



## HealthSpace Data Systems Ltd.

### News Release

#### **HealthSpace Announces Corporate Update**

**Vancouver, BC – July 9, 2018** - HealthSpace Data Systems Ltd. (the “Company” or “HealthSpace”) (CSE:HS) (Frankfurt:38H) (OTC:HDSLF) is pleased to provide an update of the Company.

#### **Core Government Business - HSCloud Suite**

In late 2016, the Company announced a new product line called HSCloud Suite. HSCloud is an enterprise web platform capable of eliminating much of the paperflow that comes with running a government agency by automating much of the day-to-day tasks. Utilizing a highly configurable business intelligence (BI) engine, each agency is easily able to configure their own laws, rules and business requirements enabling them to work faster, smarter and more efficiently. By mid 2017 the company brought on its first HSCloud Suite clients marking the beginning of the transition to this innovative, easily configurable and higher margin product. In April of this year, the Company announced that it won the largest contract in its history with the State of Virginia. This contract was awarded based upon the Company’s latest Cloud technology offerings coupled with its excellent service reputation. This contract solidifies HSCloud as a proven Cloud SaaS product for large government implementations. The new technology suite has been extremely well received and the sales pipeline has been building up significantly. The Company projects recurring revenue to continue to increase in 2018-2019, with growth in the government space rapidly increasing into 2020.

#### **Private Audits**

In April of this year the Company launched into the third party private audit space by providing its HSCloud Suite of products to Safe and Sound, a company providing health and safety audits for nationally known food service facilities across New York City and Los Angeles. This sale opens the door to a new growth vertical for the Company to offer its products to third party auditors. Third party auditors, often hired by an organization prior to being inspected by the government, need software and data solutions that are similar to that of a government agency. The Company projects this to be a potentially new high growth area.

#### **Data Analytics & Restaurant Collaboration - HSData**

The Company partnered with Keboola Data Services Inc. to develop an analytical data platform called HSData. It has since begun partnering with government health departments to pilot the data platform on an internal basis to provide richer insights to their day-to-day operations. Further, it is working with the same departments to provide the data platform to the restaurants they regulate. Utilizing the existing government relationships, the Company can offer government approved data solutions and quality assurance tools to restaurants, as well as other industries such as hospitality, who may be



struggling to keep up with the regulatory demands. The collaboration between the Company and government agencies means HSData and other product lines can be offered by health departments on behalf of the Company.

### **Blockchain - VIA Marketplace**

The Company launched a blockchain initiative in late 2017 that has since gained significant attention from various government agencies and the private sector alike. With the onboarding of its first regulatory agency, Peterborough, Ontario, the Company has been able to validate the transmission of audits and regulatory data across a distributed system. HealthSpace is developing a second version of its white paper for the VIA Marketplace in order to expand upon its technological thesis. Part of this will entail offering the blockchain platform as a standardized protocol for larger government agencies and various private industries. By doing so, the addressable market is expanded beyond what was addressed in the first iteration of the white paper. The second version of the white paper will fall in-line with the Company's release of the BETA version of the VIA platform. This version will be aimed at broader testing from community insiders and early adoption into other verticals. Both the white paper and BETA version are in active development and are planned to be released in the near future.

### **Cannabis**

HealthSpace has developed several relationships within the cannabis space and has begun detailing some product changes in order to cultivate market traction. The Company is exploring opportunities with multiple regulatory agencies that oversee and regulate cannabis producers. The Company intends on leveraging its vast experience in developing SaaS platforms for enforcement and compliance into the cannabis space where there is little in the way of software offerings that adequately handle compliance.

### **Board of Directors Changes**

The Company is also pleased to announce that it has appointed Mr. Mark Redcliffe to its Board of Directors. He will also act as a member of the Company's Audit Committee and Chairman of the Company's Corporate Governance Committee. Mr. Redcliffe is currently the Executive Vice President, Corporate Finance of Gen III Oil Corp., a Canadian cleantech firm finalizing front-end engineering and design for its 2,800 barrel per day used motor oil re-refinery in Bowden, Alberta.

Mr. Redcliffe has 21 years-experience in the securities industry and holds both an MBA and the CPA, CMA designation. Mr. Redcliffe has established ties with Canadian and international private equity firms, investment dealers, family offices and high net worth individuals and has successfully overseen more than 500 private placements, Initial Public Offerings and cross-border advisory mandates. Mr. Redcliffe was the founding President & CEO of Jordan Capital Markets Inc. and was most recently the Executive Vice President responsible for P&L at Mackie Research Capital Corp. in British Columbia. Mr. Redcliffe sat on the Investment Industry Regulatory Organization of Canada's Pacific District Council ("IIROC") for nine years and the IIROC's Hearing Committee for several years.

Mr. Redcliffe stated: "I am excited and grateful for the opportunity to join the board of Healthspace Data Systems Ltd. and look forward to working with its Board of Directors and talented management



and advisory teams as we continue to develop industry leading, cloud based software systems for use in government public health, agriculture and compliance related tracking functions."

Mr. Redcliffe has been granted 300,000 incentive stock options (the "Options"), exercisable at a price of \$0.08 per share. The Options will vest immediately, are exercisable for a period of five years from the date of grant and are subject to the policies of the Canadian Securities Exchange.

Additionally, the Company has accepted Mr. David Eaton's resignation from the Board. The Company wishes to thank Mr. Eaton for his service over the past years.

### **Forward-Looking Statements**

This release may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although HealthSpace believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. HealthSpace expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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