



**NEWS RELEASE**

**HealthSpace Announces Secured Convertible Debenture Financing**

**VANCOUVER, BC – September 18, 2018** - HealthSpace Data Systems Ltd. (the “Company” or “HealthSpace”) (CSE:HS) (Frankfurt:38H) (OTC:HDSLFF) is pleased to announce that it intends to issue and sell by way of private placement secured convertible debentures (“New Debentures”) for an aggregate principal amount of up to \$500,000 (“CD Financing”). In conjunction with the private placement, the Company also announces that it has amended the terms of the secured convertible debentures (“Previous Debentures”) issued on September 29, 2016 by extending the maturity date for a period of two years. A portion of the net proceeds of the CD Financing will be used to extinguish a portion of the Previous Debentures and the balance will be used for general working capital. After this transaction is complete HealthSpace will have an aggregate amount of \$795,000 of total convertible debentures (“Debentures) outstanding.

The Debentures will bear interest at a rate of 10% per annum payable monthly. The Debentures will mature two years from the date of issuance and will be convertible into common shares of the Company (the “Shares”) at \$0.075 per Share if converted within 12 months from the date of issuance of the Debenture, and \$0.10 if converted after 12 months from the date of issuance of the Debenture.

The Debentures will be secured by a General Security Agreement issued in favour of the holders of the Debenture.

The completion of the CD Financing and Previous Debentures are subject to the approval of the CSE on such terms as the CSE may require.

The Company also announces that it has granted stock options to a consultant and employee of the Company. The stock options granted allow the optionees the ability to purchase a combined total of 65,000 common shares of the company at an exercise price of \$0.08 cents per share for a five-year term.

The Company also announces that it has extinguished its previously announced (September 7, 2018) shares for debt settlement of \$100,000 in debt to one creditor for services provided to the Company through the issuance of 1,000,000 shares at a price of \$0.10.

**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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