

FOR IMMEDIATE RELEASE

May 14, 2007

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION TO CANADIAN INVESTORS ONLY.

BRAINHUNTER REPORTS RECORD QUARTERLY RESULTS

Revenues increase over 35%, EBITDA up over 97%

Toronto, Ontario, May 14, 2007 – Brainhunter Inc. (“Brainhunter” or the “Company”) (TSX:BH) is pleased to report record results for the second quarter ending March 31, 2007. Revenues were \$58,552,545, up 7.0% over revenues of \$54,730,398 for the first quarter ended December 31, 2006 and up over 35% compared to \$43,335,055 for the quarter ending March 31, 2006. EBITDA for the second quarter was \$2,142,430, up over 97% from \$1,086,664 for the second quarter in the previous year, and up 6.7% over the first quarter ended December 31, 2006. Second quarter results are the strongest in Brainhunter’s history.

Brainhunter has seven core business units – Toronto IT Staffing, Ottawa IT Staffing, Permanent Placement, International (BPO India and US), Engineering, Recruiting Solutions (Job Board and software license sale), and Solutions.

Over the past three-years, Brainhunter has grown from one of the smallest companies in the industry to become one of the largest Recruiting and Staffing Software, Solutions and Services companies operating in Canada today. Brainhunter has consistently demonstrated steady growth. The Company’s acquisitions and organic growth has given Brainhunter a critical mass of sales, which when combined with the Brainhunter Technology Platform, Job Board infrastructure and one of the largest professional databases in Canada today, positions Brainhunter with one of the most comprehensive solutions and staffing procurement offerings in the marketplace today.

Brainhunter Inc.
Consolidated Interim Balance Sheets (Unaudited)

As at	March 31, 2007	September 30, 2006
	\$	\$
ASSETS		
Current		
Restricted short-term investment	25,000	125,000
Accounts receivable	43,256,619	39,596,147
Deposits and prepaid expenses	576,512	762,314
Future income tax asset	939,664	939,664
Total current assets	44,797,795	41,423,125
Capital assets, net	6,744,056	6,755,710
Long Term Investments	417,087	0
Investment tax credits recoverable	1,373,122	1,373,122
Deferred financing costs	691,615	1,285,194
Intangible assets, net of amortization	10,497,222	12,447,886
Goodwill	20,232,800	20,232,800
Due from related parties	440,150	190,150
	85,193,847	83,707,987
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	24,549,701	23,518,477
Current portion of deferred lease inducement	39,490	39,490
Current portion of provision for lease restructuring	261,756	261,756
Current portion of long-term debt	4,263,723	4,139,378
Deferred revenue	568,228	416,714
Total current liabilities	29,682,898	28,375,815
Deferred lease inducement	583,481	325,154
Provision for lease restructuring	245,414	377,312
Long-term debt	15,287,922	13,818,884
Term bank facility	21,046,864	21,795,731
Long-term future income tax liabilities	1,672,233	2,437,234
Total long-term liabilities	38,835,914	38,754,315
Shareholders' equity		
Capital stock	20,534,341	20,309,153
Warrants	1,515,961	1,423,498
Contributed surplus	1,226,018	1,082,508
Equity component of convertible note obligation	1,737,489	1,607,726
Deficit	(8,338,774)	(7,845,028)
Total shareholders' equity	16,675,035	16,577,857
	85,193,847	83,707,987

Brainhunter Inc.**Consolidated Interim Statements of Operations and Loss (Unaudited)**

	<u>For the three months ended</u>		<u>For the six months ended</u>	
	March 31,	March 31,	March 31,	March 31,
	2007	2006	2007	2006
	\$	\$	\$	\$
Revenue	58,552,545	43,335,955	113,282,943	77,197,794
Cost of revenues	49,737,581	36,229,227	96,105,359	64,326,589
Gross profit	8,814,964	7,106,728	17,177,584	12,871,205
Expenses				
Other staffing costs	4,947,996	4,119,156	9,478,729	7,656,990
Selling, general and administrative	1,724,538	1,900,908	3,549,239	3,413,037
	6,672,534	6,020,064	13,027,968	11,070,027
Income before interest, amortization and income taxes	2,142,430	1,086,664	4,149,616	1,801,178
Interest expense - cash	738,904	584,083	1,492,329	980,225
Interest expense - accreted	325,933	447,754	638,462	648,610
Amortization of capital assets	465,811	281,803	737,017	537,580
Amortization of intangibles	975,335	1,187,333	1,950,664	1,965,667
Amortization of deferred financing costs	319,408	235,412	633,127	235,412
Total	2,825,391	2,736,385	5,451,599	4,367,494
Loss before income taxes	(682,961)	(1,649,721)	(1,301,983)	(2,566,316)
Income taxes	(450,533)	(167,015)	(808,237)	(145,533)
Net loss for the period	(232,428)	(1,482,706)	(493,746)	(2,420,783)
Loss per share				
Basic	(\$0.01)	(\$0.04)	(\$0.02)	(\$0.06)
Diluted	(\$0.01)	(\$0.04)	(\$0.02)	(\$0.06)

Consolidated Interim Statements of Deficit (Unaudited)

	<u>For the three months ended</u>		<u>For the six months ended</u>	
	March 31,	March 31,	March 31,	March 31,
	2007	2006	2007	2006
	\$	\$	\$	\$
(Deficit) retained earnings, beginning of period	(8,106,346)	(4,082,733)	(7,845,028)	(3,144,656)
Net (loss) income for the period	(232,428)	(1,482,706)	(493,746)	(2,420,783)
(Deficit), end of period	(8,338,774)	(5,565,439)	(8,338,774)	(5,565,439)

Brainhunter Inc.
Consolidated Interim Statements of Cash Flows (Unaudited)

	For the three months ended		For the six months ended	
	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
	\$	\$	\$	
OPERATING ACTIVITIES				
Net loss for the period	(232,428)	(1,482,706)	(493,746)	(2,420,783)
Add (deduct) items not affecting cash				
Future income taxes	(450,533)	(167,015)	(808,237)	(145,533)
Amortization of deferred financing costs	319,408	235,412	633,127	235,412
Accretion of interest	325,933	447,754	638,462	648,610
Amortization of lease inducement	(10,964)	(8,925)	(21,700)	(17,850)
Amortization of provision for lease restructuring	(64,515)	(84,750)	(131,928)	(114,248)
Stock-based compensation expense	130,551	54,382	143,510	54,382
Amortization of capital assets	465,811	281,803	737,017	537,580
Amortization of intangible assets	975,335	1,187,333	1,950,664	1,965,667
	1,458,598	463,288	2,647,169	743,237
Net change in non-cash working capital items	2,137,028	(162,858)	(2,249,049)	1,167,136
Cash from (used in) operating activities	3,595,626	300,430	398,120	1,910,373
FINANCING ACTIVITIES				
Issue of shares on repayment of debt	-	-	225,188	-
Exercise of common share options	-	7,932	-	23,982
Repayment of bank indebtedness	-	-	-	(9,933,660)
Increase in deferred financing costs	(39,548)	-	(39,548)	(1,284,269)
Increase in lease inducement	135,194	-	280,057	-
(Advances to) repayments from related parties	-	11,923	(250,000)	(25,567)
Share purchase loans	-	-	-	(242,000)
Proceeds from (repayment of) bank term facility	(5,257,685)	(627,525)	(748,867)	18,047,834
Proceeds from long-term debt	2,586,000	-	2,586,000	12,498,000
Repayment of long-term debt	(832,171)	(231,762)	(1,308,855)	(384,596)
Cash provided by financing activities	(3,408,210)	(839,432)	743,975	18,699,724
INVESTING ACTIVITIES				
Additions to capital assets	(120,110)	(173,594)	(725,008)	(550,305)
(Increase) decrease in long term investments	(67,306)	-	(417,087)	-
Business acquisitions, net of cash acquired	-	-	-	(18,786,362)
Cash used in investing activities	(187,416)	(173,594)	(1,142,095)	(19,336,667)
Net increase (decrease) in cash during the period	-	(712,596)	-	1,273,430
(Bank overdraft), beginning of period	-	1,341,205	-	(644,821)
Cash, end of period	-	628,609	-	628,609
Supplemental cash flow information				
Income taxes paid	-	-	-	-
Interest paid	764,766	584,085	1,518,191	980,225

DISCLAIMER

Certain statements in this News Release may constitute “forward-looking” statements, which involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Brainhunter and its subsidiary entities, or the industry, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this News Release, such statements use words such as “may”, “will”, “expect”, “believe”, “plan” and other similar terminology. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in Brainhunter’s publicly filed documents (which are available on SEDAR at www.sedar.com) and elsewhere in this document. Those risks and uncertainties include: the ability to maintain profitability and manage growth; reliance on and retention of professionals; competition; performance obligations and client satisfaction; fixed price and contingency engagements; collectibility of accounts receivable; general state of the economy; possible acquisitions; possible future litigation; interest rate fluctuations; insurance limits; legislative and regulatory changes; revenue and cash flow volatility; operating risks; residential market risk; protection of intellectual property; appraisal mandates; restrictions on growth. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. These statements reflect management’s current expectations regarding future events and operating performance and speak only as of the date of this News Release. Although the forward-looking statements contained in this News Release are based upon what management believes to be reasonable assumptions, Brainhunter cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this News Release, and, except in accordance with applicable law, Brainhunter assumes no obligations to update or revise them to reflect new events or circumstances. Additionally, Brainhunter undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Brainhunter, its financial or operating results, or its securities.

BUSINESS OVERVIEW

Brainhunter provides END-TO-END Human Capital Management (“HCM”) Software, Solutions and Services that support a Master Vendor Customer Relationship Model managing on a real-time basis all aspects of the contract and permanent recruiting and staffing procurement activities of customers. Brainhunter’s focus is on knowledge workers primarily: Information Technology, Engineering, Industrial and Health Care.

Brainhunter has one of the most comprehensive HCM offerings in the marketplace today generating annuity and transaction revenues from multiple but related practice areas including:

TalentFlow Software Systems: Vendor Management, Applicant Tracking, BackOffice, CareerSite / Job Board

Solutions: SmartSourcing (onsite / offsite / offshore / near shore / BPO), Recruitment Process Outsourcing, Application Support, Sales Support, Data Centre Support, Development Support, HireSafe Payrolling

Services: Contract Staffing, Permanent Staffing, Recruitment Teams, Database Access Services

Brainhunter's Technology Platform and Best Practices strive to deliver the most cost effective and flexible recruiting and staffing capability in the marketplace today. Brainhunter offers software and solutions that are modular in nature and are customizable to suit both small and large-scale business processes. Brainhunter has over 2,000 customers with more than 75 preferred Vendor Relationships through out North America and globally. Brainhunter's Job Seeker Database currently holds over 1.2 million professional resumes and is one of the largest active databases for professional staffing in North America.

Brainhunter is a publicly traded company with a senior listing on the Toronto Stock Exchange (**TSX:BH**). Brainhunter deploys over 1,700 Contractors / Consultants with an internal staff of over 250 personnel. The Company has delivery capability in Canada (Toronto, Ottawa, Maritimes, Montréal, Calgary, Edmonton, Vancouver), affiliate operations in Dalian, China, a BPO office in Hyderabad, India and delivery capability in strategic US jurisdictions.

FOR FURTHER INFORMATION PLEASE CONTACT:

John McKimm, Chairman and CEO
Brainhunter Inc.

(416) 203-1800, Ext 4300 E-mail: John.Mckimm@Brainhunter.com

OR

Raj Singh, President
Brainhunter Inc.

(416) 225-9900, Ext 4217 E-mail: Raj.Singh@Brainhunter.com

OR

Robert Prentice,
CFO Brainhunter Inc.

(416) 225-9900, Ext 4310 E-mail: Robert.Prentice@Brainhunter.com

OR

Grant Howard
The Howard Group Inc.

(888) 221-0915 E-mail: info@howardgroupinc.com Internet: www.howardgroupinc.com

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