

CLINICARE Corporation

PRESS RELEASE

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FOR IMMEDIATE RELEASE

CLINICARE Announces \$3 Million Private Placement

CALGARY, Alberta, October 17, 2006 – CLINICARE Corporation of Calgary announces that it has secured \$3 million equity financing from Investment Saskatchewan Inc. for a minority position in the Company.

“After conducting extensive due diligence, we determined that CLINICARE is clearly one of the best managed companies, with the best products and services in the Healthcare Information Technology industry in Canada”, states Brian LaBerge, Senior Investment Director at Investment Saskatchewan. “We are convinced of CLINICARE’s potential and the soundness of their growth strategy. With their plan to add to their Sales and Marketing initiatives, increase their Development Team and relocate certain existing and new positions to Saskatchewan, we believe there will be positive economic benefit to Saskatchewan and ultimately a positive return on investment.”

“CLINICARE has been poised to grow dramatically for some time and this initial cash injection will help us grow by an order of magnitude in the next few years”, stated Dennis Niebergal, president & CEO. “We have always been able to show a modest profit each year but have never had available funds to make a big growth push. That roadblock has now been removed with Investment Saskatchewan on board.”

CLINICARE makes a difference in enhancing the quality of healthcare by providing medical practices with effective computerized information solutions with superior ‘physician-driven’ products backed by exceptional service. CLINICARE listens to and works closely with their Customers, Employees and Business Partners in a professional and positive manner.

About CLINICARE:

CLINICARE Corporation (<http://www.clinicare.com>) has specialized in software development for the ambulatory physician market since 1984. In 2005 CLINICARE won the Canadian Health Informatics Awards for Company of the Year and Corporate Citizenship. CLINICARE has also received the **Best in KLAS** Achievement Award three years in a row for being North America's highest rated ambulatory electronic medical record (EMR) for groups of 6-25 physicians. CLINICARE received these awards because of its software functionality that enables the delivery of high quality healthcare with enhanced patient safety while allowing physicians to practice medicine their own way. CLINICARE has branch offices in the United States and Canada. Its head office is in Calgary, Alberta.

About Investment Saskatchewan

Investment Saskatchewan is a designated subsidiary Crown corporation under The Crown Corporations Act, 1993 and an incorporated entity under the Saskatchewan Business Corporations Act. Investment Saskatchewan presently holds an investment portfolio of \$409 million in a variety of industries and has a capital allocation of \$50 million for new investments annually. Its head office is located in Regina, Saskatchewan. A satellite office is located in Saskatoon.

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This press release may contain forward-looking statements, including those that may be related to revenue and net income that involve a number of risks and uncertainties. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are volume and timing of systems sales and installations; length of sales cycles and installation process; the possibility that the products will not achieve market acceptance; seasonal patterns of sales and customer buying behaviour; the development by competitors of new or superior technologies; delays in product development; undetected errors or bugs in software; product liability; changing economic, political or regulatory influences in the health-care industry; changes in product-pricing policies; competitive pressures; general economic conditions.

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