



NEWS RELEASE

HealthSpace Is Awarded New Contract with Sacramento County California

VANCOUVER, BC – August 19, 2021 - HealthSpace Data Systems Ltd. (the “Company” or “HealthSpace”) (CSE:HS) (Frankfurt:38H) (OTC:HDSLFF) is pleased to announce it has received the signed “intent to award” a new contract with the Sacramento County Environmental Health Department in California (“Sacramento County”).

On May 28th, the company submitted its proposal in response to Sacramento County’s Request for Proposal (“RFP”) for a replacement of their existing environmental health system. The current provider being replaced is the same company that was also the previous long standing incumbent in Orange and Sonoma Counties. HealthSpace was selected for the contract out of four competitive proposals, including the incumbent.

The contract award includes HSPay as well as GovCall. GovCall increased the ARR value of the contract by 18%. This is a five year contract valued at \$1,558,260, of which \$1,088,360 is lifetime ARR (averaging \$217,672 annually). The contract execution, and projected implementation start date, is currently scheduled for November of this year. Revenue to the company is scheduled to begin on the same date.

HealthSpace CEO, Silas Garrison noted “It is humbling and exciting to be awarded this additional contract. Agencies in the State of California are rapidly looking to replace current systems. This drive is due in large part to the emergence, and successful marketing, of the HealthSpace family of products. I am very pleased with how our sales and marketing teams have positioned our products in the market, especially GovCall. GovCall has gone from an internal R&D initiative to becoming a revenue generating add-on with large agencies; the fastest we have ever taken a product from concept to revenue.”

The Company would also like to announce the appointment of Dean Christie, CPA, CMA as its full-time CFO with an effective date of September 1st, 2021. Mr. Christie is a graduate of British Columbia Institute of Technology who earned his CMA designation in 2010, and has been working with the Company as a contractor since March. Preakness Group, with whom the Company has been engaged with since 2016 for CFO Services, will continue its engagement with the Company during a transition period.

Mr. Garrison commented “Having had the privilege of working with Mr. Christie since March, I was able to see his blend of focus, business acumen and financial savvy. In just a few short months, Mr. Christie contributed greatly to providing clarity inside of our financial department. I look forward to continuing to work with Mr. Christie in his increased capacity, something that is greatly needed as the company continues to scale. I would also like to thank Preakness Group, and specifically Zula Kropivnitski, who served in the CFO capacity since 2016. Preakness provided exceptional service and value to the Company over the past five years while we scaled up to where we are today.”

The Company additionally announces that it will issue 100,000 options to Mr. Christie and 50,000 options to Adelaide Capital Markets Inc, an investor relations representative for the Company. The options will have a strike price of CDN\$1.10 and will expire five years from the date of grant.

HealthSpace Data Systems Ltd.

HealthSpace is a government Software as a Service (SaaS) company focused on providing efficiencies to state and local government agencies through its powerful enterprise cloud and mobile platform. Over the last decade, HealthSpace has successfully developed both cloud and mobile applications currently serving over 500 state and local government organizations across North America. HealthSpace's HSCloud Suite platform is one of the only self-serve enterprise SaaS platforms in the government space. HealthSpace is focused on revolutionizing every aspect of the regulatory process within state, provincial and local government; from licensing to inspections, to disease surveillance, to financial management. HealthSpace's platform handles it all. HealthSpace is now entering the FinTech space by developing an online and mobile payment platform that streamlines the intake of government revenue for the agencies it serves. The Company has also expanded its offerings in the realm of communicable disease tracking by creating an automated contact solution which enables public health agencies to broaden the scope and depth of their communicable disease surveillance in an automated fashion.

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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