Premier Health Group Inc.

Consolidated Financial Statements

For the Year Ended December 31, 2018 and 2017

(Expressed in Canadian dollars)

BUCKLEY DODDS LLP

Chartered Professional Accountants

Suite 1140 - 1185 West Georgia Street
Vancouver, B.C. Canada V6E 4E6
Telephone: (604) 688-7227
Fax: (604) 681-7716

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Premier Health Group Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Premier Health Group Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of net loss and comprehensive loss, consolidated statements of changes in shareholders' equity (deficiency), and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 1 to the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in Management's Discussion and Analysis report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is Mickey Goldstein.

Buckley Dodds LLP

Vancouver, Canada
April 30, 2019

Buckley Dodds LLP
Chartered Professional Accountants

PREMIER HEALTH GROUP INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at

		December 31, 2018		December 31, 2017
ASSETS				
Current Assets				
Cash *(Note 4)*	**$**	**1,055,543**	$	451
Accounts receivable *(Note 5)*		**113,387**		11,216
Deposits on investments *(Note 17)*		**700,000**		-
Marketable securities *(Note 6)*		**1**		1
Due from related parties *(Note 10)*		**43,001**		45,000
Convertible note receivable *(Note 10)*		**220,000**		
Prepaid expenses		**245,279**		-
Total current assets		**2,377,211**		56,668
Note receivable *(Note 10)*				220,000
Due from related parties *(Note 10)*		**-**		134,142
Property and equipment *(Note 7)*		**94,547**		-
Goodwill *(Note 3)*		**3,951,570**		-
Total Assets	**$**	**6,423,328**	$	410,810
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities *(Notes 8, 10)*	**$**	**627,333**	$	135,320
Convertible debenture *(Note 9)*		**1,451,786**		1,189,180
Liabilities from discontinued operations *(Note 11)*		**139,372**		45,453
Total Liabilities		**2,218,491**		1,369,953
SHAREHOLDERS' DEFICIENCY				
Share capital *(Note 12)*		**8,047,100**		1,057,100
Equity component of convertible debenture		**880,845**		880,845
Reserves		**865,014**		-
Accumulated other comprehensive loss		**(406,782)**		(399,107)
Deficit		**(5,181,243)**		(2,497,890)
Deficiency attributable to shareholders of the Company		**4,204,934**		(959,052)
Non-controlling interest		**(97)**		(91)
Total Deficiency		**4,204,837**		(959,143)
Total Liabilities and Shareholders' Deficiency	**$**	**6,423,328**	$	410,810

Nature of operations and going concern *(Note 1)*
Subsequent events *(Note 17)*

Approved and authorized for issuance by the Board of Directors on April 30, 2019

"Essam Hamza"
Essam Hamza, CEO, Director

"Donald Gordon"
Donald Gordon, Director

The accompanying notes are an integral part of these consolidated financial statements.

PREMIER HEALTH GROUP INC.
Consolidated Statements of Net Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
For the years ended

	December 31, 2018	December 31, 2017
REVENUE	$ **1,201,548**	$ -
PHYSICIAN FEES	**(887,398)**	-
GROSS PROFIT	**314,150**	-
EXPENSES		
Accretion and interest expense on convertible debt *(Notes 9 and 10)*	**315,582**	283,216
Amortization (*Note 7)*	**14,550**	-
Bank charges an interest	**1,126**	111
Consulting fees *(Note 10)*	**-**	171,038
Management fees *(Note 10)*	**36,000**	66,000
Marketing and Advertising	**710,246**	-
Office and Supplies	**131,509**	6,000
Professional fees	**176,788**	160,149
Rent *(Note 10)*	**68,785**	6,750
Stock based compensation *(Note 10 and 12)*	**865,014**	-
Transfer Agent and regulatory fees	**40,725**	32,940
Wages & salaries *(Note 10)*	**408,221**	-
	(2,768,546)	(726,204)
	(2,454,396)	(726,204)
Realized gain on marketable securities *(Note 6)*	**-**	475,780
Foreign exchange gain (loss)	**(142,719)**	136,619
Loss from discontinued operations *(Note 11)*	**(86,247)**	(73,715)
Net loss for the year	**(2,683,362)**	(187,520)
Net income (loss) attributable to:		
Shareholders of the Company	**(2,683,353)**	(187,446)
Non-controlling interest	**(9)**	(74)
	(2,683,362)	(187,520)
Other comprehensive loss:		
Fair value adjustment on marketable securities	**-**	(305,250)
Revaluation of fixed assets	**-**	(33,474)
Foreign currency translation	**(7,672)**	1,170
Other comprehensive loss	**(7,672)**	(337,554)
Total comprehensive loss for the year	**$ (2,691,034)**	$ (525,074)
Other comprehensive loss attributable to:		
Shareholders of the Company	**$ (7,675)**	$ (337,523)
Non-controlling interest	**3**	(31)
	$ (7,672)	$ **(337,554)**
Total comprehensive loss attributable to:		
Shareholders of the Company	**$ (2,691,028)**	$ (524,969)
Non-controlling interest	**(6)**	(105)
	$ (2,691,034)	$ **(525,074)**
Basic and diluted loss per common share	**$ (0.06)**	$ (0.01)
Weighted average number of common shares outstanding	**46,249,456**	15,714,878

The accompanying notes are an integral part of these consolidated financial statements.

(Expressed in Canadian Dollars)

	Number of outstanding shares	Share capital	Equity component of convertible	Share-based compensation reserve	Accumulated other comprehensive income (loss)	Deficit	Non-controlling interest	Total
Balance, December 31, 2016	34,737,031	$ 850,100	$ 880,845	$ -	$ (61,554)	$ (2,343,902)	$ (32)	$ (674,543)
Shares issued for cash	7,000	7,000	-	-	-	-	-	7,000
Shares issued for debt settlement	200,000	200,000	-	-	-	-	-	200,000
Revaluation of fixed assets	-	-	-	-	(33,474)	33,458	16	-
Currency translation adjustment	-	-	-	-	1,171	-	(1)	1,171
Fair value adjustment	-	-	-	-	(305,250)	-	-	(305,250)
Net loss for the period	-	-	-	-	-	(187,446)	(74)	(187,520)
Balance, December 31, 2017	**34,944,031**	**$ 1,057,100**	**$ 880,845**	**$ -**	**$ (399,107)**	**$ (2,497,890)**	**$ (91)**	**$ (959,143)**
Shares issued for cash	14,220,000	3,555,000	-	-	-	-	-	3,555,000
Shares issued for business acquisition	12,000,000	3,000,000	-	-	-	-	-	3,000,000
Shares issued for marketing and advertising	500,000	435,000	-	-	-	-	-	435,000
Stock-based compensation	-	-	-	865,014	-	-	-	865,014
Currency translation adjustment	-	-	-	-	(7,675)	-	3	(7,672)
Net loss for the period	-	-	-	-	-	(2,683,353)	(9)	(2,683,362)
Balance, December 31, 2018	**61,664,031**	**$ 8,047,100**	**$ 880,845**	**$ 865,014**	**$ (406,782)**	**$ (5,181,243)**	**$ (97)**	**$ 4,204,837**

PREMIER HEALTH GROUP INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
For the years ended

	December 31, 2018	December 31, 2017
Cash provided by (used in):		
Operating activities		
Net Gain (loss)	**$ (2,683,362)**	$ (187,520)
Item not involving cash		
Accretion on convertible debenture	149,913	117,644
Amortization	14,550	17,264
Realized gain on sale of investments	-	(475,780)
Unrealized foreign exchange (gain) loss	105,021	(10,312)
Stock-based compensation	865,014	-
Shares issued for marketing and advertising	435,000	-
Change in non-cash working capital components:		
Accounts receivable	(99,568)	33,051
Medical supplies	-	4,946
Prepaid expenses	(236,792)	23,129
Accounts payable and accrued liabilities	100,302	116,338
Due from related parties	136,141	-
Net liabilities from discontinued operations	93,919	27,110
Net cash used in operating activities	**(1,119,862)**	(334,130)
Investing activities		
Acquisition of Healthvue	(999,967)	-
Cash received from acquisition of Healthvue	323,108	-
Cash advances to acquire Pharmacy & Cloud Practice Inc.	(700,000)	
Sale of marketable securities	-	707,030
Purchase of equipment	(3,187)	(598)
Net cash (used in) provided by investing activities	**(1,380,046)**	706,432
Financing activities		
Shares issued for cash	3,555,000	7,000
Related party	-	(157,490)
Notes receivable	-	(220,000)
Loan repayments	-	(16,971)
Net cash provided by financing activities	**3,555,000**	(387,461)
Increase (decrease) in cash	**1,055,092**	(15,159)
Cash, beginning	**451**	15,610
Cash, ending	**$ 1,055,543**	$ 451
Cash paid for interest	**$** -	$ -
Cash paid for income tax	**$** -	$ -

Non-cash transactions affecting cash flows from investing and financing activities include the following:

- During the year ended December 31, 2018, the Company issued 500,000 shares valued at $435,000 for marketing and advertising services.
- During the year ended December 31, 2018, the Company issued 12,000,000 shares valued at $3,000,000 for the acquisition of HealthVue Ventures Ltd.
- During the year ended December 31, 2017, $200,000 of interest payable on convertible debentures was settled by issuance of 200,000 common shares valued at $200,000.

1. NATURE OF OPERATIONS AND GOING CONCERN

Premier Health Group Inc. (the "Company") was incorporated on September 19, 2013 and is a reporting issuer in British Columbia, Canada. The parent company of the Company was Web Watcher Systems Ltd. ("Web Watcher"), which was incorporated on April 16, 2010 pursuant to the British Columbia Act. The Company entered into to a Plan of Arrangement (the "Arrangement Agreement") with Web Watcher dated October 23, 2013. Pursuant to the Arrangement Agreement, the Company issued 14,403,698 common shares to the Web Watcher shareholders during the year ended December 31, 2016 in exchange for 100 common shares held by Web Watcher, and became a separate entity from Web Watcher.

On June 17, 2016, the Company completed the acquisition (99.9%) of a multidisciplinary rehabilitation business located in Santiago, Dominican Republic Premier named Clinicas de Rehabilitacion Precer, S. R. L. ("Clinicas"). As at December 31, 2018 and 2017, Clinicas was considered to be a discontinued operation *(Note 12).*

On August 1, 2018, the Company completed the acquisition of all of the issued and outstanding shares of HealthVue Ventures Ltd. *(Note 3).*

The Company provides telemedicine visits remotely and full-service family practice from its four clinic locations in the Lower Mainland in British Columbia.

The address of the Company's corporate office and place of business 440-890 W Pender Street, Vancouver, British Columbia, Canada.

These consolidated financial statements have been prepared using International Financial Reporting Standard ("IFRS") on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. During the year ended December 31, 2018, the Company had net loss of $2,683,362 and as at December 31, 2018 had an accumulated deficit of $5,181,243 which has been funded primarily by share subscriptions received and loans from related parties. As at December 31, 2018, the Company had a working capital of $158,720. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The effect of any such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly controlled subsidiary, HealthVue Ventures Ltd. (Canada) ("HealthVue") and its 99.99% owned subsidiary, Premier Clinicas de Rehabilitacion S. R. L. ("Clinicas"), incorporated in the Dominican Republic. All inter-company transactions and balances have been eliminated on consolidation.

b) Basis of Presentation

These 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").

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent Company and HealthVue, while the functional currency of 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.

c) Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities, as at the date of the financial statements, and expenses for the years reported.

Critical Judgements

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company, as previously discussed in Note 1, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates, and has been determined for each entity within the Company. The functional currency for the Company and HealthVue has been determined to be the Canadian dollar, while the functional currency of Clinicas is the Dominican Peso.

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the consolidated financial statements include:

Share-based Payments

Estimating fair value for granted stock options and compensatory warrants requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

c) Significant Accounting Judgments and Estimates (continued…)

Key Sources of Estimation Uncertainty *(continued…)*

Deferred Tax Assets & Liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

Useful Life of Property and Equipment

Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience, and take into consideration the anticipated physical life of the asset, the potential for technological obsolescence, and regulations.

Allowance for Doubtful Accounts

The Company assesses the collectability of receivables on an ongoing basis. A provision for the impairment of receivables involves significant management judgement and includes the renew of individual receivables based on individual customers, current economic trends and analysis of historical bad debts.

d) Cash

Cash is comprised of cash in banks and bank indebtedness.

e) Property and Equipment

Property and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Amortization is provided at rates calculated to write off the cost of property and equipment, less its estimated residual value, using the rates and methods below:

Furniture and equipment	20% - declining balance
Computers	55% - declining balance
Software	55% - declining balance
Leasehold improvements	5 years - straight-line

In the year of acquisition and disposal, the Company records half of the amortization expense.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

f) Impairment

At each financial position reporting date the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived from the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

For the purposes of impairment testing, long-lived assets are allocated to cash-generating units to which the operating activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

g) Financial Instruments

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") as of January 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for any assets that continued to be recognized at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

g) <u>Financial Instruments</u> *(continued…)*

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

g) Financial Instruments *(continued…)*

The Company's financial assets and liabilities are recorded and measured as follows:

Asset or Liability	Category	Measurement
Cash	FVTPL	Fair value
Marketable securities	Available-for-sale	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Convertible notes receivable	Loans and receivables	Amortized cost
Notes receivable	Loans and receivables	Amortized cost
Accounts payable	Other liabilities	Amortized cost
Due to related parties	Other liabilities	Amortized cost
Convertible debt	Other liabilities	Amortized cost
Liabilities from discontinued operations	Available for sale	Fair value

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash and marketable securities have been measured at fair value using Level 1 inputs.

h) Revenue Recognition

The Company recognizes revenue when it has persuasive evidence of a contract, performance obligations have been identified and satisfied, payment items have been identified, and it is probable that the Company will collect the consideration it is entitled to.

The Company recognizes revenue from the rendering of independent medical assessments, and patient services in the accounting period in which the services are rendered and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

i) Earnings/(Loss) Per Share

Basic earnings/(loss) per share is computed by dividing the income/(loss) for the period from continuing operations by the weighted average number of common shares outstanding during the period. Contingently returnable escrow shares are removed from the calculation.

For diluted per share computations, assumptions are made regarding potential common shares outstanding during the period. The weighted average number of common shares is increased to include the number of additional common shares that would be outstanding if, at the beginning of the period, or at time of issuance, if later, all options and warrants are exercised. Proceeds from exercise are used to purchase the Company's common shares at their average market price during the period, thereby reducing the weighted average number of common shares outstanding. If these computations prove to be anti-dilutive, diluted earnings/(loss) per share is the same as basic earnings/(loss) per share.

j) Share-Based Payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The Company recognizes share-based compensation expense based on the estimated fair value of the options. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based compensation expense and reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of the goods or services received.

k) Income Taxes

Income tax on profit or loss for the year comprises of current and deferred tax. Current tax is the expected tax paid or payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax paid or payable in respect of previous years.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. The effect on deferred tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of the enactment or substantive enactment of the change. Deferred tax assets and liabilities are presented separately except where there is a right of set-off within fiscal jurisdictions.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

l) Foreign Currency Translation

The functional currency of the Company and HealthVue is the Canadian Dollar, and the functional currency of Clinicas, is the Dominican Peso. The presentation currency of the consolidated financial statements is the Canadian Dollar.

Transactions and balances:

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Foreign operations:

The financial results and position of foreign operations whose functional currency is different from the Company's presentation currency are translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are recognized in other comprehensive income and recorded in the Company's foreign currency translation reserve in equity. These differences are recognized in the profit or loss in the period in which the operation is disposed.

m) Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income (loss) are accumulated in a separate component of shareholders' equity (deficiency) as accumulated other comprehensive income (loss).

2. SIGNIFICANT ACCOUNTING POLICIES *(continued…)*

n) Non-controlling Interest

Non-controlling interest is measured at its proportionate share of the acquiree's identifiable net assets or liabilities. Net income or loss and comprehensive income or loss for the period are allocated between non-controlling interest and shareholders of the parent. Non-controlling interest in subsidiaries must be presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

o) Reclassification

Certain prior period's amounts have been reclassified to conform to the current year's presentation.

p) Accounting Standards Issued but not yet Effective

New standard IFRS 16 – "Leases"
This new standard replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. The Company has assessed the impact of this change, which will result in the reclassification of the Company's leases of its rental properties as financing leases.

Other accounting standards and amendments to existing accounting standards that have been issued and have future effective dates are not applicable or are not expected to have a significant impact on the Company's consolidation financial statements.

(Expressed in Canadian Dollars)

3. BUSINESS ACQUISITION

HealthVue Ventures Ltd.

On August 1, 2018, the Company completed the acquisition of all of the issued and outstanding shares of HealthVue. HealthVue provides telemedicine visits remotely and full service family practice from its four clinic locations in the Lower Mainland in British Columbia. Pursuant to the acquisition agreement between the Company and HealthVue, the Company issued 12,000,000 common shares of the Company and $999,967 cash payment to the former owner of HealthVue.

The acquisition of HealthVue by the Company is considered to be business combination. Pursuant to the business combination transactions, the asset acquired from the acquisition is to be recorded at their estimated fair values in accordance with IFRS 3 – Business Combination. The allocation of the purchase consideration is as follows:

Purchase price		
Fair value of common shares issued (12,000,000 at $0.25 per share)	$	3,000,000
Cash paid		999,967
Total consideration paid		3,999,967
Allocated as follows		
Cash		323,108
Accounts receivable		2,603
Prepaid		8,487
Property and equipment		105,910
Accounts payable		(391,711)
Net assets acquired		48,397
Goodwill acquired	$	3,951,570

4. CASH

Cash consist of cash held with banks, as well as overdraft facilities at those banks.

5. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

		December 31, 2018		**December 31, 2017**
Trade receivables	$	197,444	$	121,140
GST receivable		25,340		11,217
Allowance for doubtful account		(93,792)		(93,792)
Receivables from discontinued operations		(15,605)		(27,349)
	$	113,387	$	11,216

An allowance for doubtful accounts of $93,792 has been provided against these accounts receivable amounts, which the Company has determined represents a reasonable estimate of amounts that may be uncollectible.

(Expressed in Canadian Dollars)

6. MARKETABLE SECURITIES

The Company owns 4,000,000 shares of Moag Copper Gold Resources Inc. ("MOG"). The shares were acquired in exchange for 20,000,000 common shares of the Company. MOG shares were under ceased trading order as at September 30, 2018 and December 31, 2017, and therefore, the Company has valued the investments in MOG shares at $1.

On May 9, 2016, the Company acquired 1,000,000 shares of CENTRIC HEALTH CORP. ("CHH"), for 200,000 units of the Company, valued at $250,000. Each unit consists of one share and one share purchase warrant of the Company. Each warrant shall entitle the holder to purchase one common share of the Company at a price of $1.50 per share for a period of two years from date of issuance.

During the year ended December 31, 2017, the Company sold 925,000 shares of CHH shares for total proceeds of $707,030, resulting in a realized gain of $475,780. As at December 31, 2018, the Company no longer holds any shares in CHH.

Total marketable securities:

	MOG	CHH	Total
Cost			
Balance at December 31, 2016	$ 400,000	$ 231,250	$ 631,250
Dispositions	-	(231,250)	(231,250)
Balance at December 31, 2017 and December 31, 2018	400,000	-	400,000
Adjustments to Fair Value			
Balance at December 31, 2016	(399,999)	305,250	(94,749)
Adjustment for the year	-	(305,250)	(305,250)
Balance at December 31, 2017 and December 31, 2018	(399,999)	-	(399,999)
Fair Value			
At December 31, 2017 and December 31, 2018	$ 1	$ -	$ 1

(Expressed in Canadian Dollars)

7. PROPERTY AND EQUIPMENT

	Equipment	Computers	Software	Leasehold improvement	Total
Cost					
December 31, 2016 and 2017	$ -	$ -	$ -	$ -	$ -
Business acquisition (Note 3)	32,720	18,927	497	53,766	105,910
Additions	1,806	1,381	-	-	3,187
Balance at December 31, 2018	$ 34,526	$ 20,308	$ 497	$ 53,766	$ 109,097
Accumulated Amortization					
December 31, 2016 and 2017	$ -	$ -	$ -	$ -	$ -
Amortization	3,272	5,765	137	5,376	14,550
Balance at December 31, 2018	$ 3,272	$ 5,765	$ 137	$ 5,376	$ 14,550
Net Book Value					
December 31, 2017	$ -	$ -	$ -	$ -	$ -
December 31, 2018	$ 31,254	$ 14,543	$ 360	$ 48,390	$ 94,547

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2018	December 31, 2017
Accounts payables (Note 10)	$ 392,832	$ 148,751
Accrued liabilities	82,020	15,000
Interest payable on convertible debentures *(Note 10)*	241,120	45,425
Accounts payables from discontinued operations	(88,639)	(73,856)
	$ 627,333	$ 135,320

9. CONVERTIBLE DEBENTURE

During the year ended December 2016, the Company issued a convertible debenture to the former sole shareholder of Clinicas, who is also a director of the Company. The debenture has a face value of $1,931,700 (US$1,500,000) which matures on June 21, 2021 (the "Maturity Date"). The debenture accrues interest at a rate of 8.5% per annum, calculated and paid annually. At the option of the debenture holder, the debenture shall be convertible at any time prior to the Maturity Date in whole into common shares of the Company at a price of $0.25 per common share.

On issuance, $880,845, attributed to the equity conversion features of the debenture was classified as an equity component of the convertible debenture. The debt component (calculated using an effective interest rate of 26.6%) will be accreted systematically to its face value over the term of the note by the recording of additional accretion expense. $149,913 accretion (2017 - $117,644), and $165,669 (2017 - $165,572) interest was recorded as expense for the year ended December 31, 2018.

As at December 31, 2018, the value of this loan was $1,451,786 (2017 - $1,189,180), which was recorded as a current liability, since this debt was forgiven subsequent to the year end, as part of the discontinued operation negotiations. (Note 11).

(Expressed in Canadian Dollars)

10. 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:

	December 31, 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 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 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).*

11. DISCONTINUED OPERATIONS

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).*

(Expressed in Canadian Dollars)

11. DISCONTINUED OPERATIONS (continued)

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)

12. SHARE CAPITAL

a) Authorized: unlimited common shares without par value

b) Share Capital:

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).

(Expressed in Canadian Dollars)

12. SHARE CAPITAL *(continued)*

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 years ended December 31, 2017 and 2018:

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

As at December 31, 2018, 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

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.

(Expressed in Canadian Dollars)

12. SHARE CAPITAL *(continued)*

e) Stock Options *(continued)*

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

13. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity (deficiency) as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach in its management of capital during the year.

14. FINANCIAL INSTRUMENTS

The Company's financial instrument consist of cash, accounts receivable, deposits on investments, accounts payable, amounts due from and to related parties, notes receivable, convertible notes receivable, 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 receivable, accounts payable, amounts due and from related parties, notes receivable and convertible notes receivable 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.

14. FINANCIAL INSTRUMENTS *(continued)*

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. As at December 31, 2018, the Company did not have sufficient cash on hand to meet its current liabilities, and will need to source different methods of financing.

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.

(Expressed in Canadian Dollars)

15. SEGMENTED INFORMATION

The Company operates in one industry, the healthcare industry, which is located in Canada and the Dominican Republic. Segmented geographical information is as follows:

	Canada		Dominican Republic		Total	
Assets						
As at December 31, 2018	$	6,423,328	$	-	$	6,423,328
As at December 31, 2017	$	410,810	$	-	$	410,810
Revenue for the year ended:						
December 31, 2018	$	1,201,548	$		$	1,201,548
December 31, 2017	$	-	$		$	
Net income (loss) for the year ended:						
December 31, 2018	$	(2,597,115)	$	(86,247)	$	(2,683,362)
December 31, 2017	$	(113,805)	$	(73,715)	$	(187,520)

16. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2018		2017
Gain (Loss) for the year	$	(2,683,362)	$	(187,520)
Computed income tax recovery at statutory rate of 26% (2017 – 26%)		(697,674)		(48,755)
Effect of taxes in foreign jurisdiction, and other		107,217		(108,217)
Permanent differences		243,457		(79,598)
Adjustments to prior year provision versus statutory tax return		-		(201,446)
Change in unrecognized deductible temporary differences		347,000		438,016
	$	-	$	-

The significant components of the Company's deferred income tax assets, which have not been recognized are as follows:

		2018		2017
Deferred income tax assets (liabilities):				
Debt with accretion	$	125,000	$	193,000
Non-capital losses carried forward		631,000		238,000
Marketable securities		52,000		52,000
Property and equipment		22,000		
Total unrecognized deferred income tax assets	$	830,000	$	483,000

16. INCOME TAX *(continued)*

As at December 31, 2018, the Company had approximately $2,425,000 in non-capital losses which expire between 2021 and 2038.

Tax attributes are subject to review, and potential adjustment, by tax authorities.

17. 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.