

Premier Health Group Inc.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three Month Period Ended March 31, 2018

(Stated in Canadian Dollars)

INTRODUCTION

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 (the "Arrangement").

Pursuant to the Arrangement Agreement, the Company issued 14,403,698 common shares to the Web Watcher shareholders.

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.

The Issuer acquired 1,000,000 shares of CENTRIC HEALTH CORP., symbol CHH on the TSX in consideration for 200,000 units for investment purposes, each unit consists of one share and one share purchase warrant (the "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.

On June 17, 2016, the Company completed acquisition (99.9%) of a multidisciplinary rehabilitation business located in Santiago, Dominican Republic: Premier Clinicas De Rehabilitacion Precer, S.R.L. ("PremierDR or 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 in the amount of US\$ 1,500,000. 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 C\$0.25 per share. The Company has the right to prepay any amount of the outstanding principal and the interest of the Promissory Note without a penalty before the due date of the Promissory Note. The Note is secured by a general security agreement.

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

Basis of Discussion & Analysis

This management's discussion and analysis ("MD&A") is dated as of June 22, 2018 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three month period ended March 31, 2018, and the related notes thereto. The condensed consolidated interim financial statements were prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and as such do not include all of the information required for full annual financial statements.. 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.

THE COMPANY AND BUSINESS

Background

PremierDR was incorporated in 2010 in the Dominican Republic by Brenda Rasmussen. PremierDR became a 99.99% owned subsidiary of Premier Health Group Inc., ("Premier Group") effective June 17, 2016, and the business of PremierDR has become the business of the Premier Group.

DISCONTINUED BUSINESS

Subsequent to December 31, 2017, on April 27, 2018 the Company entered into an agreement to divest some or all of its subsidiary in a Purchase Agreement (the "Purchase Agreement") to the Company's 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 may result in a change of control of the Company. On May 3, 2018 the Company announced it has offered to acquire HealthVue Ventures Ltd. ("HealthVue") a Canadian medical clinic. The terms of the Purchase Agreement with the CEO are disclosed under Proposed Transactions below and in Note 12 of the annual audited consolidated financial statements for the year ended December 31, 2017.

Under IFRS 5 a company is to classify a sale of a subsidiary as held for sale if it meets the criteria of being highly probable and expected to complete within one year. The sale of the Company's subsidiary is subject to any required regulatory and corporate approvals such as shareholder approval, and also is subject to the successful completion of the announced acquisition of Healthvue which further conditional on completion of due diligence and fulfillment of representations and warranties contained in the agreement. In the event the Healthvue acquisition doesn't proceed, the Company may seek another acquisition of comparable significance and accordingly the proposed sale of the subsidiary is considered highly probable and likely to occur within a year. The contemplated acquisition will become the major undertaking of the Company if completed. and will focus management attention on the operation of a larger domestic medical clinic operation and the original vendor of the Dominican clinic has negotiated the return of that operation on completion of the new acquisition.

The Purchase Agreement therefore constitutes a discontinued operation under accounting principles, involving the loss of control of Clinicas by the Company as at December 31, 2017 as described in Note 18 of the annual audited consolidated financial statements for the year ended December 31, 2017. As of the date of this Management Discussion and Analysis and subject to the conditions described above the actual sale of the Company's subsidiary has not occurred, and its occurrence is only considered highly probable, so the exiting business of the Company and management focus on the operations of the subsidiary remain unchanged. There is no assurance that the subsidiary will be sold as planned within a year or that the Healthvue acquisition will conclude as planned. The focus of this MD&A is the current business of the Company and there is limited information for detailed disclosure with respect to the proposed acquisition.

The Dominican Republic

The Dominican Republic (DR) is on the eastern two-thirds of the Hispaniola Island, the DR economy is the largest in the Caribbean and Central America. It is an upper-middle-income country, reliant on the service sector. To comply with the laws for foreign ownership the Company had to ensure at least one share was held by a DR citizen and the acquisition required approval by federal government officials in Canada and the DR.

The government of the DR recognized the importance of developing, modernizing and expanding the economy beyond its traditional reliance on tourism and low cost labour (Free Trade Zone assembly and manufacturing), and it has instituted numerous forms of legislation to achieve that end. By 2010 the majority of these legislative initiatives were in place.

The federal authority that regulates the Issuer's industry sector is the Ministry of Public Health and Social Assistance. Importantly for Premier DR, among the enabling legislation for business are the strengthening and reorganization of the government worker's compensation scheme ("ARL") (Spanish acronym for Administradora de Riesgos Laborales), and the introduction of mandatory vehicle and liability insurance. Unlike most North American worker's compensation programs, the ARL also covers the insured when travelling to and from work.

The legal system of the Dominican Republic is civil law. On October 23, 2007, Decree No. 610-07 placed DICOEX – the Directorate of Foreign Commerce of the then-Secretariat of State for Industry and Commerce –governs the enforcement of arbitration awards, arbitral agreements, and arbitration proceedings in the Dominican Republic all of which are available to foreign entities. There are no requirements that foreign equity be reduced over time or that technology be transferred according to defined terms. The government imposes no significant conditions on foreign investors concerning location, local content, foreign exchange or export requirements.

Premier DR

When the new government initiatives (discussed above) came into force, there was very little in the way of rehabilitation providers able to meet the increased demands and treatment outcomes required by the ARL or the vehicle insurers in the event of serious injury. After the founding and exit from health clinic company Alegro Health Corp. (Now Centric Health Corp. CHH: TSX), Brenda Rasmussen became aware of health care and rehabilitation opportunities in the DR which lead to the opening of the first rehabilitation clinic in 2011. The clinic is located in Santiago, the country's second largest city, with a population of 1,200,000. PremierDR operates with 21 staff and holds nation-wide contracts from the ARL and major Dominican insurance companies.

Premier Clinicas has completed construction of a new rented Rehabilitacion and Wellness Centre in Santiago. The new stand alone facility incorporates new technology with proven protocols to enable successful recovery. Premier's grand opening was held on March 14, 2018.

PremierDR's key competitors are hospital physiotherapy departments and a small number of sole practitioner treatment centres. PremierDR is a multidisciplinary rehabilitation clinic, using North American treatment methodologies, equipment and technology. In addition, PremierDR works in close consultation with the government workers compensation agency in regard to setting care standards.

Customer Base and Payment Schedules

In addition to the ARL contract which covers the entire country, revenues are generated from auto insurers, private payer patients, supplemental health care providers and professional athletes or their organizations. PremierDR also has nation-wide contracts with private insurers such as the major auto insurers.

Agreements

A Health Services Agreement was entered into with ARS Monumental S.A., on March 31, 2011 to provide health services and supplies covered by the Government's Basic Health Plan, workers compensation plans and permitted supplemental plans, in addition to services that are not covered by these plans but are still approved by the social services agency for coverage. This agreement is automatically renewable annually and remains current.

A Health Services Agreement was entered into with the Dominican Social Insurance Agency, on May 20, 2011, (in its capacity as the Health and Safety Workers Compensation Administrator). This agreement is automatically renewable annually and remains current.

On April 19, 2013 Premier DR entered into a contract for Administration of Complimentary Plans and Voluntary Prepaid and Special Complimentary Plans with ARS Humano S.A. which also carries an automatic renewal.

The operating agreements allow for regular inspection and critique of the clinics operation by the ARL. To date, the clinic's assessment and treatment methodologies have met or exceeded the Agencies requirements, as patient outcomes and cost/benefit factors are far superior to services that have been historically available in the DR.

SELECTED QUARTERLY INFORMATION

	Q1 2018 ⁽¹⁾	Q4 2017 ⁽¹⁾	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Revenue	(49,737)	(57,020)	(78,975)	(86,618)	(72,751)	(58,016)	(87,019)	(24,370)
Expenses	178,014	490,962	189,029	219,675	195,615	312,627	163,777	92,394
Other (income) expense	38,423	(28,685)	(80,446)	(155,369)	(347,791)	(188,491)	30,653	2,086,057
Net income (loss) for the period	(166,700)	(187,626)	(29,608)	22,312	224,927	(2,852)	(107,411)	(2,154,071)
Income (Loss) per common share	(0.00)	(0.01)	(0.00)	0.00	0.01	(0.00)	(0.00)	(0.11)
Total assets	343,082	410,810	805,916	830,948	868,521	758,806	576,254	518,731
Total liabilities	1,464,540	1,369,953	1,559,532	1,531,328	1,492,353	1,433,349	1,594,597	1,467,951
Dividends declared	-	-	-	-	-	-	-	-

⁽¹⁾ These amounts are shown including the revenues and expenses from the discontinued operations. For the three months ended March 31, 2018 the Company incurred a loss of \$166,700 as compared to net income of \$224,927 for the same period in 2017. The Company reported revenues for the three months ended March 31, 2018 of \$49,737 (2017: \$72,751) from the medical business. The net income for the period ended March 31, 2017 was mainly due from the sale of investments of \$337,400 held by the company.

SELECTED ANNUAL INFORMATION

	2017	2016	2015
Revenue	-	-	-
Expenses	726,204	305,866	25,540
Other (income) expense	(612,399)	1,838,036	-
Loss from discontinued operations	73,715	161,299	-
Net income (loss) for the period	(187,520)	(2,305,201)	(25,540)
Income (Loss) per common share	(0.02)	(0.17)	(255,40)
Total assets	410,810	758,806	4,699
Total liabilities	1,369,953	1,433,349	43,315
Dividends declared	-	-	-

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and as such do not include all of the information required for full annual financial statements..

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 March 31, 2018, the Company had current assets of \$72,565 and current liabilities of \$1,464,540. At March 31, 2018, the Company had working capital deficiency of \$1,391,975 compared to \$1,313,285 at December 31, 2017. Included in current liabilities is the debt portion of the five year term debenture of \$1,261,195 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 \$Nil in revenue compared to \$Nil for the period ended March 31, 2017. The net loss in the period included is mainly due to the non-cash expense of current accretion and interest of the debenture in the amount of \$73,541, management fees in the amount \$10,500 and professional fees in the amount of \$2,714. The other losses pertains foreign exchange loss of \$38,423 and loss from discontinued operations of \$36,993. The discontinued operation has generated \$49,737 in revenue compared to \$72,751 for the three month period ended March 31, 2018. The net loss in the period is mainly due to wages in the amount of \$33,135.

The amount of debenture outstanding as of March 31, 2018 is \$1,931,700 with \$880,845 recorded in equity, and the balance of \$1,261,195 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	
	March 31, 2018	March 31, 2017
	\$	\$
Cash (used in) /provided by:		
Net cash used in operating activities	(36,669)	(7,064)
Net cash (used in) provided by investing activities	(187,748)	163,750
Net cash provided by financing activities	224,429	26,344

Increase (decrease) in cash	12	183,030
Cash, beginning of period	451	15,509
Cash, ending of period	463	198,539

The Company had cash of \$463 at March 31, 2018 compared to \$198,539 at March 31, 2017. During the period ended March 31, 2018, the Company had cash outflows from operations of (\$36,669) compared to (\$7,064) in 2017.

Cash used in investing activities during the period ended March 31, 2018 was (\$187,748) as Premier Clinicas moved its operation to another location which resulted in the construction and equipment expense compared to \$163,750 for the period ended March 31, 2017 which was mainly due to the sale of investments held by the Company.

Cash provided by financing activities during the period ended March 31, 2018 was 224,429 due to advances to Premier Clinicas by the CEO, who is also a director and significant shareholder of the Company (the former sole shareholder of Clinicas) compared to cash provided by financing activities of \$26,344 for the period ended March 31, 2017 mainly due to related parties financing in 2018.

SELECTED QUARTERLY INFORMATION

	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30
	2018	2017	2017	2017	2017	2016	2016	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Financial results:								
Net income (loss)	(166,700)	(145,539)	(29,608)	22,312	224,927	(2,852)	(107,411)	(2,154,071)
Basic income (loss) per share	(0.00)	(0.00)	(0.00)	0.00	0.01	(0.00)	(0.00)	(0.11)

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:

Subsequent to March 31, 2018, the Company entered into a share purchase agreement (the "Purchase Agreement") with the Company's 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 may result in a change of control of the Company. The terms of the Purchase Agreement are 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 if 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. See Note 18 for potential acquisition and change of control.
- The Purchaser will forgive the convertible debenture of US \$1,500,000 and all accrued interest proportionally to the shares of Clinicas transferred (*Note 10*).

This Purchase Agreement constitutes a discontinued operation involving the loss of control of Clinicas by the Company as at December 31, 2017. As a result, all of the assets and liabilities of Clinicas have been classified as held-for-sale as at March 31, 2018. This resulted in a net liability of \$78,061 from discontinued operation as at March 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.

Revenues and expenses from Clinicas are as follows:

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	March 31, 2018	March 31, 2017
REVENUE	\$ 49,737	\$ 72,751
EXPENSES		
Advertising	7,108	6,980
Amortization (Note 7)	7,675	4,276
Leasehold improvements written off (Note 7)	8,243	-
Bank charges and interest	4,743	5,322
Consulting fees (Note 11)	3,504	4,858
Insurance	1,610	950
Office and Administration	6,545	8,984
Professional fees	4,647	6,411
Rent	-	19,247
Repair and maintenance	1,012	4,598
Wages and related expenses	33,135	37,219
Other expenses	8,508	9,406
Loss from discontinued operations	\$ (36,993)	\$ (35,500)

SHARE CAPITAL

a) Authorized: unlimited common shares without par value

(b) Issued and Outstanding: The Company has 34,944,031 common shares issued as of the date of this report.

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 10, 11).

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.

On May 9, 2016, the Company has cancelled 100 incorporation shares and issued 14,403,698 common shares to the Web Watcher Systems Ltd. Shareholders under the Plan of Arrangement (Note 1).

On May 9, 2016, pursuant to an agreement dated August 27, 2015 with Winston Ventures Inc. ("Winston") a company owned and controlled by Gary Brown, the Company issued 20,000,000 common shares to Winston in exchange for 4,000,000 shares of Moag Copper Gold Resources Inc. ("MOG").

On May 9, 2016, the Company issued 200,000 units in consideration for 1,000,000 shares of CENTRIC HEALTH CORP., symbol CHH on the TSX. Each unit consists of one share and one

share purchase warrant (the "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. Based on the trading value of CHH shares the value of the units is \$250,000.

On May 9, 2016, pursuant to a private placement agreement for \$200,000 dated February 5, 2016, the Company issued 133,333 units at a price of \$1.50 per unit. Each unit consists of one share and one share purchase warrant (the "Warrant") of the Company. Each warrant entitles 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.

(c) Share Purchase Warrants

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

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

As at March 31, 2018, no warrants were outstanding.

(d) Escrow Shares

As at March 31, 2018, the Company has 19,080,000 common shares held in escrow.

Escrow shares will be released as follows:

- 3,180,000 shares on May 28, 2018 and the same amount released each six months thereafter until the last 3,180,000 are released on May 17, 2020.

(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. As at March 31, 2018, no options were granted or outstanding.

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 March 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 March 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 March 31, 2018, the Company had net financial liabilities denominated in foreign currencies of approximately \$1,235,000. A 10% change in the value of the Dominican Peso versus the Canadian dollar would give rise to a gain or loss of approximately \$7,800, 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 \$119,000. 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:

	March 31, 2018	March 31, 2017
Management fees to the CFO	\$ 10,500	\$ 7,500
Administration fees paid to a company owned by the CFO	1,500	1,500
Rent paid to a company owned by the CFO	1,500	1,500
Consulting fees to the CEO, included in loss from discontinued operations (Note 12)	3,504	4,858
Accretion and interest expense on convertible debenture to the CEO (Note 10)	73,541	74,426

As at March 31, 2018, the Company had \$110,517 (December 31, 2017 - \$179,142) due from the CFO and a company owned by the CFO. The CFO is also a director of the Company. This amount will be repaid to the Company, commencing April 1, 2018 at \$5,000 per month; with the entire amount to be paid by October 1, 2019. Interest of 6.5% will be accrued.

As at March 31, 2018, \$60,000 (December 31, 2017 - \$45,000) has been recorded as a current asset, with the remaining \$50,517 (December 31, 2017 - \$134,142) recorded as a long-term asset..

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 CEO on the convertible debenture, and was purchased by certain shareholders of the Company, and then settled for shares. (Note 10).

As at March 31, 2018, the Company has a convertible debenture valued at \$1,261,195 (December 31, 2017 - \$1,189,180) to the CEO, who is also a director and significant shareholder of the Company. As at March 31, 2018 \$85,374 (December 31, 2017- \$45,425) of accrued interest on this debenture is included in accounts payable and accrued liabilities. During the period ended March 31, 2018, \$33,224 of accretion expense, and \$40,317 of interest expense, for a total of \$73,541 was recorded as accretion and interest expense (2017 - \$74,426). (Note 10).

As at March 31, 2018 and December 31, 2017, the Company had \$220,000./ receivable from a company partially owned by the CFO of the Company. As at December 31, 2017, this note had no terms of repayment. Subsequent to March 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.

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.

Competition

The rehabilitation market and expansion into medical tourism is highly competitive on both a local and a national level. The Issuer believes that the primary competitive factors in this market are:

- quality service and support;
- price;
- ability to comply with new and changing regulations;
- reputation and stability of the provider.

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 of the Issuer to be superior to competing services.

Limited Location

All of the Issuer's current and anticipated revenues will be derived from its existing Santiago clinic. Consequently, the Issuer's performance will depend on establishing market acceptance of its clinics and services, should it intend to open additional clinics in the same area or in another city. There can be no assurances that the Issuer will establish and maintain a position at the forefront of emerging service quality trends. Any reduction in anticipated future demand or anticipated future sales of these services or any increase in competition could have a material adverse effect on the Issuer's business prospects, operating results, or financial condition.

Dependency on Government Agency

While the ARL has been highly supportive of PremierDR in the past it is possible that this could change, and that the government legislation passed in recent years regarding the ARL and vehicle and liability insurance could be amended or replaced. A loss of ARL contracts and support or an unfavourable change in legislation concerning the ARL or insurance could have a material adverse effect on the Issuer's business prospects, operating results, or financial condition.

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

Subsequent to period end, the Company announced an agreement to return 51% of its subsidiary, Clinicas in the Dominican Republic to Brenda Rasmussen, Director and CEO of the Company, in consideration for a proportionate reduction in the convertible debenture held by Ms. Rasmussen issued on the original purchase of 99.9% of Clinicas (Note 12).

On May 4, 2018 the Company announced it had executed a letter of intent ("LOI") to acquire HealthVue Ventures Ltd. ("HealthVue") for \$1,000,000 in cash and \$3,000,000 in common shares of the Company, resulting in Healthvue shareholders receiving 12,000,000 common shares of the Company, with 10,800,000 of the shares being subject to voluntary escrow and released on certain dates to be determined. Closing of the transaction is subject to the execution of definitive documentation and any required regulatory approvals.

The Company also announced on May 4, 2018 that it intends to raise a minimum of \$3,500,000 million by private placement in consideration of 14,000,000 units of the Company at a price of \$0.25 per unit, with each unit consisting of one common share and one-half of one transferable share purchase warrant. Each full warrant will be exercisable for a period of 12 months from closing at a price of \$0.50.

On May 4, 2018 the Company was subject to a cease trade order by the BC Securities Commission for failure to file the annual audited statement for the year ended December 31, 2017. The Transactions announced in the week prior to the cease trade order may not proceed until the cease trade order is rescinded.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR website at www.sedar.com.