

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 31, 2008

3. News Release

The news release, attached hereto as Schedule "A", was disseminated on January 31, 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 reached an agreement with the holders of a total of \$985,000 principal amount secured convertible debentures to settle such debt, including accrued but unpaid interest thereon by way of the issuance of 22,943,812 common shares of the Issuer, and was in discussions with the holders of the remaining \$115,000 of convertible debentures.

5. Full Description of Material Change

The Issuer announced it had completed its previously announced shares for debt transaction (the "Shares for Debt Transaction") with the holders of a total of \$985,000 principal amount secured convertible debentures to settle such debt, including accrued but unpaid interest thereon by way of the issuance of 22,943,812 common shares of the Issuer. The debt was incurred upon issuance of \$1.1 million principal amount of secured convertible debentures on February 28, 2006, which debentures carried a maturity date of January 31, 2008. The Issuer announced it was in discussions with the holders of the remaining \$115,000 of convertible debentures.

The following related parties of the Issuer participated in the Shares for Debt Transaction: 1610488 Ontario Inc. ("1610488"), a company controlled by Iqbal Kassam, a director of the Issuer, Discovery Capital Corporation ("Discovery") a company controlled by Harry Jaako, a director of the Issuer, Steven Lamb ("Lamb"), 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 Shares for Debt Transaction. The increase in the security holdings of each of 1610488, Discovery, Lamb, 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") as well as from the minority of the majority shareholder approval requirements pursuant to paragraph 3 of section 5.7 of NI61-501. No special process was adopted by the Issuer to approve the transactions contemplated by the Shares for Debt Transaction.

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 5th day of February, 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 31, 2007

NEWS RELEASE

FOR IMMEDIATE RELEASE

TSX Venture Exchange: TXS

Shares Outstanding: 87,673,495

TORONTO, ONTARIO

Texada Software Inc. Announces Completion 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 shares for debt transaction (the “Shares for Debt Transaction”). The debt was incurred upon issuance of \$1.1 million principal amount of secured convertible debentures on February 28, 2006, which debentures carry a maturity date of January 31, 2008. The Company has issued 22,943,812 common shares (the “Common Shares”) in settlement of \$985,000 of such debt plus interest thereon and is in discussions with the holders of the remaining \$115,000 of convertible debt. 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 (“TSXVE”) rules. The transaction is subject to final approval of the TSXVE.

Pursuant to the Shares for Debt Transaction, 1610488 Ontario Ltd. (“1610488”), a company controlled by Iqbal Kassam, a director of the Company, announced that it has acquired 3,773,501 Common Shares. After giving effect to this acquisition, 1610488 and Mr. Kassam directly or beneficially hold an aggregate of: (i) \$190,000 principal amount secured convertible debentures, representing 38% of the outstanding convertible debentures of the Company; (ii) 13,384,637 Common Shares representing 15.27% of the issued and outstanding Common Shares; and (iii) 3,685,750 Common Share purchase warrants representing 23.45% of all outstanding share purchase warrants of the Company. 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 21.93% 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 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 5,473,906 Common Shares. The Lamb Trust and the beneficiaries of the Lamb Trust, Steven Lamb (a director of the Issuer) and the issue of Steven Lamb, may be considered to be joint actors with Cidel. After giving effect to this acquisition, Cidel directly or beneficially holds an aggregate of: (i) \$100,000 principal amount secured convertible debentures, representing 20% of the outstanding

convertible debentures of the Company; (ii) 12,657,507 Common Shares representing 14.37% of the issued and outstanding Common Shares; and (iii) 2,607,500 Common Share purchase warrants representing 16.59% of all outstanding share purchase warrants of the Company. 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 18.71% 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 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.

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.