



NEWS RELEASE

HealthSpace Announces Accelerated Adoption of HSPay

VANCOUVER, BC – December 15, 2021 - HealthSpace Data Systems Ltd. (the “Company” or “HealthSpace”) (CSE:HS) (OTCQB:HDSLFF) (Frankfurt:38H) is pleased to announce that it has begun to accelerate the adoption and rollout of HSPay. HSPay, the Company’s fintech payment solution targeted at streamlining the intake of government revenue, officially went live on October 29th, 2021. Since that time, the Company has focused on expediting onboarding of customers. As of today’s announcement, HealthSpace has deployed eight customers to live on HSPay. This includes an initial deployment of the State of Virginia Department of Health, and seven other counties across another three states with an additional 10 anticipated to be onboarded in early 2022.

One of the key metrics in the initial launch of a product of this nature is adoption. In addition to nearly all new contracts including HSPay, the Company has seen a big push by existing customers, who contracted pre-HSPay, to go back and add these services to their existing HealthSpace implementations. The eight that the Company has deployed to live since the start of November are all existing customers that had contracted prior to HSPay being available for inclusion in contracts.

The Company has also begun to see that the marketing and rollout of HSPay has led to increased interest from non-environmental health agencies who are now considering HealthSpace for the value of its product ecosystem. HSCloud coupled with My Health Department and, now, HSPay, provides an end-to-end licensing and permitting platform. Having a full suite that includes integrated licensing and inspection solutions with online payment is something that has not existed previously for state and local government. Two recent examples of these non-environmental health use cases are the Company’s contract announcements with Larimer County, Colorado (birth and death certificates) and Anaheim Fire and Rescue; announced December 8th and December 9th of 2021, respectively.

HealthSpace CEO, Silas Garrison noted “I could not be more thrilled with the rollout of HSPay over the last 45 days. Having spent over a year and a half in development, our team pulled through and delivered one of the most seamless and powerful integrated payment systems that exist in the market for government. We have also spent time improving on our onboarding tools which will allow us to continually increase adoption across both new and existing customers. Demand for HSPay has continually grown over the past year and now that it is live with nearly a dozen customers, we can point to success stories. This will only fuel further demand from our customer markets.”

Mr. Garrison continued, “With HSPay, our initial focus is on adoption. Local governments issue their invoices in cyclical phases, typically issuing the majority of their invoices two to three times a year between spring and fall. That means it is critical that at this juncture we focus on accelerating adoption. Our customers collect in aggregate hundreds of millions of dollars a year from various licensing, permitting and

application fees. The more widespread we push HSPay adoption, the faster the revenue will build up through our share in the transaction fees. We anticipate revenue from HSPay will begin showing up in our financials in Q1 of 2022. This is revenue that we anticipate increasing dramatically over time.”

HealthSpace Data Systems Ltd.

HealthSpace is an industry leading software as a service company serving the state, provincial and local government market across the United States and Canada. HealthSpace’s cutting edge platforms currently provide inspection, information, communication and data management systems that enable government agencies to operate more efficiently. HealthSpace’s cloud and mobile based platforms are currently deployed in over 600 state and local government organizations across North America. HealthSpace currently offers the only fully integrated inspection, administration and analytics product suite across all platforms in North America. HealthSpace also delivers its government grade technologies to private businesses through its My Health Department platform, enabling citizens and private businesses to gain visibility and predictability into their own organizations and move from a reactive to a proactive operational status. As HealthSpace continues to deliver focused service and innovative solutions to government organizations, the Company entered the FinTech space through its HSPay offering which serves as a payment platform that streamlines the intake of government revenue. Further, HealthSpace’s GovCall platform offers one of the only teleconferencing and video collaboration platforms tailored exclusively for government agencies.

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", “pipeline”, "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

Victoria Rutherford
Investor Relations
(604) 757-6888
victoria@adcap.ca