



**H-SOURCE HOLDINGS LTD.**  
Suite 1980, 1075 West Georgia Street  
Vancouver, British Columbia, Canada V6E 3C9

## **H-SOURCE ANNOUNCES PRIVATE BROKERED PLACEMENT**

H-Source Holdings Ltd. (TSX VENTURE:HSI)(OTCQB:HSCHF) (the "**Company**" or "**H-Source**") is pleased to announce that it has engaged Mackie Research Capital Corporation (the "**Agent**") as lead agent and sole book-runner on a best-efforts, fully marketed basis for a private placement of up to 11,111,111 common shares of the Company at a price of C\$0.18 per common share to raise gross proceeds of up to C\$2,000,000 (the "**Offering**"). In addition, the Agent has been granted an over-allotment option exercisable 48 hours prior to the closing of the offering to increase the size of the Offering by up to 15% (1,666,667 common shares).

The closing of the Offering is expected to occur on or about February 28, 2017. Closing is subject to a number of prescribed conditions, including, without limitations, approval of the TSX Venture Exchange. Proceeds from the Offering will provide funding for general corporate purposes. All the securities issued under the Offering are subject to resale restrictions under applicable securities legislation.

### *Offering Jurisdictions*

The Offering will take place by way of a private placement to qualified investors in such provinces of Canada as the Agent may designate, and otherwise in those jurisdictions where the Offering can lawfully be made under applicable private placement exemptions.

### *Agent's Compensation*

On the Closing of the Offering, the Company has agreed to pay to the Agent, subject to certain exclusions, a commission equal to 7.5% of the gross proceeds arising from the Offering, including the exercise of the over-allotment option (if applicable). At the closing of the Offering, the Company will also issue to the Agent, subject to certain exclusions, non-transferable warrants exercisable at any time up to 18 months from closing, to acquire common shares from treasury in an amount equal to 7.5% of the common shares issued pursuant to the Offering, including the exercise of the over-allotment option (if applicable).

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and any applicable state securities laws or an exemption from such registration requirements is available.

### **About H-Source Holdings Ltd.**

H-Source Holdings Ltd. is a technology company operating within the healthcare industry through its wholly owned subsidiary, H-Source, Inc. The Company has developed a transaction platform that provides a private, secure and trusted marketplace for member hospitals to buy, sell and transfer excess inventory supplies and capital equipment with each other. Member hospitals can conduct secure transactions within Integrated Delivery Networks, complete H-Source network or customize their own group hospitals using H-Source's built-in filters. This marketplace network is specifically designed to reduce health care costs and medical product waste. For more information, please visit <http://h-source.com/>.

### **On behalf of the board of directors of H-Source Holdings Ltd.**

John Kupice, CEO & Director

### **For further information, please contact:**

H-Source Holdings Ltd.  
Nicole Marchand  
416-428-3533  
investors@h-source.com

*CAUTIONARY DISCLAIMER STATEMENT:*

*Neither TSX Venture Exchange (TSXV) nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*

*This news release contains forward-looking statements relating to the completion of the Offering and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the TSXV and other risks detailed from time to time in the filings made by the Company with securities regulations.*

*The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.*