



H-SOURCE HOLDINGS LTD.

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H-SOURCE ANNOUNCES NON-BROKERED PRIVATE PLACEMENT

VANCOUVER, BRITISH COLUMBIA – March 31, 2016 – H-Source Holdings Ltd. (CSE: HSI; OTCQB: HSCHF) (the “**Company**” or “**H-Source**”) is pleased to announce that it will proceed with a non-brokered equity private placement of up to 16,666,667 common shares priced at \$0.15 per common share for gross proceeds up to \$2,500,000 (the “**Financing**”).

“The additional capital will allow us to expand our technology platform, sales and sales support infrastructure to address our growing market opportunity.” commented Mr. John Kupice, CEO and Director of H-Source. “It will help us grow our network of medical facilities with a common goal to reducing operating costs and medical waste by participating in our network.”

Closing of the Financing is subject to the receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange. All common shares issued in connection with the Financing will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. The Financing is not subject to a minimum aggregate amount of subscriptions and may close in one or more tranches. Proceeds from the Financing will be used by the Company for sales, customer care, technology platform expansion, and general working capital.

In addition, the Company announces that it entered into a termination fee and advisory agreement (the “**Agreement**”) with BayFront Capital Holdings, Ltd. (“**BayFront**”). Pursuant to the Agreement, the Company agreed to pay BayFront a total of 3,400,000 common shares upon BayFront achieving certain milestones and delivering certain services. The 3,400,000 common shares are subject to a statutory hold period of four months and a day from the date of issuance.

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"

John Kupice
CEO & Director

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CAUTIONARY DISCLAIMER STATEMENT: The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content 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 Canadian Securities Exchange 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 Canadian Securities Exchange 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.