FORM 7
MONTHLY PROGRESS REPORT
For the Month of April, 2020

Name of CSE Issuer: **Healthspace Data Systems Ltd.** (*"Healthspace"*, the "*Issuer*" or the "*Company*").

Trading Symbol: **HS**

Number of Outstanding Listed Securities: **197,419,762 common shares**

Date of filing: **May 5, 2020**

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

HealthSpace develops and provides enterprise cloud and mobile solutions to governmental regulatory agencies, with a heavy focus on Environmental Health and Agriculture departments. The aim of the product suite is to streamline inefficiencies in the regulatory process and aid in all things from surveillance to business management, as well as compliance tracking and quality control applications as it relates to the regulatory process. Clients include over 500 government agencies with a segment of the product targeted at private sector businesses aimed to help them manage their regulatory data and better keep up with their required compliance.

HealthSpace's ongoing engagement with government customers in both the US and Canada continues to drive aggressive growth and viable learning opportunities to continue to innovate its technology offerings. In 2019, the Company began expanding efforts to distribute the product line to a broader set of regulatory agencies which yield higher revenue streams. Such agencies include Code Enforcement and Building departments.

In addition to its core SaaS market, the Company is now developing a proprietary payments solution to create a governmental FinTech platform for online and mobile payments. This new platform will revolutionize the way State and Local governments agencies collect revenue from private businesses they regulate. This new platform will target the tens of billions of dollars these agencies charge to private businesses to allow them to operate. These charges include annual licensing fees, such as a restaurant permit, as well as application fees, fines and more. The Company will be able to share in the revenue through a profit share from payment processors and convenience fees charged to the local business. This new line of revenue is

not only accretive to its current market, but also has the ability to far exceed the amount of revenue generated from software sales.

- **On April 8, 2020, the Company announced that it began deploying its contact tracing platform, for COVID-19, with Okanogan County Public Health in Washington and Vancouver Island Health Authority.**

    After its initial outreach to existing customers regarding COVID-19, the Company learned of the growing need to scale contact tracing efforts for public health departments. Contact tracing is a process employed by epidemiologists world-wide that enables them to retrace the steps of a person testing positive for COVID-19 and track anyone who may have had direct contact with them. These agencies then embark on a painstaking process of interviewing each of the potential contacts, calling them daily for a set period of time to monitor if they exhibit any symptoms.

    HealthSpace has since extended its HSCloud Suite and My Health Department products to serve as a fully automated contact tracing platform. This new platform replaces the manual process of calling each individual contact with an automated system that sends out a unique and secure link via text message and email with a daily questionnaire for each of the contacts being traced. The questionnaire allows the contact to enter their symptoms, temperature and a variety of other information as directed by each agency.

    The platform also allows those filling out the questionnaire to list places they have recently been - such as a supermarket - and people they have been in direct contact with, enrolling these new contacts in the daily contact tracing questionnaire. This multiplies the reach and helps control community spread more effectively. The information is securely stored inside of HealthSpace's secure HSCloud Suite platform for detailed reporting and analysis, helping these agencies make informed decisions in real-time.

2. Provide a general overview and discussion of the activities of management.

    Please see item 1

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

    Please see description above.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

    None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the

relationship is with a Related Person of the Issuer and provide details of the relationship.

-   **On April 15, 2020, the Company announced that it has begun the configuration setup for the State of Hawaii (the "State" or "Hawaii") to utilize the Company's HSCloud Suite platform for COVID-19 contact tracing across the state.**

    Hawaii reached out to HealthSpace in hopes of scaling up their current contact tracing efforts. Following a demonstration of the platform, Hawaii agreed to begin working with HealthSpace on April 9th in order to set up their own version of the daily questionnaire that will go out to those potentially exposed. Hawaii will initially pilot the platform internally before releasing it within the State to automate their contact tracing efforts. Most agencies are able to complete their setup within two weeks. Upon sign off from Hawaii, the platform is ready to be deployed immediately. The Company is providing use of the platform on a gratis basis for the duration of the COVID-19 pandemic and intends to enter into a long term arrangement after successful usage during the COVID-19 emergency, and the pandemic subsides.

    HealthSpace also is working with Okanogan, Washington to extend their implementation of HSCloud Suite and My Health Department to be utilized by healthcare providers in the area to directly input new COVID-19 patients. This will provide streamlined data collection with less error and redundancy. My Health Department will serve as a secure conduit for direct interaction between public health officials and healthcare providers, providing more accurate and real-time assessments of the situation on the ground.

-   **On April 24, 2020, the Company announced that it had begun working with Bay County, MI, Cass County, IL and Wilson County, NC to utilize the Company's HSCloud Suite platform for COVID-19 contact tracing across each county. All three counties reached out to HealthSpace last week after hearing of the product and requested access to the platform to begin setup. The Company provided access to these counties on April 21 and is providing use of the platform on a gratis basis for the duration of the COVID-19 pandemic. Additionally, the State of Hawaii has completed internal trials and has begun utilizing the platform for COVID-19 contact tracing across the state.**

    The demand for HealthSpace's contact tracing platform has been rapidly growing as word has spread since it first announced the initial release of the platform with Okanogan, Washington and Vancouver Island two weeks ago. Numerous agencies have proactively reached out after hearing about the platform. As public health agencies and officials are ever increasingly busy during this time, the Company has been providing regular demonstrations of the platform, online, numerous times a week to make it easier for agencies interested to get a look at how the platform works.

The Company also announced it entered into an agreement with Primoris Group Inc. to provide the Company with media relations, investor relations and corporate communications expertise. The initial term of the agreement is three months and will be month-to-month thereafter. The Company will pay the Primoris Group CAD$5,000 a month as well as issue to the Primoris Group an option to purchase 250,000 common shares of the Company at a price of $0.10 per share exercisable for a period of five years.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

    None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

    None.

8. Describe the acquisition of new customers or loss of customers.

    None.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

    None.

10. Report any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

    None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

    None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

    The Company is subject to a legal proceeding commenced by a service provider in November 2016. In June 2017 the Company filed a counterclaim to this service provider. Currently the Company is working with its legal counsel on the claim and counterclaim.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

    None.

14. Provide details of any securities issued and options or warrants granted.

   - **On April 24, 2020, the Company announced that it had issued 250,000 common shares of the Company at a price of $0.10 per share exercisable for a period of five years to a consultant of the Company (see #5 above for further details).**

15. Provide details of any loans to or by Related Persons.

   None.

16. Provide details of any changes in directors, officers or committee members.

   None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

   None.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CSE Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: <u>May 5, 2020</u>

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Zula Kropivnitski
Name of Director or Senior Officer

"Zula Kropivnitski"
Signature

Chief Financial Officer
Official Capacity

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Issuer Details		
Name of Issuer **Healthspace Data Systems Ltd.**	For Month End **April, 2020**	Date of Report YY/MM/DD **2020/05/05**
Issuer Address **201 7491 Vedder Road**		
City/Province/Postal Code **Chilliwack, BC V2R 6E7**	Issuer Fax No. ( )	Issuer Telephone No. **1-866-860-4224**