

FORM 7
MONTHLY PROGRESS REPORT
For the Month of April, 2018

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

Trading Symbol: **HS**

Number of Outstanding Listed Securities: **138,722,988 common shares**

Date of filing: **May 2, 2018**

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 its 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 2018, 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.

- **On April 5, 2018, the Company announced its participation in a blockchain community panel hosted by Queen's University Innovation Community (QBIC). The QBIC hosted event took place on Saturday, April 7th, 2018 from 11AM - 4PM EDT. HealthSpace's CTO, Silas Garrison, took part in the portion of the event that was intended to discuss Government & Society and how blockchain technology can disrupt and change these sectors and their relationship to one another.**

- On April 10, 2018 the Company announced the successful completion of development for the alpha phase of its blockchain initiative. HealthSpace, in conjunction with its partner SIMBA Chain Inc., has developed the initial portions of the VIA Marketplace which include a fully web based UI and REST API for transmitting and retrieving data written to the Ethereum blockchain. This new development simplifies blockchain interactions and streamlines the data transmission process. HealthSpace will utilize the VIA API to hook into its existing mobile applications and will begin the process of furthering its utilization.

The API's integration into HealthSpace's HSTouch application will be the first environmental regulatory app to have integrations with blockchain technology. HealthSpace will begin piloting the API and its use with existing customers on an invite-only basis. The API extrapolates much of the complex nature of blockchain data exchanges and interlays it with distributed storage on the InterPlanetary File System. This allows for documents of all kinds to be stored cohesively alongside regulatory inspections and private industry audits.

- April 30, 2018 the Company announced that it secured DTC eligibility from the Depository Trust Company for its shares traded on the OTC Markets under the symbol HDSLF.

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 4, 2018 the Company announced that the Virginia Department of Health ("VDH") has signed a five year contract for the Office of Environmental Health ("OEHS") to install and maintain the HealthSpace

CS Pro enterprise Cloud application for the entire Commonwealth. The contract is worth \$3.064 million US over the five years.

In 2003, VDH went live with the Virginia Environmental Health Information System (VENIS) that was an internet based client/server system developed and maintained by HealthSpace. HealthSpace provided the first public access web site in North America for VDH where the public could view restaurant inspections. VDH decided that they wanted to change to a cloud based application from the established client/server system provided by HealthSpace. They published a request for proposals and received 22 responses from vendors across North America. The HealthSpace proposal was the one accepted.

OEHS is responsible for policy development, training, technical support and programmatic oversight for assigned programs. Most program activities are carried out by environmental health staff in the district and local health department offices. However, the shellfish program, the bedding and upholstered furniture program, the marina program and the environmental lead program are housed within OEHS. In addition, HealthSpace systems will manage the oversight of the rabies program and the beach water monitoring program provided to district staff by the Office of Epidemiology.

Statewide, there are approximately 500 professional environmental health staff, plus additional office support staff, housed in 121 local offices of 34 health districts for a total of more than 900 concurrent users.

The Company also announced that it signed a new contract for the new HS Cloud System with the LaPorte County Health Department in Indiana. The contract is worth \$36,300 USD.

- On April 26, 2018 the Company announced that Safe and Sound Food Safety Consultants, providing audit services to nationally known food service facilities across New York City and Los Angeles, has purchased the HS Cloud and HSTouch components of the HealthSpace CS Pro suite to manage and inspect food service establishments. This will allow Safe and Sound to more efficiently track violations and data for their clients, while staying on top of what matters most: food safety.**

This contract constitutes the first major auditor to begin using HS CS Pro in the private sector space for third party audits. Safe and Sound Food Safety Consultants is a full-service consultancy based in Los Angeles with 30 years' experience in food service management.

Private auditors play a vital role in maintaining food safety and brand protection for food service facilities across North America. However, software management systems in the market today do not adequately facilitate auditors and their needs. HS CS Pro truly is unique having been designed for government, and tailored for the private sector, it is perfectly positioned to gain vast traction in this market.

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.

Please see item #5.

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.

On April 10, 2018 the Company announced the successful completion of development for the alpha phase of its blockchain initiative.

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.

None.

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: May 2, 2018

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 April, 2018	Date of Report YY/MM/DD 2018/05/02
Issuer Address 201 7491 Vedder Road		
City/Province/Postal Code Chilliwack, BC V2R 6E7	Issuer Fax No. ()	Issuer Telephone No. 1-866-860-4224