



Bluegate Names Andy Draper to Lead Business Development Strategy

Houston, TX – August 1, 2006 - Bluegate Corp. (OTCBB: BGAT) today announced that Andy Draper has been appointed to Senior Vice President of Business Development and Strategy with Bluegate, the nation's premier provider of outsourced health care IT solutions, professional technology consulting services and the Bluegate Medical Grade Network™.

Draper has 14 years of experience in health care working with CEOs, boards and physicians in solving problems facing their organizations. Previously, he worked at Cerner Corporation as director of Provider and National Health Strategies and also led its Physician and Community Services business unit where he was responsible for design, sales and implementation. Prior to that Draper served in consulting and leadership roles at health strategy and business consulting firms, a provider owned health plan and a regional hospital network.

"Andy's experience with health strategy, management, business development and consulting will benefit the entire organization," said Bluegate President William Koehler. "Most importantly, our clients will appreciate Andy's expertise as they address their physician integration strategies in advance of proposed health care IT legislation HR 4157, "Health IT Promotions Act of 2006," which passed the House on July 27. This game-changing legislation would enable hospitals to provide comprehensive health care IT solutions to individual physicians for use with electronic medical records (EMR) systems -- essentially the business model currently used by Bluegate with some of its clients."

"I am excited to join Bluegate to capitalize on its potential in the rapidly growing health care IT market," Draper said. "I look forward to helping health systems, physicians, and communities build new business models leveraging IT infrastructure and connectivity to improve patient quality, reduce costs, improve revenues and provide more options to physicians to practice more efficiently. Bluegate has a unique vision of our health system delivery problems and is in the right place at the right time with the right solutions."

Mr. Draper received a Bachelor's Degree in Economics from the University of Kansas, a Masters in Health Services Administration from the University of Kansas, and he completed the Kellogg School of Management's Executive Series for Accelerating Sales Force Performance.

About Bluegate

Bluegate Corp. is an industry leader of outsourced health care IT solutions, Medical Grade Networks™ and remote management services. It provides IT consulting through its professional services division and HIPAA-compliant, turnkey managed security services and interoperability solutions across its Medical Grade Networks™ to hospitals, physicians, other health care facilities, RHIOs, HCOs and third-party solution providers. Bluegate is publicly traded on the over the counter bulletin board under the ticker symbol BGAT. For information, visit www.bluegate.com or call 713-686-1100.

Safe Harbor

This press release may contain "forward-looking statements." All statements, other than statements of fact, included in this release and without limitation statements regarding potential future plans and objectives of the Company, are forward-looking statements that involve risks and uncertainties. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements.

For Bluegate

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