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**QHR Delivers a 25% Increase in Recurring Revenue**

**TORONTO, ONT, August 18, 2016 – (TSX-V: QHR)** QHR Corporation (“QHR” or the “Company”), a leader in the Healthcare Information Technology sector, has announced financial results for its second quarter (“Q2”) of 2016.

Q2 2016 revenue increased 21% year-over-year to a record \$8.0 million, up from \$6.6 million in Q2 2015. The Company also reported a 25% increase in recurring revenue run rate<sup>(1)</sup> to \$28.2 million at the end of Q2 2016 compared to \$22.6 million at the end of Q2 2015.

**Other Selected Financial Information (continuing operations):**

<b>Q2/16 compared to Q2/15 (millions)</b>				
	Q2 2016	Q2 2015	\$ Change	% Change
Revenue	8.00	6.60	1.40	21%
Recurring Revenue Run Rate <sup>(1)</sup>	28.27	22.6	5.7	25%
EBITDA <sup>(1)</sup>	1.15	-0.46	1.61	N/A
ADJUSTED EBITDA <sup>(1)</sup>	1.29	0.62	0.67	108%
Net Earnings (Loss)	0.61	-0.96	1.57	N/A
Cash	13.27	8.94	4.33	48%
Days Sales Outstanding	11 Days	47 Days	36 Days	77%

QHR continues to focus on the Electronic Medical Records (“EMR”) market in Canada, growing sales organically and pursuing complementary acquisitions and partnerships in an effort to expand its leadership position. Mike Checkley, the Company’s President and CEO, was pleased to observe that “this second quarter produced further improvements in our operation, strong sales and customer retention, and an expanded network of partners to help us all bring our provider and patient tools further in to the mainstream of our healthcare system.

Jerry Diener, the Company’s Vice President and CFO, said that “as we continue to focus on both top line growth and improved efficiencies we are pleased to deliver an adjusted EBITDA margin of over 16% for the quarter. In addition, this is the 6<sup>th</sup> consecutive quarter in which we have seen year-over-year growth in recurring revenue of 20% or more, hitting 25% growth this quarter, while Days Sales Outstanding also improved significantly year-over-year from 47 to 11 days.”

**Revenue**

Record revenue of \$8.0 million for Q2 2016, compared to \$6.6 million for Q2 2015, was largely driven by continued organic growth of the Accuro™ EMR product.

**Net Earnings (Loss)**

Net earnings from continuing operations during Q2 2016 were \$611,793, compared to a loss of \$961,152 for Q2 2015.

**Cash Flow**

In Q2 2016, cash flow generated from operating activities was \$2.0 million, compared to cash outflow for Q2 2015 of \$0.9 million. The significant improvement seen in the quarter was driven by both improved profitability and by reduction in accounts receivable.

At June 30, 2016, the Company had cash in the amount of \$13.27 million and trade and other receivables of \$0.99 million. The Company is not using any of its operating line and has no outstanding debt.

Full financial statements together with Management’s Discussion and Analysis are available on SEDAR.

<sup>(1)</sup> Recurring revenue run rate, EBITDA and Adjusted EBITDA are measures used by management in evaluating financial performance. Please refer to the cautionary statements under the heading “Non-IFRS Financial Measures”, below.

## About QHR Corporation

QHR is a leader in Healthcare Technology, empowering providers and connecting patients. With a 12-year track record offering what is now the single leading Electronic Medical Records platform in Canada, QHR has a suite of complementary offerings that empower health professionals and drive the Company's growth. The Company's technologies and services enable secure medical records management for clinical environments, empowering health providers with tools for virtual care, including secure video and messaging, as well as tools for clinic management including scheduling, billing, and patient management. Health providers choose QHR to drive efficiencies within their practice and improve the quality of care delivered to patients.

### **Non-IFRS Financial Measures**

*<sup>(1)</sup>The numbers reflected here are from the unaudited condensed interim consolidated financial statements, for the period ended June 30, 2016, including comparatives, are expressed in Canadian dollars and have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting". These financial statements do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards ("IFRS"). QHR also discloses and discusses certain non-IFRS financial measures, including Recurring Revenue Run-Rate, EBITDA and Adjusted EBITDA. QHR has presented these non-IFRS measures because Management believes they are relevant measures in evaluating QHR's performance.*

*EBITDA is defined as earnings before income tax expense, financing costs, depreciation, amortization and stock-based compensation. Adjusted EBITDA is defined as EBITDA adjusted with acquisition, transition and integration costs and other expenses that do not impact core operating performance.*

*Management believes that EBITDA and Adjusted EBITDA provide important measures of the Company's operating performance because they allow management, investors and others to evaluate and compare the Company's core operating results, including its return on capital and operating efficiencies, from period to period by removing the impact of its capital structure (interest expense), asset base (depreciation and amortization), tax consequences, other non-core operating items (acquisition costs) and other non-free cash items. Both EBITDA and Adjusted EBITDA do not have any standardized meaning prescribed by IFRS, other companies may calculate these non-IFRS measures differently, and therefore our EBITDA and Adjusted EBITDA may not be comparable to a similar titled measure by other companies. Accordingly, investors are cautioned not to place undue reliance on them and are also urged to read all accounting disclosures presented in the unaudited condensed interim consolidated financial statements and accompanying notes for the period ended June 30, 2016.*

*Recurring Revenue Run Rate is the annualized recurring revenue of a company if you were to extrapolate the revenue for the current quarter over a period of one year.*

**Conference Call - The Company's executives will host a conference call at 11:00 AM EDT (8:00 AM PDT) Thursday, August 18, 2016, to discuss the Company's Q2 2016 financial results. To join the conference call, please dial Toll Free 1-888-390-0546, Conference ID# 35747341**

### **On behalf of the Board of Directors**

**Mike Checkley, President & CEO**

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Legal Notice Regarding Forward Looking Statements

*This news release may contain "forward looking statements" within the meaning of applicable Canadian securities legislation. These statements are subject to risks that may cause the actual results to be materially different in future periods from those expressed or implied by such forward looking statement. Forward-looking statements in this news release include those concerning the Company's belief that it is getting better every quarter, strengthening its position as the leading EMR provider in Canada, and that it can continue to expand its leadership position through organic sales growth and complementary acquisitions and partnerships. Risks that may prevent or delay the forward looking statements from coming to fruition include the possibility that the Company may not offer products that are acceptable to industry regulators or customers; competition, the availability of capital, changing regulatory requirements, the Company's ability to attract and retain key personnel, product obsolescence, work flow and market factors that could increase costs more than expected as well as the risks disclosed in the Company's periodic disclosure documents filed on SEDAR. QHR is a technology business development enterprise where investment and product enhancements must be carefully managed to achieve long-term revenue growth and profitability. It is the Company's policy not to update forward looking statements except to the extent required under applicable securities laws. Further information on the Company is available at [www.sedar.com](http://www.sedar.com) or at the Company's website, [www.QHRtechnologies.com](http://www.QHRtechnologies.com).*

**Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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