ONTARIO

**Texada Software Inc. Announces Completion of \$500,000 Convertible Debenture Financing and
Updates Status of Shares for Debt Transaction**

ONTARIO, Canada – Texada Software Inc. (“Texada” or the “Company”). Texada announced today that, further to its press release of December 19, 2007, it has completed its previously announced non-brokered private placement (the “Offering”) of units of the Company (the “Units”) for aggregate gross proceeds of \$500,000. Each Unit consists of \$1,000 principal amount 10% senior secured convertible debentures (the “Debentures”) and 10,000 warrants (the “Warrants”). The Debentures will mature on November 30, 2009 (the “Maturity Date”) and are convertible at the holder’s option into common shares (the “Common Shares”) of Texada at any time prior to the Maturity Date at a conversion price of \$0.05 per Common Share. Conversion may be forced in certain circumstances. Each Warrant entitles the holder to acquire one Common Share at any time up to the Maturity Date at an exercise price of \$0.10 per Common Share.

In addition, the Company announced today that, further to its press release of December 19, 2007, it has reached agreement with holders of previously issued \$985,000 principal amount secured convertible debentures to issue 22,943,812 Common Shares in full settlement of the principal and interest owing to such debentureholders (the “Shares for Debt Transaction”) on January 31, 2008, being the maturity date thereof (the “Prior Debenture Maturity Date”). Completion of the Shares for Debt Transaction is subject to, among other things, the completion of the Offering as well as the receipt of all required regulatory approvals.

The proceeds of the Offering will be used for working capital and the continued execution of the Company’s sales and marketing plan. The Debentures and Warrants comprising the Units, and the Common Shares issued pursuant to the Shares for Debt Transaction, will be subject to a hold period of four months and one day from the date of issuance thereof under applicable securities laws and TSX Venture Exchange (the “Exchange”) rules, as will any securities issued on conversion or exercise of the Debentures and Warrants, respectively (if converted or exercised prior to the expiry of such hold period). The Offering and Shares for Debt Transaction are each subject to receipt of final Exchange approvals.

Pursuant to the Offering, 1610488 Ontario Ltd. (“1610488”), a company controlled by Iqbal Kassam, a director of the Company, announced that it has acquired 190 Units. After giving effect to this acquisition, 1610488 and Mr. Kassam directly or beneficially hold an aggregate of: (i) \$352,000 principal amount secured convertible debentures, representing 22.00% of the outstanding convertible debentures of the Company including \$162,000 principal amount convertible debentures which 1610488 has irrevocably agreed to convert into 3,773,501 Common Shares on the Prior Debenture Maturity Date in connection

with the Shares for Debt Transaction; (ii) 9,611,136 Common Shares representing 14.85% of the issued and outstanding Common Shares; and (iii) 3,685,750 Common Share purchase warrants (including 1,900,000 Warrants representing 38% of the Warrants issued pursuant to the Offering) representing 13.80% of all outstanding share purchase warrants of the Company (including the Warrants). If all share purchase warrants held by 1610488 and Mr. Kassam were to be fully exercised and all convertible debentures held by 1610488 were to be fully converted (assuming no other share purchase warrants, convertible debentures or other convertible securities of the Company were exercised or converted, as the case may be) 1610488 Mr. Kassam would beneficially own approximately 27.51% of the Company's Common Shares on a partially diluted basis.

1610488 and Mr. Kassam have acquired the securities of the Company for investment purposes. 1610488 and Mr. Kassam have no present intention of acquiring other securities of the Company, other than the Common Shares to be issued to 1610488 on the Prior Debenture Maturity Date, or disposing of any of the securities of the Company they currently hold. For further information regarding 1610488's acquisition of securities of the Company or to obtain a copy of the early warning report in respect of this transaction, please contact John Kirincic at (604) 654-2555. A copy of the early warning report will also be available under the Company's profile on SEDAR at www.sedar.com.

In addition, Cidel Trust Company Ltd., as trustee of the Lamb Family Trust ("Cidel"), announced that it has acquired 100 Units. After giving effect to this acquisition, Cidel directly or beneficially holds an aggregate of: (i) \$335,000 principal amount secured convertible debentures, representing 20.94% of the outstanding convertible debentures of the Company including \$235,000 principal amount convertible debentures which mature on January 31, 2008 (the "Prior Debenture Maturity Date") and which Cidel has irrevocably agreed to convert into 5,473,906 Common Shares on the Prior Debenture Maturity Date in connection with the Shares for Debt Transaction; (ii) 7,183,601 Common Shares representing 11.10% of the issued and outstanding Common Shares; and (iii) 4,957,500 Common Share purchase warrants (including 1,000,000 Warrants representing 20% of the Warrants issued pursuant to the Offering) and 18.56% of all outstanding share purchase warrants of the Company (including the Warrants). If all share purchase warrants held by Cidel were to be fully exercised and all convertible debentures held by Cidel were to be fully converted (assuming no other share purchase warrants, convertible debentures or other convertible securities of the Company were exercised or converted, as the case may be) Cidel would beneficially own approximately 25.42% of the Company's Common Shares on a partially diluted basis.

Cidel has acquired the securities of the Company for investment purposes. Cidel has no present intention of acquiring other securities of the Company, other than the Common Shares to be issued to Cidel on the Prior Debenture Maturity Date, or disposing of any of the securities of the Company it currently holds. For further information regarding Cidel's acquisition of securities of the Company or to obtain a copy of the early warning report in respect of this transaction, please contact Cindy Radu at (403) 697-6962. A copy of the early warning report will also be available under the Company's profile on SEDAR at www.sedar.com.

Abe Schwartz ("Schwartz") announced that he has acquired 190 Units. After giving effect to this acquisition, Schwartz directly or beneficially holds an aggregate of: (i) \$190,000 principal amount secured convertible debentures, representing 11.88% of the outstanding convertible debentures of the Company; (ii) 5,000,000 Common Shares representing 7.72% of the issued and outstanding Common Shares; and (iii) 4,400,000 Common Share purchase warrants, representing 38% of the Warrants issued pursuant to the Offering and 16.47% of all outstanding share purchase warrants of the Company (including the Warrants). If all share purchase warrants held by Schwartz were to be fully exercised and all convertible debentures held by Schwartz were to be fully converted (assuming no other share purchase warrants, convertible debentures or other convertible securities of the Company were exercised or converted, as the case may be) Schwartz would beneficially own approximately 18.10% of the Company's Common Shares on a partially diluted basis.

Schwartz has acquired the securities of the Company for investment purposes. Schwartz has no present intention of acquiring other securities of the Company or disposing of any of the securities of the Company he currently holds. For further information regarding Schwartz' acquisition of securities of the Company or to obtain a copy of the early warning report in respect of this transaction, please contact Abe Schwartz at (416) 221-9544 Ext. 1111. A copy of the early warning report will also be available under the Company's profile on SEDAR at www.sedar.com.

ABOUT TEXADA SOFTWARE

Texada Software Inc. is the premier provider of SYSTEMATIC enterprise software solutions for mobile equipment and rental management. Texada's solutions are fully flexible and scalable to meet the unique needs of any sized operation and are backed by proven implementation, services and support.

Texada's market-driven software products combine knowledge and best practices from over 400 customers worldwide, resulting in solutions that manage the complete asset life-cycle from acquisition through to disposal. Our customers enjoy the benefits of enhanced efficiency through better asset utilization, effective location tracking, and optimized scheduling.

Texada can be reached at 1-800-361-1233, or on the internet at www.texadasoftware.com For product and services information visit www.systematic.com

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This news release may contain forward-looking statements which reflect the Company's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the difficulty in predicting acceptance of and demands for new products, the impact of the products and pricing strategies of competitors, delays in developing and launching new products, fluctuations in operating results and other risks, any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Many risks are inherent in the industry; others are more specific to the Company. Investors should consult Texada's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. Investors should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.