Premier Health Group Inc.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended December 31, 2018

(Stated in Canadian Dollars)

INTRODUCTION

Basis of Discussion & Analysis

This management's discussion and analysis ("MD&A") for Premier Health Group Inc. ("Premier Health" or the "Company") is dated as of April 30, 2019 and should be read in conjunction with the Company's annual audited consolidated financial statements for the years ended December 31, 2018 and 2017, and the related notes thereto. The audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Standards Board ("IASB"). All dollar amounts are in Canadian dollars, unless otherwise indicated.

All statements other than statements of historical fact in this Annual MD&A are forward-looking statements. These statements represent the Company's intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. Readers should not place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Additional information relating to the Company can be located on the SEDAR website at www.sedar.com.

General

The Company was incorporated on September 13, 2013 under the Business Corporations Act (British Columbia) as Proelium MMA Acquisition Corp., a wholly owned subsidiary of Web Watcher Systems Ltd. ("Web Watcher"). The Company became a reporting issuer as a result of the plan of arrangement carried out by Web Watcher dated October 23, 2013.

On July 9, 2015, the Company changed its name to Premier Health Services Inc. and on September 18, 2015 changed to its current name Premier Health Group Inc.

On June 17, 2016, the Company completed acquisition (99.9%) of a multidisciplinary rehabilitation business located in Santiago, Dominican Republic ("Clinicas"). The acquisition price was $1,931,700 CND (US$ 1,500,000). The purchase price is supported by the audited financial statements of Clinicas as of December 31, 2014 and 2015. The acquisition was financed by convertible promissory note in the amount of US$ 1,500,000 (the "Note"). Note is a 5-year, 8.5% interest bearing, due on June 17, 2021. The holder of the Promissory Note has the right to convert (at any time) any outstanding balance of the principal and interest of the Promissory Note into common shares of the Company at $0.25 per share. The Company has the right to prepay any amount of the outstanding principal and the interest of the Note without a penalty before the due date of the Note. The Note is secured by a general security agreement.

On April 17, 2018, the Company entered into a share purchase agreement with the Company's former CEO, who is also the former sole shareholder of Clinicas (the "Purchaser"). The Purchase Agreement was entered into as a prerequisite to entering into an acquisition agreement that would result in a change of control of the Company. The terms of the Purchase Agreement are detailed in Note 11 of the financial statements for the year ended December 31, 2018. This Purchase Agreement constituted a discontinued operation involving the loss of control of Clinicas by the Company as at December 31, 2017. During the year ended December 31, 2018, the Purchase Agreement was not executed. As a result, a subsequent settlement agreement was entered into subsequent to December 31, 2018 (the "Settlement Agreement"). As a result of the Settlement Agreement, the loss of control of Clinicas constitutes a discontinued operation of the Company as at December 31, 2018. As a result, all of the assets and liabilities of Clinicas have been classified as held-for-sale as at December 31, 2018 and December 31, 2017. This resulted in a net liability of $139,372 (December 31, 2017 - $45,453) from discontinued operation as at December 31, 2018.

On July 25, 2018, the Company had completed a non-brokered private placement raising aggregate gross proceeds of $3,555,000 on issuance issued of an aggregate of 14,220,000 Common Shares at a subscription price of $0.25 per Common Share.

On August 1, 2018, the Company had completed the acquisition of all the issued and outstanding shares of HealthVue Ventures Ltd. ("HealthVue") thereof in consideration of $1,000,000 in cash and an aggregate of 12,000,000 common shares of the Company at a deemed price of $0.25 per share, of which 10,800,000 of such shares are restricted from trading with 1/6 released from the restriction every 6 months commencing January 30, 2019.

On August 14, 2018 the Company had issued 4,000,000 stock options to Directors, Officers, Consultants and employees exercisable at $0.50 per share for a five-year term from date of grant.

Our head office registered, and records office is located at 440-890 W Pender St, Vancouver, BC V6C 1J9.

THE COMPANY AND BUSINESS

Company Overview

The Company was incorporated under the Business Corporations Act (British Columbia) on September 13, 2013. On August 1, 2018, the Company acquired HealthVue. The Company's main revenue is generated from the operation and management of primary care clinics.

HealthVue operates 4 primary care clinics based in the Lower Mainland in British Columbia. The clinics are fully digitized and inter-connected using the latest in healthcare technology. Over the past 18 months, HealthVue has been one of the pioneers of incorporating bricks and mortar locations with telemedicine as a form of healthcare delivery to their patients. They have also been one of the few clinics offering 24/7 real-time online booking for their patients through their website and app – available free of charge on the iOS and Android platforms.

Premier Health is focused on developing proprietary technology to deliver quality healthcare through the combination of connected primary care clinics with telemedicine and artificial intelligence (AI). The Company is planning to aggressively grow its patient base through acquisition and organic growth over the next 12 months. In addition to primary care clinics, Premier Health is planning on acquiring, and/or partnering with, other businesses and technologies that complement its business plan. This patient centric approach has been very well received and the company will continue to find ways to improve access to convenient and efficient healthcare.

PremierDR was incorporated in 2010 in the Dominican Republic by Brenda Rasmussen. PremierDR became a 99.99% owned subsidiary of Premier Health effective June 17, 2016. As at December 31, 2017 and 2018, PremierDR is considered and is recorded as a discontinued operation involving the loss of control of Clinicas by the Company.

SELECTED QUARTERLY INFORMATION

The following financial data has been prepared in accordance with IFRS:

	Q4 2018 (1)	Q3 2018 (1)	Q2 2018 (1)	Q1 2018 (1)	Q4 2017 (1)	Q3 2017	Q2 2017	Q1 2017
Revenue	(815,658)	(500,749)	(56,573)	(49,737)	(57,020)	(78,975)	(86,618)	(72,751)
Fees paid to Doctors	564,357	323,041	-	-	-	-	-	-
Expenses	1,792,967	919,701	185,280	178,014	490,962	189,029	219,675	195,615
Other (income) expense	94,064	(28,377)	38,609	38,423	(28,685)	(80,446)	(155,369)	(347,791)
Net income (loss) for the period	(1,969,746)	(713,616)	(167,316)	(166,700)	(187,626)	(29,608)	22,312	224,927
Income (Loss) per common share	(0.06)	(0.25)	(0.01)	(0.00)	(0.01)	(0.00)	0.00	0.01
Total assets	6,423,328	6,655,638	302,995	343,082	410,810	805,916	830,948	868,521
Total liabilities	2,218,491	1,765,236	1,593,041	1,464,540	1,369,953	1,559,532	1,531,328	1,492,353
Dividends declared	-	-	-	-	-	-	-	-

(1) These amounts are shown including the revenues and expenses from the discontinued operations. For the three month period ended December 31, 2018 the Company incurred a loss of $1,969,746 as compared to net loss of $187,626 for the same period in 2017. The Company reported revenues for the three months ended December 31, 2018 of $815,658 (2017: $57,020). The net loss for the period ended December 31, 2018 was mainly due to $528,625 (2017: $Nil) of stock based compensation; $564,357 (2017: $Nil) of fees paid to doctors; and $566,800 (2017: $Nil) of marketing and advertising.

SELECTED ANNUAL INFORMATION

	2018	2017	2016
Revenue	(1,201.548)	-	-
Expenses	3,655,944	726,204	305,866
Other (income) expense	(142,719)	(612,399)	1,838,036
Loss from discontinued operations	86,247	73,715	161,299
Net income (loss) for the period	(2,683,362)	(187,520)	(2,305,201)
Income (Loss) per common share	(0.06)	(0.02)	(0.17)
Total assets	6,423,328	410,810	758,806
Total liabilities	2,218,491	1,369,953	1,433,349
Dividends declared	-	-	-

The consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent Company, while the functional currency of its subsidiary, Clinicas, is the Dominican Peso. These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as fair value through profit or loss, and available-for-sale, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for certain cash flow information.

FINANCIAL POSITION

At December 31, 2018, the Company had current assets of $2,377,211 and current liabilities of $2,218,491. At December 31, 2018, the Company had working capital of $158,720 compared to working capital deficiency of $1,313,285 at December 31, 2017. Included in current liabilities is the debt portion of the five year term debenture of $1,451,786 based on accounting treatment however it isn't contractually due currently therefore, if it was recorded as long term, or converted into equity, working capital would increase by that amount. The Company has to rely upon the sale of equity securities primarily through private placements for the cash required for acquisition and operating expenses.

Additional Disclosure for Venture issuers without Significant Revenue

The Company has generated $1,201,548 in revenue from the new Healthvue clinics compared to $Nil for the period ended December 31, 2017. The net loss in the period included is mainly due to the non-cash expense of stock based compensation of $865,014 and current accretion and interest of the debenture in the amount of $315,582, physician fees in the amount of $887,398, wages & salaries in the amount of $408,221 and marketing fees in the amount of $710,246. The other losses pertain to foreign exchange loss of $142,719 and loss from discontinued operations of $86,247. The discontinued operation has generated $221,169 in revenue compared to $295,364 for the year ended December 31, 2017.

The amount of debenture outstanding as of December 31, 2018 is $1,931,700 with $880,845 recorded in equity, and the balance of $1,451,786 in liabilities. This reflects the present value of the debt and interest payments discounted at a rate of 26.6% approximating the interest rate that would have been applicable to convertible debentures issued by similar size competitors in the same industry at the time the debentures were issued.

LIQUIDITY AND CAPITAL RESOURCES

Changes in Cash Position

	For the Period Ended	
	December 31, 2018 $	December 31, 2017 $
Cash (used in) /provided by:		
Net cash (used in) operating activities	**(1,119,862)**	**(334,130)**
Net cash (used in) provided by investing activities	**(1,380,046)**	**706,432**
Net cash provided by financing activities	**3,555,000**	**(387,461)**
Increase (decrease) in cash	1,055,092	(15,159)
Cash, beginning of period	451	15,610
Cash, ending of period	**1,055,543**	**451**

The Company had cash of $1,055,543 at December 31, 2018 compared to $451 at December 31, 2017. During the period ended December 31, 2018, the Company had cash outflows from operations of ($1,119,862) compared to ($334,130) in 2017.

Cash used in investing activities during the period ended December 31, 2018 was ($1,380,046) compared to cash provided by investing activities of $706,432 for the period ended December 31, 2017 mainly due to the sale of investments held by the Company in 2017. During the period ended December 31, 2018, the Company paid $999,967 in cash as part of the consideration paid for the acquisition of Healthvue.

Cash provided by financing activities during the period ended December 31, 2018 was $3,555,000 compared to cash used in financing activities of ($387,461) for the period ended December 31, 2017 mainly due to the closing of a non-brokered private placement of 14,220,000 common shares for gross proceeds of $3,555,000.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein other than as follows:

During the year ended December 31, 2018, the Company entered into a share purchase agreement (the "Purchase Agreement") with the Company's former CEO, who is also the former sole shareholder of Clinicas (the "Purchaser"). The Purchase Agreement was entered into as a prerequisite to entering into an acquisition agreement that would result in a change of control of the Company (Note 3). The terms of the Purchase Agreement were as follows:

- The Company will transfer 51% of the shares of Clinicas to the Purchaser immediately on the closing date, and transfer the remaining 49% of the shares of Clinicas of when the Company has a satisfactory replacement assets in place to satisfy corporate law requirement to maintain a business undertaking at all time, as well as continue to qualify for Listing on the Canadian Securities Exchange.
- The Purchaser will forgive the convertible debenture of US$1,500,000 and all accrued interest proportionally to the shares of Clinicas transferred *(Note 9).*

This Purchase Agreement constituted a discontinued operation involving the loss of control of Clinicas by the Company as at December 31, 2017. During the year ended December 31, 2018, the Purchase Agreement was not executed. As a result, a subsequent settlement agreement was entered into subsequent to December 31, 2018 (the "Settlement Agreement"). As a result of the Settlement Agreement, the loss of control of Clinicas constitutes a discontinued operation of the Company as at December 31, 2018. As a result, all of the assets and liabilities of Clinicas have been classified as held-for-sale as at December 31, 2018 and December 31, 2017. This resulted in a net liability of $139,372 (December 31, 2017 - $45,453) from discontinued operation as at December 31, 2018.

The revenues and expenses of Clinicas have been determined to be a discontinued operation by the Company, and as a result, have been disclosed separately on the statement loss and comprehensive loss.

The Settlement Agreement was entered into on April 1, 2019, with the Purchaser to complete the full transfer of the Company's 99.9% ownership of Clinicas and the forgiveness of the convertible debenture issued on the original purchase of 99.9% of Clinicas.

As part of the Settlement Agreement, the Company agreed to the following: a) issue the Purchaser an aggregate of 400,000 shares within 14 days and 75,000 shares, or 50,000 in cash within 90 days, b) assign to the Purchaser's company, Benras Holdings Inc., the following promissory notes as security for, and in full and final satisfaction of any amount owed by the Company to the Purchaser: (i) a promissory note dated February 20, 2018 plus interest owed to the Company by the former CFO and a company owned by the former CFO with an amount outstanding as at December 31, 2018 of $43,001, and (ii) a promissory note dated February 20, 2018 in the amount of $220,000 plus interest owed to the Company by Explorinvest Capital Corp., a company partially owned by the former CFO of the Company (Notes 10 and 17).

Revenues and expenses from Clinicas are as follows:

		December 31, 2018		December 31, 2017
REVENUE	**$**	**221,169**	$	295,364
EXPENSES				
Advertising		**12,639**		12,909
Amortization		**26,862**		17,264
Leasehold improvements written off		**8,242**		-
Bank charges an interest		**17,928**		19,124
Consulting fees *(Note 10)*		**16,518**		15,806
Insurance		**6,257**		6,338
Office and Administration		**37,412**		47,706
Professional fees		**19,477**		19,548
Rent		**25,173**		57,257
Repair and maintenance		**2,908**		14,534
Wages and related expenses		**130,010**		158,593
Other expenses		**3,990**		-
Loss from discontinued operations	**$**	**(86,247)**	$	(73,715)

The net cash flows attributable to the discontinued operation for the year ended December 31, 2018 was as follows:

Net cash used in operating activities:	$	(93,567)
Net cash provided by financing activities:		81,122
Decrease in cash from discontinued operations for the year	$	(12,445)

SHARE CAPITAL

(a) Authorized: unlimited common shares without par value

(b) Issued and Outstanding: The Company has 65,611,399 common shares issued as of the date of this report and 61,664,031 common shares issued as of December 31, 2018.

During the year ended December 31, 2018:

- On July 25, 2018, the Company closed a non-brokered private placement of 14,220,000 common shares for gross proceeds of $3,555,000 ($0.25 per common share).

- On August 1, 2018, the Company issued 12,000,000 common shares at a price of $0.25 for the business acquisition of HealthVue Ventures Ltd. (Note 3)

- On October 9, 2018, the Company issued 500,000 common shares for marketing and advertising expense valued at $435,000 ($0.87 per common share).

During the year ended December 31, 2017:

- On September 20, 2017, the Company issued 200,000 common shares at a price of $1 per share for debt settlement of $200,000 (US$145,520). The debt settled was a portion of the interest accrued on the convertible note *(Notes 9,10).*

- On September 20, 2017, the Company issued 7,000 common shares at a price of $1 per share to the CFO of the Company, for cash.

(c) Share Purchase Warrants

The following is a summary of warrant activities during the period ended December 31, 2018:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, December 31, 2016 and 2017	333,333	$ 1.50
Cancelled	(333,333)	$ (1.50)
Outstanding, September 30, 2018	-	$ -

As at December 31, 2018 and as of the date of this report, no warrants were outstanding.

(d) Escrow shares

As at December 31, 2018, the Company has 10,800,000 common shares held in escrow.

Escrow shares will be released as follows:

- 1,800,000 shares on February 1, 2019, and the same amount released each six months thereafter until the last 1,800,000 are released on August 1, 2021.

(e) Stock Options

As of the date of this report, the Company has 6,050,000 options outstanding and as at December 31, 2018, the Company had 4,000,000 options outstanding.

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The following grants were made during the year ended December 31, 2018:

On August 13, 2018, 3,200,000 options were granted to consultants and officers of the Company, exercisable at of $0.50 per share. The options vest 4 months after the grant and have a five-year expiry date from the date of grant. The fair value of the options at grant date was $787,041, of which all was recorded in the period ended December 31, 2018 based on vesting conditions.

On August 13, 2018, 800,000 options were granted to employees of the Company, exercisable at $0.50 per share. The options shall vest 25% every 6 months, commencing on February 13, 2019. The options have a five-year expiry date from the date of grant. The fair value of the options at grant date was $196,760, of which $77,973 was recorded in the period ended December 31, 2018 based on vesting conditions.

The option pricing model used an average risk-free rate of 2.19%, estimated life of 5 years, volatility of 100% and dividend yield of 0%.

The following is a summary of option activities during the years ended December 31, 2017 and 2018:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2016 and 2017	-	$ -
Granted	4,000,000	$ 0.50
Outstanding, December 31, 2018	4,000,000	$ 0.50

As at December 31, 2018 the Company had the following stock options outstanding and exercisable:

Outstanding	Exercisable	Exercise Price	Remaining Life (Years)	Expiry Date
4,000,000	3,200,000	$0.50	4.62	August 12, 2023

CAPITAL DISCLOSURES

The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. Should the Company wish to pursue current and future business opportunities, additional funding will be required. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instrument consist of cash, accounts receivable, accounts payable, amounts due from and to related parties, notes receivable, loans payable, net liabilities from discontinued operations and the convertible debenture.

The Company's cash and marketable securities are measured at fair value under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities. The Company's accounts receivables, accounts payable, amounts due and from related parties, note receivable and loans payable have amortized costs that approximate their fair value due to their short terms to maturity. The net liabilities from discontinued operations are recorded at fair value due to their short-term to maturity. The Company's other financial instruments, being the convertible debenture, is measured at amortized cost.

The Company's risk exposures and the possible impact of these expenses on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As of December 31, 2018, the Company is exposed to credit risk to the extent that its clients become unable to meet their payment obligations. Trade receivables include amounts receivables from the sale of services and GST receivables.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is insignificant.

b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. The Company operates internationally, which gives rise to the risk that cash flows may be adversely impacted by exchange rate fluctuations. Amounts subject to currency risks are primarily cash, accounts receivable, accounts payable and loans that are held in foreign currency. In addition, the Company holds convertible debentures which are denominated in US Dollars. A change in foreign currency exchange rates can have an impact on net income and comprehensive income. As a result, the Company is exposed to foreign exchange rate risk with respects to the US Dollar and the Dominican Peso. As at December 31, 2018, the Company had net financial liabilities denominated in foreign currencies of approximately $1,590,000. A 10% change in the value of the Dominican Peso versus the Canadian dollar would give rise to a gain or loss of approximately $14,000, and a 10% change in the value of the US Dollar versus the Canadian dollar would give rise to a gain or loss of approximately $145,000. The Company has not entered into any foreign exchange contracts to hedge this risk.

c) Price risk

The Company is exposed to price risk with respect to equity prices, since the Company possesses investments in publicly traded securities. The Company closely monitors those prices to determine the appropriate course of action to be taken. The maximum exposure to the Company is the fair value of its marketable securities, which have been recorded at $1.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate values of transactions relating to key management personnel were as follows:

		Sept. 30, 2018		December 31, 2017
Management fees to the former CFO	$	36,000	$	66,000
Administration fees paid to a company owned by the former CFO		5,621		6,000
Rent paid to a company owned by the former CFO		5,621		6,750
Salaries paid to the new CEO		120,000		-
Salaries paid to the new CFO (1)		25,000		-
Salaries paid to the new COO (1)		50,000		
Consulting fees to the former CFO		-		145,000
Consulting fees to the former CEO, included in loss from discontinued operations *(Note 11)*		16,518		15,806
Stock-based compensation to the new CEO, CFO and COO (1)		442,711		-
Accretion and interest expense on convertible debenture to the former CEO *(Note 9)*		315,582		283,216

(1) As at December 31, 2018, the new CFO, and COO were not key management personnel. They were instated into these positions effective January 2019.

As at December 31, 2018, the Company had $43,001 (December 31, 2017 - $179,142 of which $45,000 was recorded as current with the remaining $134,142 recorded as long term) due from the former CFO and a company owned by the former CFO. The former CFO is also a director of the Company. This amount is non-interest bearing. This amount owing to the Company by the former CFO was transferred to the former CEO, subsequent to year end, as discussed in Notes 11 and 17.

As at December 31, 2018, the Company has a convertible debenture valued at $1,451,786 (December 31, 2017 - $1,189,180) to the former CEO, who is also a director and significant shareholder of the Company. As at December 31, 2018 $241,120 (December 31, 2017- $45,425) of accrued interest on this debenture is included in accounts payable and accrued liabilities. During the year ended December 31, 2018, $149,913 of accretion expense, and $165,669 of interest expense, for a total of $315,582 was recorded as accretion and interest expense (2017 - $283,216). (Note 9).

As at December 31, 2018, included in accounts payable is $14,766 (2017 - $6,251) owing to directors of the Company.

As at December 31, 2018, the Company had $316,779 owing to the former CEO, who is also a director (the former sole shareholder of Clinicas) (December 31, 2017 $51,267). This amount is included in the net liabilities from discontinued operations as at December 31, 2018 and December 31, 2017 and is non-interest bearing.

As at December 31, 2018 and December 31, 2017, the Company had $220,000 receivable from Explorinvest Capital Corp., a company partially owned by the former CFO of the Company. As at December 31, 2017, this note had no terms of repayment. During the year ended December 31, 2018, this note was converted into a convertible promissory note, with accrued interest of 6.5% per annum, payable on April 1, 2019. The Company has the right to convert this promissory note at any time at $0.25 per share. This note was transferred to the former CEO subsequent to year end (Notes 11, 17)

During the year ended December 31, 2017, the Company issued 200,000 common shares with a fair value of $200,000 to settle related party debt of $200,000. This debt resulted from the interest payable to the former CEO on the convertible debenture, and was purchased by certain shareholders of the Company, and then settled for shares. *(Note 12).*

RISKS AND UNCERTAINTIES

These statements represent the Company's intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company.

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware, or which they consider not to be material in relation to the business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline, and investors may lose all or part of their investment.

Dependence on Key Personnel

The success of the Company is largely dependent on the performance of its key senior management employees. Failure to retain key employees and to attract and retain additional key employees with necessary skills could impact the Company's growth and profitability. The departure or death of certain members of the executive team could have an adverse effect on the Company.

Cybersecurity

With the Company's focus on the use of online applications, mobile technologies and cloud computing, comes an increase in cybersecurity risk. The potential consequences can range from unauthorized access to sensitive or personal information to causing operational disruption. Such an event could compromise the Company's confidential information as well as that of the Company's patients and third parties with whom the Company interacts and may result in the inability to process patient transactions, remediation costs, loss of revenue, reputation damage, additional regulatory scrutiny and litigation.

Reliance on third party service providers

The Company relies on third-party service providers to perform or support critical operations such as IT and EMR (electronic medical records) maintenance. In an event that these vendors and/or partners discontinue service, the Company would need to replace these providers. In doing so, the Company may incur additional costs or experience temporary interruptions in its business as it explores alternate providers.

Risks Related to Investments

The Company intends to expand its operations and business by investing in additional businesses, products or technologies. Investments may involve a number of special risks, including diversion of management's attention, failure to retain key personnel, unanticipated events or circumstances, and legal liabilities. In addition, there can be no assurance that the businesses, products or technologies, if any, will achieve anticipated revenues and income. Investments could also result in potentially dilutive issuances of equity securities. The failure of the Company to manage its investment strategy successfully could have a material adverse effect on the Company's business, results of operations and financial condition.

General Healthcare Regulation

Due to the public and complex nature of healthcare in Canada, the Company's businesses operate in an environment in which government regulations and funding play a key role. Decisions made regarding such funding are largely beyond the businesses' control. Any change in governmental regulation, delisting of services, and licensing requirements relating to healthcare services, or their interpretation and application, could adversely affect the business, financial condition and results of operations of these business units. In addition, the Company could incur significant costs in the course of complying with any changes in the regulatory regime. Non-compliance with any existing or proposed laws or regulations could result in audits, civil or regulatory proceedings, fines, penalties, injunctions, recalls or seizures, any of which could adversely affect the reputation, operations or financial performance of the Company.

Uncertainty of Liquidity and Capital Requirements

The future capital requirements of the Company will depend on many factors, including the number and size of acquisitions consummated, rate of growth of its client base, the costs of expanding into new markets, the growth of the market for healthcare services and the costs of administration. In order to meet such capital requirements, the Company may consider additional public or private financing (including the incurrence of debt and the issuance of additional common shares) to fund all or a part of a particular venture, which could entail dilution of current investors' interest in the Company. There can be no assurance that additional funding will be available or, if available, that it will be available on acceptable terms. If adequate funds are not available, the Company may have to reduce substantially or otherwise eliminate certain expenditures. There can be no assurance that the Company will be able to raise additional capital if its capital resources are depleted or exhausted. Further, due to regulatory impediments and lack of investor appetite, the ability of the Company to issue additional common shares or other securities exchangeable for or convertible into common shares to finance acquisitions may be restricted.

Shortage of Healthcare Professionals

Due to the ongoing shortage of certain professional medical personnel in Canada, as the Company continues to grow its operations, it may experience difficulty in recruiting physicians, nurses and other healthcare practitioners. As a result, this may adversely impact the business, financial condition and results of operations.

Confidentiality of Personal and Health Information –

Given the nature of the business, the Company and its subsidiaries' employees are privy to sensitive information, such as medical histories, on clients. Although the Company has clear policies & procedures in place, there can be no assurance that these are sufficient to address the privacy concerns of existing and future clients. In the event that a breach of confidentiality takes place, the Company could be liable for damages or for criminal fines or penalties.

Competition

There can be no assurance that the Issuer will successfully differentiate its current and proposed services from the services of its competitors, or that the marketplace will consider the products and services of the company to be superior to competing services.

Limited Location

All the Company's current revenues will be derived from its HealthVue clinics located in the Province of British Columbia, Canada. Consequently, the Company's performance will depend on establishing market acceptance of its clinics and services. Any reduction in anticipated future demand or anticipated future sales of these services or any increase in competition or changes to economic or other factors impacting that market could have a material adverse effect on the company's business prospects, operating results, or financial condition.

Legislative, Insurance, Compliance Costs, Regulatory Action and Environment

To comply with various increasing and complex regulatory reporting and standards involves significant cost. Changes to securities regulatory standards, account policy, and compliance reporting could place an additional expense burden on the Company. Insurers may increase premiums as the Company's business continue to grow so future premiums for the Company's insurance policies, including directors' and officers' insurance policies, could be subject to increase.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include lost records, loss or damage or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other reporting and private companies. Consequently, there are no known conflicts but there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

SUBSEQUENT EVENTS

- On January 25, 2019, the Company announced the appointment of two new officers to the leadership team. Kanchan Thindal as Chief Operating Officer "COO" and Mena Beshay as Chief Financial Officer "CFO". The Company also announced the resignation of Donald Gordon from his position as Chief Financial Officer.

- On January 29, 2019, the Company announced the closing of the Cloud Practice Inc. ("Cloud Practice") acquisition, a national medical software application company. In consideration for the purchase of all of the outstanding Cloud Practice securities, the Company will pay to the Cloud Practice shareholders total consideration of up to $5,000,000 as follows: (i) $500,000 paid in cash on signing of the binding letter of intent as a refundable deposit on December 5, 2018 (paid during the year ended December 31, 2018), (ii) $500,000 in cash payable on closing, (iii) $500,000 in cash payable 60 days after closing, (iv) $500,000 in cash payable on June 5, 2019, and (v) an aggregate of $3,000,000 payable in common shares of the Company at a price of $0.76 per share. All shares issued in the transaction are restricted from trading with 1/2 released from the restriction every 6 months commencing July 28, 2019.

- On April 1, 2019, the Company entered into a settlement agreement to complete the full transfer of the Company's 99.9% ownership of Clinicas and the forgiveness of the convertible debenture held by the former CEO issued on the original purchase of 99.9% of Clinicas (the "Settlement Agreement"). As part of the Settlement Agreement, the Company agreed to the following: a) issue the Purchaser an aggregate of 400,000 shares within 14 days and 75,000 shares, or 50,000 in cash within 90 days, b) assign to the Purchaser's company, Benras Holdings Inc., the following promissory notes as security for, and in full and final satisfaction of any amount owed by the Company to the Purchaser: (i) a promissory note dated February 20, 2018 plus interest owed to the Company by the former CFO and a company owned by the former CFO with an amount outstanding as at December 31, 2018 of $43,001, and (ii) a promissory note dated February 20, 2018 in the amount of $220,000 plus interest owed to the Company by Explorinvest Capital Corp., a company partially owned by the former CFO of the Company (Notes 10 and 11).

- On April 2, 2019, the Company entered into a definitive agreement to acquire two pharmacies based in Metro Vancouver, B.C. Under the terms of the agreement, in consideration for the pharmacies, the Company will assume the net liabilities of the pharmacies estimated at $2,500,000 and pay to the vendors up to $4,050,000 as follows: (i) up to $1,300,000 in cash, including $200,000 paid during the year ended December 31, 2018, as a refundable deposit, upon signing of the letter of intent on December 4, 2018, (ii) 3,432,384 common shares of the Company and (iii) 343,926 performance share units of the Company. Each performance share shall vest into one common share without any payment on April 30, 2020, if certain earnings milestones for the pharmacies are met.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking statements. Forward-looking statements include but are not limited to, currency fluctuations, requirements for additional capital, Government regulation, environmental risks, disputes or claims, the Company's goals, objectives and growth strategies, improving the patient experience, operational efficiency and overall care performance, the intention to be an active acquirer within the healthcare services and digital health marketplaces, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others; the actual results of current activities, conclusions or economic evaluations, changes in project parameters as plans continue to be refined, failure of plant, equipment or processes to operate as anticipated, accidents, delays in obtaining government approvals or financing, risks relating to the integration of acquisitions and to international operations. While the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company 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 except as required by law.