



NEWS RELEASE

HealthSpace Announces Agreements with Two New County Health Departments; Expansion of its Ontario Client Base; Contract Renewal with Health Department of Northwest Michigan and Issuance of Shares for Debt

VANCOUVER, BC – August 18, 2017 – HealthSpace Data Systems Ltd. (“HealthSpace”) is pleased to announce that two new county health departments have signed on for HealthSpace software and services. They are Grays Harbor County Department of Public Services, Montesano, Washington and Hancock County Health Department, Carthage, Illinois. Both contracts are for three years and worth \$30,660 US.

HealthSpace President, Joseph Willmott stated "both contracts were signed as a result of direct referrals from other satisfied counties in their respective states."

The Company also announces that Porcupine Health Unit agreed to purchase HealthSpace software and service for the use by its environmental health division in both official languages - English and French. Porcupine Health Unit services the population in a large district in Northwest Ontario from Timmins to Moosonee and from the Hearst to Matheson. There are eight branch offices throughout the district with the head office located in Timmins. The contract is worth \$46,000 over three years.

HealthSpace President, Joseph Willmott stated "Porcupine Health Unit is joining a growing number of Ontario clients that are now using HealthSpace environmental health systems. They include Grey Bruce Public Health, Hastings Prince Edward Public Health, Leeds Grenville & Lanark District Health Unit, KFL&A Public Health, and Peterborough Public Health. Also, we have updated our applications to incorporate the inspection requirements under the *Healthy Menu Choices Act, 2015*, and will be upgrading our applications to accommodate the new modernized public health standards that are being proposed by the Ontario Ministry of Health & Long-Term Care, when mandated by the province."

Also announced is the renewal of the Company's contract with the Health Department of Northwest Michigan. The contract has been renewed for an additional three years and is worth \$21,840 US.

President Joseph Willmott commented, "We are pleased with the confidence that the Health Department of Northwest Michigan has in both our product and service to renew its contract for an additional three years."

Issuance of Shares for Debt

The Company is settling a total of CDN \$216,900 owed to consultants of the Company, in common shares in the company, at a deemed price of 0.08 per share. A total of 2,711,250 shares will be issued to settle this amount and will have a four month hold from date of issuance. The shares for debt arrangements are subject to Canadian Securities Exchange approvals and policies.

HealthSpace Data Systems Ltd.

HealthSpace is an industry leading technology company currently providing inspection, information, communication and data management systems for federal, state, county and municipal governments. Over the last decade, HealthSpace has successfully developed both enterprise and mobile internet-based applications currently serving over 300 state and local government organizations across North America. HealthSpace currently offers the only integrated inspection, administration and analytics product suite

across all platforms in North America. Further, HealthSpace now delivers its government grade technologies to private businesses enabling them to gain visibility and predictability into their own organizations and move from a reactive to a proactive operational status. HealthSpace continues to deliver focused service and innovative solutions to government organizations, while expanding into commercial enterprise verticals to enable new customers with proactive environmental health best practices and policies.

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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