

FORM 7
MONTHLY PROGRESS REPORT
For the Month of August, 2017

Name of CSE Issuer: **Healthspace Data Systems Ltd. (the “Issuer”).**

Trading Symbol: **HS**

Number of Outstanding Listed Securities: **95,413,688 common shares**

Date of filing: **August 31, 2017**

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 is now delivering it’s new Software-as-a-Service (SaaS) flagship technology platform HS Cloud Suite Pro, which incorporates a cloud-enabled administration dashboard; with a multi-endpoint mobile auditing and reporting system that offers native apps on all major platforms; and a rich reporting and analytics toolset to maximize business intelligence activities. Feedback on this new platform from existing customers and new prospective clients in both government and commercial enterprise engagements has been very positive.

HealthSpace’s ongoing engagement with government customers in both the US and Canada continues to drive growth and viable learning opportunities to continue to innovate our technology offerings. In 2017, we are now actively introducing our platform and services into commercial enterprise clients in food & beverage, hospitality, assisted living, and child-care. Ongoing discovery work based on HealthSpace’s agricultural capabilities is now being integrated into cannabis production and distribution processes through work with both US and Canadian partners.

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.

None.

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.

- **On August 8, 2017 the Company announced that Multnomah County, the county seat being Portland Oregon, has joined 33 other counties in Oregon who use HealthSpace's Environmental Health Software. Multnomah County has a population of over 790,000. With the addition of Multnomah the reoccurring revenue will be \$121,000 US annually after the initial deployment service revenue of \$55,000 US for Multnomah.**
- **On August 18, 2017 the Company announced 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.**
- **On August 18, 2017 the Company announced 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.

- **On August 18, 2017 the Company announced 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.**
 - **On August 22, 2017 the Company announced its first contract in the State of Texas. HealthSpace will install and maintain HealthSpace CS Pro for the City of Fort Worth's Department of Consumer Health Division. The contract has a term of one year for a value of \$115,920 US with annual renewal options.**
 - **On August 24th the Company announced that it has signed an Memorandum of Understanding (MOU) to collaborate with 1804 Management LLC (1804) in Needles, California to expand the HealthSpace CS Pro technology platform to provide comprehensive environmental health, auditing, permitting, and business management services to cannabis producers and distributors internationally.**
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 on 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.
- A response was filed on the legal claim filed in November 2016 against the Issuer**
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 August 18, 2017 the Company announced that it would be 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.

On August 24, 2017 the Company announced that the above noted settlement of shares for debt was completed.

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

None.

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

None.

16. 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: August 31, 2017

Zula Kropivnitski
Name of Director or Senior
Officer

"Zula Kropivnitski"
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i>		
Name of Issuer Healthspace Data Systems Ltd.	For Month End August, 2017	Date of Report YY/MM/DD 2017/08/31
Issuer Address 201 7491 Vedder Road		
City/Province/Postal Code Chilliwack, BC V2R 6E7	Issuer Fax No. ()	Issuer Telephone No. 1-866-860-4224