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May 26, 2006

NEWS RELEASE

Trading Symbol QHR (TSX-V)

QHR TECHNOLOGIES REPORTS FIRST QUARTER FINANCIAL RESULTS

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

May 26, 2006 (QHR – TSX Venture Exchange) Mr. Al Hildebrandt, President and CEO of the Company, announces that the Company has released its interim financial statements for the three months ended March 31, 2006. The consolidated loss for the three months ended March 31, 2006 was \$349,048 (\$0.02 per share) against revenue of \$943,480 compared to a loss of \$177,287 (\$0.01 per share) against revenue of \$1,033,421 for the first quarter of 2005.

The Company was successful in securing new business and recurring annual support revenue in the three months ended March 31, 2006 in the amount of \$1,915,882 from its customers against a marketing cost \$260,881 for the quarter. In accordance with the Canadian Generally Accepted Accounting Principles (“GAAP”) that applies to the Company for technology accounting, revenue recognized from customer transactions for the three months ended March 31, 2006 was \$943,480 compared to \$1,033,421 for the quarter ended March 31, 2005.

As required by GAAP, contracts received by the Company must be recorded as deferred revenue until the contractual obligations of the contract are met. Deferred revenue increased 60% to \$2,577,537 at the quarter ended March 31, 2006 up \$972,402 from \$1,605,135 at December 31, 2005. All deferred revenue obligations can be met from current corporate resources. As deferred revenue is recognized on the income statement it will provide a positive impact to the future profitability of the Company later in the year.

The overall loss is mainly attributed to the costs of continuing development of the Company’s Electronic Medical Record technology initiative that commenced in April 2004.

The Company spent \$344,596 in the first quarter of 2006 to deliver its products to market compared to \$333,752 in the first quarter of 2005. These expenditures are directly related to revenue volume for the first quarter. Product development expenditures ran to \$281,441 in the first quarter of 2006 compared to \$282,214 in 2005 to provide key improvements and additional functions for Quadrant HR™ and Accuro™. General and administration costs decreased slightly to \$310,666 in the first quarter of 2006 compared to \$320,154 for the first quarter of 2005.

For a more complete business and financial profile of the Company including the current financial statements, CEO’s report to shareholders and current MD&A, management encourages interested parties to visit the Company’s website, www.QHRtechnologies.com.

This news release may contain opinions and forward-looking statements that reflect the Company’s current expectations, forecasts and assumptions. These may involve risks and uncertainties that could cause actual future results to be materially different. Investors are cautioned against placing undue reliance on forward-looking statements. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

On behalf of the Board of Directors

Al Hildebrandt
President & Chief Executive Officer

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