

QHR Technologies Inc.
(the "Company")
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News Release

Not for distribution in the United States or through United States wire services.

August 6, 2002 (QHR – TSX) Mr. Al Hildebrandt, President and CEO of the Company, announces that the financial results for the second quarter ending June 30, 2002 have been released.

The Company recorded its best quarter of operations since its inception. Net income of \$115,400 or \$.01 per share was recorded for the second quarter of 2002 on revenues of \$691,797. Income in the amount of \$152,900 was realized prior to the final amortization of goodwill in the amount of \$37,500.

The year-to-date net income stands at \$46,878 or \$.01 per share compared to a loss of \$731,599 or a \$.06 per share a year ago. The Company realized revenues of \$1,110,497 (an increase of 103% over the same period in 2001) during the first six months of fiscal 2002. The final non-cash write down of acquisition goodwill in the amount of \$74,994 has been charged to the financial statements at June 30, 2002 and will not be re-occurring.

Deferred revenue (defined as cash received in advance of services rendered) increased to \$845,486 compared to \$375,024 a year ago, an increase of 125%.

The Company has been approaching the break-even mark since it substantially completed its commercial version of its software product, Quadrant HR, in October 2001. For the last three financial quarters, the Company concentrated its resources on the marketing of Quadrant HR and the completion of a number of installations. QHR has finally crossed the break-even mark of its operations and its financial health is improving.

Sales momentum continues to grow. The Company has over 40 clients that use one or more of Quadrant HR core software modules in the healthcare, aviation, manufacturing and forestry industries.

Management encourages interested parties to visit the Company's website, www.qhrsoftware.com, for a more complete profile of the Company, quarterly financial statements and management discussions. The entire quarterly report is also available from www.sedar.com.

QHR Technologies Inc. is engaged in the business of developing and implementing a complete Human Resource, Payroll and workforce planning software solution. The Company's mission is to become a global leader in human resource software designed for complex payroll environments. The Company is developing software solutions designed to handle all elements of human resource management including human resources, payroll and employee relations.

On behalf of the Board of Directors

Al Hildebrandt
President & Chief Executive Officer

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

For further information, please contact:
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