



NEWS RELEASE

HealthSpace Closes 10 New Sales And Closes Private Placement of Approximately \$400K

VANCOUVER, BC – December 24, 2019 - HealthSpace Data Systems Ltd. (the “Company” or “HealthSpace”) (CSE:HS) (Frankfurt:38H) (OTC:HDSLFF) is pleased to announce the closing of contracts with Union County, OH, Ho-Chunk Nation, WI, Delaware County, OH, Lapeer County, MI, Huron County, MI, Benzie - Leelanau District, MI, Sanilac County, MI, Grey Bruce Health Unit in Ontario, Tuscola County, MI and the U.S. Virgin Islands. These new sales, in aggregate, represent \$448,209 of new revenue spanning multi-year deals.

HealthSpace CEO, Silas Garrison commented “The sales growth and excitement we are seeing within the government market is nothing short of astonishing. When it comes to government sales, December is historically a very slow month. Not only are we seeing a lot of activity, we are on pace to close one of our biggest sales months ever. We have numerous agencies not just expressing desire to adopt our cloud platform, but actually working to accelerate the sales process by closing out contracts faster. It is extremely gratifying to have users in the government space growing ever more excited for the vast opportunity our cloud platform provides.”

The Company also announces that it has closed a non-brokered private placement of 10,799,526 units (the "Units") at a price of \$0.037 per Unit for gross proceeds of \$399,582 (the "Private Placement"). Each Unit sold consists of one common share in the capital of the Company (each a "Common Share") and one non-transferable common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable by the holder to acquire one Common Share for a period of 24 months from closing at a price of \$0.05 per Common Share. There are no finder fees payable as part of this financing.

The Company intends to use the net proceeds from the private placement for general working capital, to extend R&D efforts on its payment platform and to accelerate internal operations ahead of strong, continued sales growth.

The private placement is subject to the approval of the Canadian Securities Exchange and the securities will be subject to a four month and one day hold period under securities laws.

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. HealthSpace has now entered into the FinTech space by creating a payment platform that streamlines the intake of government revenue for the agencies it serves.

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.

For more information please contact:

Silas Garrison
CEO
(415) 580-2735
silas@hscloudsuite.com