Suite 300 – 1620 Dickson Avenue
Kelowna, BC, Canada V1Y 9Y2
Telephone: (250) 448-7095
Website: www.QHRtechnologies.com

QHR Reports EMR Revenue of $6.6 Million for Q2 2015 and 21% Recurring Revenue Growth

KELOWNA, BC, August 20, 2015 – (TSX-V: QHR) QHR Corporation ("**QHR**" or the "**Company**"), a leader in the Healthcare Information Technology sector, has announced financial results for its quarter ended June 30, 2015, reporting year over year revenue growth of 8% to $6.6 million for Q2 2015 compared to $6.1 million in Q2 2014. The Company also reported a 21% increase in recurring revenue run rate to $22.6 million at the end of Q2 2015 compared to $18.7 million at the end of Q2 2014. In light of the recent sale of the Company's RCM Division, the RCM assets, revenue and expenses have been removed from continuing operations.

<u>Second Quarter 2015 Highlights:</u>

- Acquired assets from Canadian EMR provider Jonoke Software
- Executed on plan to divest of RCM Assets
- Increased recurring revenue run rate to $22.6 million, up 21% from $18.7 million, at the end of Q2 2014.
- Recurring revenue for the quarter was 85.5% of total revenue, compared to 76.4% in Q2 of 2014.
- Second quarter revenues of $6.6 million, an 8% increase over Q2 2014 revenue of $6.1 million.
- Adjusted EBITDA(1) for Q2 2015 of $0.6 million or 9.3% of revenue compared to $1.2 million or 20% for Q2 2014 and $1.1 million or 16.3% of revenue for Q1 2015.
- Basic Earnings (Loss) per Share from continuing operations of ($0.02) for the quarter compared to $0.01 for Q1 2014.
- The Company closed the quarter with $11.3 million of cash and receivables.
- As at June 30, 2015, Days Sales Outstanding ("**DSO**") was 32 days compared to 52 days at June 30, 2014.

During the quarter the Company completed its purchase of the Jonoke Software Development assets, which consisted primarily of Jonoke's aging EMR platform and its clients. The Company intends to use these assets to leverage growth of its Accuro EMR product, which now serves over 6,700 healthcare providers across Canada, by transitioning Jonoke clients to the Accuro platform and enhancing the benefits of using one strong EMR platform across Canada.

"While the Jonoke acquisition represented a fundamental component of our strategy, we also executed on divesting non-core assets in the quarter, completing our previously announced plan to divest our underperforming Billing Services, Clearinghouse, Tradelink EDI, and related services products (the **"RCM Assets"**). We also continued our internal restructure, focusing our efforts on our core business and reducing costs," said Mike Checkley, President & CEO of QHR Corporation.

On July 14, 2015, QHR announced that it had sold substantially all of its RCM Assets to a US-based billing and clearinghouse company. In this transaction, QHR sold substantially all of its RCM Assets, including customer relationships, products, related intellectual property, and some of its employees, in exchange for a cash purchase price in an amount to be determined and paid over an earn out period of 36 months from closing. QHR does not anticipate that proceeds from this transaction will be material. The primary benefit of this transaction lies in projected cost savings, as the sale was part of an overall restructuring effort to save $1.6 to $2.0 million in annualized expenses.

"QHR is now a streamlined business with a clear focus on healthcare tech for providers and patients. Moving the operation towards profitability with such a high percentage of recurring revenue puts us in a very strong position to not only continue to grow market share, but also increase investments in new technology for the emerging Virtual Care and Personal Health Record markets." said Mike Checkley, President & CEO of QHR Corporation.

"We are pleased to report a 21% increase in recurring revenue compared to the same quarter last year. Our recurring revenue was 86% of our total revenue for Q2 2015 and we continue to grow our recurring revenue quarter over quarter in keeping with our growth strategy," said Jerry Diener, CFO of QHR Corporation.

<u>Revenue</u>

Revenue of $6.6 million for Q2 2015 was largely driven by organic growth of the Accuro EMR product. Revenue increased by $478,999 or 8% from $6.1 million during Q2 2014.

<u>Net Earnings (Loss)</u>

The net loss for the quarter ended June 30, 2015 was $5,756,912, primarily driven by the loss from discontinued operations as previously announced. The $4,795,760 loss from discontinued operations includes a loss of $974,115 from operating activities, an impairment loss to intangible assets and goodwill of $2,612,699, and deferred income tax expense of $1,208,946. Both the impairment loss and the deferred income tax expense are non-cash losses.

Cash Flow

For the quarter ended June 30, 2015, operating activities resulted in net cash outflows of $3,134,316, compared to net cash inflows of $1,659,143 for the same period in 2014. The cash outflow for Q2 in 2015 was driven primarily by costs related to the disposition of the RCM assets, other one-time charges and changes in working capital.

At June 30, 2015, the Company had cash and cash equivalents in the amount of $8.9 million and trade and other receivables of $2.3 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.

About QHR Corporation

QHR is a leader in Healthcare Technology, empowering providers and connecting patients. With an 11-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, empower health providers with tools for virtual care including secure video and messaging, and 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.

(1) Management uses a non-IFRS measure of EBITDA and Adjusted EBITDA as supplemental measures to evaluate the performance of the Company. 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 provides an important measure 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 un- audited consolidated financial statements and accompanying notes for the quarter ended March 31, 2015.

Conference Call - The Company executives will host a conference call at 11:00 AM EDT (8:00 AM PDT) Thursday, August 20, 2015, to discuss the Company's Q2 2015 financial results. To join the conference call, please dial Toll Free 1-888-390-0605, Conference ID# 75001545

On behalf of the Board of Directors

Mike Checkley, President & CEO

- ### -

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 intent to use the Jonoke assets to leverage growth of its Accuro EMR product, its anticipation that proceeds from the sale of the RCM Assets will not be material and its projection that the primary benefit from the sale of the RCM Assets lies in projected cost savings of between $1.6 and $2.0 million annually. 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. 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 or at the Company's website, 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.

For further information, please contact:

Mike Checkley, President & CEO
250.979.1709
mike.checkley@QHRtech.com

Jerry Diener, CFO & VP Finance
250.979.1722
jerry.diener@QHRtech.com