

FORM 7
MONTHLY PROGRESS REPORT
For the Month of March, 2020

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

Trading Symbol: **HS**

Number of Outstanding Listed Securities: **152,197,514 common shares**

Date of filing: **April 3, 2020**

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 develops and provides enterprise cloud and mobile solutions to governmental regulatory agencies, with a heavy focus on Environmental Health and Agriculture departments. The aim of the product suite is to streamline inefficiencies in the regulatory process and aid in all things from surveillance to business management, as well as compliance tracking and quality control applications as it relates to the regulatory process. Clients include over 500 government agencies with a segment of the product targeted at private sector businesses aimed to help them manage their regulatory data and better keep up with their required compliance.

HealthSpace’s ongoing engagement with government customers in both the US and Canada continues to drive aggressive growth and viable learning opportunities to continue to innovate its technology offerings. In 2019, the Company began expanding efforts to distribute the product line to a broader set of regulatory agencies which yield higher revenue streams. Such agencies include Code Enforcement and Building departments.

In addition to its core SaaS market, the Company is now developing a proprietary payments solution to create a governmental FinTech platform for online and mobile payments. This new platform will revolutionize the way State and Local governments agencies collect revenue from private businesses they regulate. This new platform will target the tens of billions of dollars these agencies charge to private businesses to allow them to operate. These charges include annual licensing fees, such as a restaurant permit, as well as application fees, fines and more. The Company will be able to share in the revenue through a profit share from payment processors and convenience fees charged to the local business. This new line of revenue is

not only accretive to its current market, but also has the ability to far exceed the amount of revenue generated from software sales.

- On March 24, 2020, the Company's CEO provided an update to its shareholders. Highlights included:
 - In the face of the Covid 19 pandemic, the Company acted quickly in order to protect the wellbeing of its team. As of Monday, March 16th, the Company's offices in North America moved to telework for at least three weeks. A travel moratorium was also put into place that will remain in effect until further notice. To date, the Company has had no reported exposures or illnesses and is operating at full capacity. All of its servers and systems are running at full capacity without any service interruptions.
 - Healthspace is uniquely positioned in all of this because its customers - state and local health departments - are the tip of the spear in the effort to provide surveillance, guidance and gain control of this ongoing situation. The Company's HSCloud platform already serves as a frontline tool for these departments to help track, and prevent, the spread of epidemiological outbreaks such as foodborne illness. But the reach of the Company's customers, and that of its cloud platform, far extends the food service industry. HSCloud is utilized to inspect long term care facilities, hotels, tattoo parlors and a myriad of other businesses and services where the spread of communicable diseases is pronounced.
 - Healthspace realizes that during this time, it is even more crucial that it continue to support its customers' critical public health mission. The Company aims to help by not only providing continual access to its best in class products, but also specifically in response to the coronavirus pandemic. We are releasing a modified version of our Food Borne Illness Surveillance module for COVID-19 surveillance.

This will allow departments to input and track case - or possible case - information securely in the cloud in real time. Customers may also provide logins to this new module to laboratories, hospitals and healthcare providers in their jurisdiction to gather basic surveillance information from these healthcare providers on possible COVID-19 cases. This includes testing data and results. Text and email alerts, rollups of the data, and all typical features our HSCloud platform includes will be available in this module.

This new module will allow for real time reporting, thus enabling departments to make proactive decisions. It also, being cloud native, will allow for extensive sharing of this vital information with agencies, such as the CDC. While this virus spreads at a local level, it is critically important to have a broader view at a national level of just how the spread is occurring and how far wide it is reaching.

Enabling departments to use HSCloud's real time cloud tracking of data will enable more transparent and fluid sharing of information. Further, since many departments have also gone to telework statuses, the ability to track this information in the cloud becomes paramount.

- The HealthSpace team is deeply committed to its customers and their mission of protecting public health. Management has already dedicated additional resources to this initiative and has received a significant response in its initial outreach to its customers. The Company has set up product demonstrations with more than thirty agencies across the country. Better tracking and surveillance is one step in helping prevent the spread of the pandemic and the Company aims to have HSCloud play a pivotal role in that process.

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.
None.
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 any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
- **During the month of March the Company hired three employees consisting of an executive assistant, Sr. Project Manager and Configuration and Support Specialist.**
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: April 3, 2020

Zula Kropivnitski
Name of Director or Senior Officer

"Zula Kropivnitski"
Signature

Chief Financial Officer
Official Capacity

Issuer Details		
Name of Issuer Healthspace Data Systems Ltd.	For Month End March, 2020	Date of Report YY/MM/DD 2020/04/03
Issuer Address 201 7491 Vedder Road		
City/Province/Postal Code Chilliwack, BC V2R 6E7	Issuer Fax No. ()	Issuer Telephone No. 1-866-860-4224