



H-SOURCE HOLDINGS LTD.
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**H-SOURCE ANNOUNCES CLOSING OF PRIVATE PLACEMENT FOR
GROSS PROCEEDS OF APPROXIMATELY \$3.2 MILLION**

VANCOUVER, BRITISH COLUMBIA--(Marketwired - March 3, 2017) -

H-Source Holdings Ltd. (TSX VENTURE:HSI)(OTCQB:HSCHF) (the "**Company**" or "**H-Source**") is pleased to announce that it has completed its previously announced private placement of common shares (the "**Offered Shares**"), at a price of \$0.18 per Offered Share (the "**Issue Price**"), for gross proceeds to the Company of \$3,220,200 (the "**Offering**"). A total of 17,890,000 Offered Shares were sold pursuant to the Offering, including 1,970,042 Offered Shares issued as a result of the exercise of the Agents' (as defined below) over-allotment option. The Offering was conducted by a syndicate of agents led by Mackie Research Capital Corporation (the "**Lead Agent**") and including Clarus Securities Inc. and Haywood Securities Inc. (collectively with the Lead Agent, the "**Agents**").

John Kupice, CEO of H-Source, stated, "This financing significantly improves the Company's financial position, increases our institutional investor ownership and positions us for continued growth."

All securities issued in connection with the Offering are subject to a hold period which will expire on July 4, 2017, the date that is four months and one day from the closing of the Offering.

The Company paid to the Agents a cash commission equal to 7.5% of the gross proceeds raised under the Offering (reduced to 3.75% for president's list subscribers) through the Agents. The Company also issued to the Agents compensation options (the "**Compensation Options**") equal to 7.5% of the Offered Shares issued pursuant to the Offering (reduced to 3.75% for president's list subscribers) through the Agents. Each Compensation Option is exercisable into one common share of the Company at the Issue Price for a period of 18 months from the closing of the Offering.

The net proceeds from the Offering will be used for working capital and general corporate purposes.

The Offered Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

All currency references used in this news release refer to Canadian currency.

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

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 news release.

This news release contains forward-looking statements relating to the completion of the listing of the Company's shares on the TSXV 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.

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