PREMIER DIVERSIFIED HOLDINGS INC.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2015

(Expressed in Canadian Dollars)

The following management discussion and analysis as of February 29, 2016 should be read in conjunction with the unaudited condensed consolidated interim financial statements of Premier Diversified Holdings Inc. (the "Company"), and the notes relating thereto, for the three months ended December 31, 2015, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial amounts are stated in Canadian currency unless stated otherwise. Additional information relating to the Company is filed on SEDAR at www.sedar.com.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management also ensures that information used internally or disclosed externally, including the consolidated financial statements and Management Discussing and Analysis ("MD&A"), is complete and reliable.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A, and in certain documents incorporated by reference in this MD&A, constitute "forward looking information" within the meaning of applicable Canadian securities laws. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", and similar expressions are often used to identify forward looking statements.

These statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events, and include, but are not limited to statements relating to the Company's objectives, priorities, strategies, actions, targets, expectations and outlook. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward looking statements. In evaluating these statements, a reader should specifically consider various factors - including the risks outlined in this MD&A under the heading "Risk Factors" which may cause actual results to differ materially from any forward looking statement.

The forward looking statements contained in this MD&A reflect management's current expectations and beliefs and are based upon certain assumptions that management believes to be reasonable based on the information currently available to management. Such assumptions include, but are not limited to, assumptions regarding: (i) general economic conditions; (ii) the expected actions of third parties; and (iii) the Company's future growth prospects and business opportunities. Should one or more of the risks or uncertainties identified in this MD&A materialize, or should the assumptions underlying the forward looking statements prove to be incorrect, then actual results may vary materially from those described in this MD&A.

Readers are cautioned not to place undue reliance on forward looking statements. Except as required by applicable securities laws, we do not intend, and do not assume any obligation, to update the forward looking statements contained in this MD&A.

HIGHLIGHTS

Corporate Activities

Throughout the first quarter of 2016, the Company continued to evaluate other potential investment and acquisition opportunities of public and private entities and their assets, in accordance with its Investment Policy (available on www.sedar.com).

The Company's subsidiaries, Premier Diagnostic Center (Vancouver) Inc. and Premier Diagnostic (Hong Kong) Inc., continued to generate revenue via provision of medical diagnostic services through clinics operated in, respectively, Canada and China.

On November 25, 2015, the Company formed a new Delaware subsidiary, Premier Diversified Holdings US Inc.

In the month of December 2015, the company's management focussed on activities related to the year-end financial reporting work and its annual audit. The management participated in interviews with the Canadian Business Journal, which profiled the Issuer in its December 2015 issue.

Burnaby Center

Since the Company's reorganization in April 2014, the Burnaby Center (the "Center") has experienced a significant increase in scan volumes and booked its first patient funded Alzheimer's scan (referred by the brain imaging research department at UBC in January 2015). The Company believes cooperation with the Alzheimer's community will benefit the Center and Alzheimer's research.

In August 2015, the Center was selected as a site for an Alzheimer's disease Phase III clinical trial using the drug Aducanumab. The study will last 2 to 4 years and will include over 3,000 PET/CT scans. Staff training in the study protocols and investigation to the suitability of our facility was performed on August 4. In the first quarter of 2016, the Center's management team continued participation in the Alzheimer's drug study via provision of PET/CT scanning services for Alzheimer's patients.

The Center has finished installing a contrast injector, received preliminary licensing approval and expects to begin Diagnostic CT with PET in March 2016.

China Operations

During the first quarter of 2016, the Company continued to generate revenue through the MRI clinic under a cooperative venture between the Company's Chinese subsidiary and the Military Police Hospital No. 3 in Beijing, and its management team in China continued to carry out activities in furtherance of proposed expansion plans to establish new Premier Diagnostic Centers in China, which the Issuer anticipates will provide PET/CT and/or MRI scans.

In October 2015, the Company's management team in China completed the establishment of a new wholly-owned foreign enterprise (WOFE) in the Shanghai Free Trade Zone. The new WOFE is 100% held by Premier Investment Hong Kong, a wholly-owned subsidiary of the Company. Although there is no official English name for the new WOFE according to China regulations, it is referred to by the Company as "Premier Investment Shanghai".

Investment Activities

Marketable Securities

In accordance with the Company's Investment Policy (available on www.sedar.com), one-third of cash assets were set aside in an investment account with ScotiaMcLeod shortly after the 2015 Annual General Meeting. The CEO of the Company, Sanjeev Parsad, has full discretion to allocate this capital into public market securities to generate the maximum return for shareholders of the Company. Due to the sensitive nature of the investment securities selected, in particular maintaining a competitive advantage over our peers, the Company will only disclose securities if it owns more than 10% of the outstanding shares of a specific investment.

The Company holds less than 20% of the outstanding common shares of each investment. The Company's investment in securities comprises common shares in publicly traded companies. The fair value is determined at each reporting date by reference to the closing price of these common shares.

Russell Breweries Inc. ("Russell")

On June 19, 2015, the Company entered into two share purchase agreements (the "Agreements") to acquire a total of 14,506,000 common shares ("Russell Shares") of Russell from two sellers in a private sale (the shares were purchased from a director and an entity that an officer and directors are involved with), and on June 24, 2015, it announced that the acquisition was completed. The Company issued a total of 5,802,400 common shares ("Premier Shares") with a deemed fair value of $870,360 to the sellers pursuant to the Agreements in payment for the Russell Shares, on the basis of one Premier Share for every 2.5 Russell Shares acquired. No cash was paid and no sales agent, broker, or other person received compensation in connection with the acquisition of the Russell Shares. The Premier Shares issued to the sellers are subject to resale restrictions. Upon completion of the share purchases, the Company became an insider of Russell, holding approximately 16.66% (the Company currently holds 17.52%) of the outstanding Russell Shares (on an undiluted basis) through a direct ownership interest.

On July 2, 2015, the Company acquired a total of 750,000 Russell Shares on the open market. As a result, the Company holds 15,256,000 Russell Shares, approximately 17.52% of the outstanding Russell shares (on an undiluted basis) through a direct ownership interest.

Two nominees of the Company were appointed to Russell's board on July 20, 2015., subject to approval of the TSX Venture Exchange. The Company's nominees were Sanjeev Parsad (current President and CEO of Premier) and Alnesh Mohan (current director of Premier). Mr. Parsad was appointed to the Compensation Committee and Mr. Mohan was appointed to the Audit Committee (Chair) of the Board of Directors of Russell.

Bentley Homes Limited Partnership ("BHLP")

On October 5, 2015, the Company acquired 7.50 units of BHLP for a total consideration of $375,000, paid in cash on September 30, 2015.

BHLP is a newly formed limited partnership which was formed for the purpose of acquiring a certain property development opportunity in Vancouver, British Columbia. BHLP intends to develop a four-unit residential housing complex on a lot located in an east Vancouver neighborhood. The development will be managed by BHLP's general partner, Bentley Homes Ltd., which is managed by a team from Kingswood Asset Management, a Vancouver-based real estate investment firm.

The Company acquired the units for investment purposes and will not be active in the management or operations of BHLP, Bentley Homes Ltd. or Kingswood Asset Management.

Sequant Re Holdings Limited ("SRHL")

On December 16, 2014, the Company completed the acquisition of 3,010,000 common shares of SRHL at USD$0.50 per common share for total aggregate consideration of USD$1,505,000.

During the three months ended December 31, 2015, SRHL issued 589,250 common shares of which 158,000 common shares were purchased by the Company for a total cost of US$316,000.

As at December 31, 2015, the Company holds a 33.04% interest in SRHL.

Subsequent to December 31, 2015, SRHL issued 263,000 common shares of which 158,000 common shares were purchased by the Company for a total cost of US$316,000; as a result of these transactions, the Company's interest in Sequent increased to 33.76%.

STRATEGY AND OUTLOOK

On April 21, 2015, the Company received final approval from the CSE to change its business from being a life sciences issuer to an investment issuer. As an investment issuer, the Company will seek a portfolio of investments in a wider range of industries and investments with a view to maximizing shareholder value. The Company intends to be engaged in the business of investing in and acquiring privately held and publicly traded companies, or the securities and/or assets of such companies. The Company may also act as a holding company (either directly or through a subsidiary) that may be active in the management of investee companies to varying degrees.

Summary of Investment Policy

The Company adopted a written Investment Policy to govern its investment activities. The Investment Policy provides, among other things, the investment objectives and strategy based on the fundamental principles set out below. A complete copy of the Investment Policy is available on SEDAR at www.sedar.com.

The Company intends to acquire equity, debt and any other investment structures or instruments that could be acquired or created. The Company may invest directly in public or private companies, partnerships or other legal entities. The Company may acquire an entity that is distressed, where a change of management or other restructuring is required to realize the value of that entity's assets. The Company may also engage in some activist investing where shareholder value is adversely affected by an entity's current board and management.

The Company intends to make investments of varying sizes and is not limited in this regard. Some of the Company's future investments may result in it holding a control position in a target entity. The Company may engage in equity or debt financing to fund future specific investments. There will not be a timeline imposed on the Company's proposed investments.

The Company intends to create a diverse investment portfolio, yet concentrated enough and structured in such a way as to not be deemed either an Investment Fund or Mutual Fund, as defined by applicable securities law, thereby avoiding the requirement to register as a fund or investment advisor. The Company may seek to serve as a lead agent or investor, in order to optimize due diligence and capital structure, as well as enable active monitoring of the investment. The Company may provide assistance to certain of its future portfolio companies which may involve, among other things, monitoring the operations of portfolio companies, participating in board and management meetings, consulting with and advising officers of portfolio companies, and providing other

organizational and financial guidance. The Company may receive merchant banking fees for these services and have all or some of its costs reimbursed.

The Company's intent is that up to 33% of its portfolio will be available to the CEO to allocate into North American public securities. The remaining 67% of the portfolio will be channelled through management for final approval from the Board. Management will select all investments for submission to the Board and monitor the investment portfolio on an ongoing basis, and will be subject to the direction of the Board. The Company's Investment Policy may be amended with approval from the Board.

Investment Objectives

The Company's investment objectives will be to seek a return from investment gains, interest income, dividend income, acquisition of other businesses, consultation fees and advisory services fees. The Company plans to reinvest the profits of its investments to further the growth and development of its investment portfolio or operating subsidiaries.

Investment Sector

The Company intends to target primarily North American private and publicly listed companies. If it invests in companies outside of North America, preference will be given to developed countries rather than emerging market jurisdictions. However, all countries are permissible depending on the risk assessment of the Board and management at the time the investment is made.

Future Investments

As at December 31, 2015, Premier has approximately $3.5 million in working capital currently available for future investments. Future investments may be subject to CSE approval and will be carried out in accordance with the Company's Investment Policy, as amended from time to time.

Following the Change of Business, the daily operations and corporate structure of the Company's current business remain largely unaffected. However, rather than being the Company's sole focus, the current business will be categorized as the business of investee companies of the Company, in which the Company has an active managerial role.

SELECTED INFORMATION

	For the three months ended		
	December 31, 2015	**December 31, 2014**	**December 31, 2013**
Total operating revenue	$ 394,492	$ 301,003	$ 53,960
Loss before other items	$ (267,887)	$ (363,435)	$ (189,905)
Net loss	$ (313,897)	$ (439,537)	$ (201,626)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)

	December 31, 2015	**September 30, 2015**	**September 30, 2014**
Total assets	$ 7,848,883	$ 8,190,881	$ 7,475,501
Total long-term financial liabilities	$ (534,683)	$ (567,106)	$ (687,447)
Total liabilities	$ (1,755,009)	$ (1,648,427)	$ (8,516,676)
Cash dividends declared per share	$ -	$ -	$ -

	Three months ended			
	December 31, 2015	**September 30, 2015**	**June 30, 2015**	**March 31, 2015**
Total revenue	$ 394,492	$ 428,598	$ 431,716	$ 336,149
Loss before other items	(267,887)	(504,283)	(342,241)	(249,958)
Net loss	(313,897)	(1,054,474)	(519,828)	(618,713)
Basic and diluted loss per share	(0.00)	(0.00)	(0.01)	(0.01)

	Three months ended			
	December 31, 2014	**September 30, 2014**	**June 30, 2014**	**March 31, 2014**
Total operating revenue	$ 301,003	$ (588,456)	$ 226,061	$ 137,528
Loss before other items	(363,435)	777,878	(219,261)	(368,711)
Net loss	(439,537)	759,846	(353,423)	(204,796)
Basic and diluted loss per share	(0.00)	(0.01)	(0.01)	(0.01)

The fluctuation in net loss on a quarterly basis is attributable to variations in various expense items, such as overall compensation, premises cost, professional fees and travel, which occur due to the administrative and fund raising activities occurring during a particular period and to the availability of funds in those periods to pay for those activities. There is no seasonality to these variations, nor are they indicative of any trend.

RESULTS OF OPERATIONS

Three Months Ended December 31, 2015 compared to Three Months Ended December 31, 2014

The net loss for the three months ended December 31, 2015 was $313,897 as compared to $439,537 for the three months ended December 31, 2014.

Revenue and Net Operating Loss

The Company's operations resulted in a net operating income of $20,464 during the three months ended December 31, 2015 compared to a net operating loss $108,463 during the three months ended December 31, 2014. This decrease is primarily due to the increase in revenue and the decrease in costs of goods sold and operating expenses.

Revenue and cost of goods sold with respect to the operation of the Premier Diagnostic Center in Burnaby, BC during the three months ended December 31, 2015 were $246,268 and $58,250, respectively (December 31, 2014 – $167,510 and $73,379, respectively) resulting in a gross margin for that facility's operation of $188,018 (December 31, 2014 – $94,131).

Revenue distributed from the joint venture MRI Center in China for the three months ended December 31, 2015 was $148,224 (RMB 710,316) compared to $133,493 (RMB 722,060) for the three months ended December 31, 2014. All other costs of the MRI Center in Beijing are expensed by the Beijing Hospital prior to determining the portion of joint venture net revenue allocated to the Company.

The number of scans from the Premier Diagnostic Center in Burnaby, BC and MRI Center in China during the three months ended December 31, 2015 were 71 and 2,046, respectively (December 31, 2014 – 51 and 2,735). The activities of the Premier Diagnostic Center in Burnaby, BC increased significantly during the three months ended December 31, 2015 compared to the three months ended December 31, 2014 as a result of the reopening of the clinic after upgrades and equipment servicing. Scan volumes in China are dependent on the underlying demand and ability of the hospital administration to generate physician requisitions.

Other operating costs decreased by $20,309, to $315,778 for the three months ended December 31, 2015, from $336,087 for the three months ended December 31, 2014. This resulted primarily from the decrease in the diagnostic center's rent which was partially offset by the increase in consulting fees. The Company hired a full time consultant in China to manage the Chinese operations at the beginning of the fiscal year; no such expenditure was incurred in the comparative period.

During the three months ended December 31, 2015 and 2014, the Company's employees and contractors were maintained at the minimum level of staffing necessary for the operation of scanning activities, operating primarily out of the Company-leased premises in Burnaby, and continued further plans to develop diagnostic facilities in Canada and China.

Corporate Expenses

Corporate expenses related to the raising of funds, acquiring activities, retention of staff and general administrative overhead in order for the Company to continue in business and further its plans to develop diagnostic facilities in Canada and China.

During the three months ended December 31, 2015, the Company incurred corporate expenses of $288,351 compared to $254,972 for the three months December 31, 2014. The increase in corporate expenses is primarily

due to the increase in the professional fees and salaries, wages and benefit which was partially offset by the decrease in consulting fees. These increases are primarily due to the increase in business activities.

Other Income (Expenses)

Other expenses for the three months ended December 31, 2015 were $46,010 compared to $76,102 for the three months ended December 31, 2014.

During the three months ended December 31, 2015, the Company recognized an unrealized gain and realized gain on marketable securities of $70,786 and $57,076, respectively, on marketable securities. During the three months ended, the Company received dividend income on marketable securities of $4,926. No such income or loss was recognized during the three months ended December 31, 2014.

During the three months ended December 31, 2015, the Company recognized a share of loss and dilution in associate of $249,527 compared to $20,357 for the three months ended December 31, 2014. The Company held 33.04% of the outstanding shares of SRHL as at December 31, 2015 giving it significant influence over SRHL's operations. The investment is being accounted for using the equity method and includes a pro-rata share of SRHL's transactions.

None of these variations in individual expense categories from previous periods were unusual or indicative of any trend with respect to the future when the Company expects to have more involvement in revenue-generating operations.

LIQUIDITY

As of December 31, 2015, the Company had cash and cash equivalents of $3,988,109 (September 30, 2015 – $3,793,345) and marketable securities of $586,811 (September 30, 2015 – $1,160,461). The Company had working capital at December 31, 2015 of $3,493,648 (September 30, 2015 – working capital of $3,943,516).

The Company's ability to generate sufficient amounts of cash in the short term to fund its ongoing development activities currently depends to a significant degree on outside capital as the Company's operating activities currently generate less revenue than the anticipated need. The source of investor funding is dependent on the network of, among other factors, contacts of the Company's principals and outside financial advisors and contractors. The Company is planning to increase its revenue-generating activities in 2016 from its present and anticipated new diagnostic facilities.

CAPITAL RESOURCES

At December 31, 2015, the Company has $534,683 of long term debt, and had 136,351,773 shares issued and outstanding ($567,106 of long term debt and 136,251,773 shares outstanding as at September 30, 2015).

The Company has no lines of credit or other sources of financing which have been arranged or are being negotiated. It also has no investments in asset-backed commercial paper.

No commitments for material capital expenditures exist for the Company at December 31, 2015.

The Company is dependent on raising additional funds from the issuance of shares, or possible loans, to meet its obligations and fund operations going forward.

OUTSTANDING SHARE DATA

At December 31, 2015, the Company had:

- 136,351,773 common shares issued and outstanding.
- Market capitalization of $23,179,801
- No warrants outstanding.
- 4,390,000 options outstanding.

As of the date of this MD&A, the Company had 136,351,773 shares and 4,390,000 options outstanding.

SUBSEQUENT EVENTS

Subsequent to December 31, 2015, SRHL issued 263,000 common shares of which 158,000 common shares were purchased by the Company for a total cost of US$316,000; as a result of these transactions, the Company's interest in Sequent increased to 33.76%.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Lease commitments

On July 31, 2009, the Company entered into a lease agreement to lease a premise located at 3185 Willingdon Green, Burnaby, BC for 124 months plus one day commencing on December 31, 2009 and expiring on April 30, 2020. The rentable area is approximately 6,145 square feet and is being utilized by the Company for a diagnostic clinic and the Company's administrative head office.

Fiscal year ended		
2016	**$**	**184,706**
2017		**245,616**
2018		**245,616**
2019		**245,616**
2020		**143,276**
	$	**1,064,830**

The Company is also responsible for the rent of 15 parking stalls, and its proportionate share of all real estate taxes, operating costs and utilities on a monthly basis, which are estimated to be at $13.36 per square foot.

The Company's subsidiary in Beijing China entered into a lease agreement with a one-year term from September 23, 2015 to September 22, 2016 for its office premises on September 18, 2015. The total lease commitment of this agreement for the fiscal year ended 2016 is $22,000 (RMB 102,000).

CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer have instituted a system of disclosure controls for the Company to ensure proper and complete disclosure of material information. All documents are circulated to responsible members of management and the board of directors according to the disclosure time-lines as required by regulators and under advisement by our legal counsel. The disclosure controls conforms to the Company's Corporate Governance policies.

The Chief Executive Officer and Chief Financial Officer have also designed internal controls over financial reporting, or caused them to be designed under their supervision, to provide reasonable assurance regarding the integrity and reliability of financial reporting information and the preparation of financial statements for external purposes in accordance with IFRS. The Chief Executive Officer and the Chief Financial Officer have concluded, based on an evaluation as of December 31, 2015, that the disclosure controls and procedures for the Company are effective to provide reasonable assurance that material information related to the Company is disseminated in a timely manner. It should be noted that while the Company's Chief Executive Officer and the Chief Financial Officer believe that the Company's disclosure controls and procedures provide a reasonable level of assurance that the system of internal control are effective, they do not guarantee that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements in place.

RELATED PARTY TRANSACTIONS

The financial statements include the accounts of the Company and its subsidiaries as listed in the following table:

		Percentage owned		
	Country of incorporation	**December 31, 2015**	**December 31, 2014**	**Reporting Date**
Premier Diagnostic Health Services (Vancouver) Inc.	Canada	100%	100%	September 30
Premier Diagnostic Center (Vancouver) Inc.	Canada	100%	100%	September 30
Premier Investment (Hong Kong) Ltd.	China	100%	N/A	December 31
Premier Diagnostic (Hong Kong) Ltd.	China	100%	100%	December 31
Premier Diagnostic (China) Corporation [(1)]	China	100%	100%	December 31
Premier Investment Shanghai [(2)]	China	100%	100%	December 31
Premier Diversified Holdings US Inc.	United States	100%	100%	December 31
IPET Montreal	Canada	100%	100%	September 30

(1) Premier Diagnostic (China) Corporation is 100% owned by Premier Diagnostic (Hong Kong) Ltd.
(2) Premier Diagnostic (China) Corporation also known as Beijing Premier International Medical Equipment Technology Services Ltd.
(3) Premier Investment Shanghai is 100% owned by Premier Investment (Hong Kong) Ltd.

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

Related party transactions and key management compensation

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined its key management personnel to be executive and non-executive officers and directors of the Company.

The remuneration, including share-based payments, of key management personnel during the three months ended December 31, 2015 and 2014 were as follows:

	For the three months ended	
	December 31, 2015	**December 31, 2014**
Salaries and benefits	**$ 65,250**	$ 52,640
Consulting fees [1]	**123,879**	54,199
Professional fees [2]	**29,603**	150,000
Share-based payments	**5,942**	15,397
	$ 224,674	$ 272,236

1) Consulting fees of $42,744 (December 31, 2014 – $nil) were paid to an accounting firm whose principal is a director of the Company.

2) Professional fees of $29,603 (December 31, 2014 – $150,000) were incurred to a law firm whose principal is a director of the Company.

a) Accounts payable and accrued liabilities includes $346,105 (September 30, 2015 – $251,333) due to directors, companies or businesses controlled by directors and companies related by common control and common directors.

b) As at December 31, 2015, a loan of $13,864 (September 30, 2015 – $9,864) was due from the former COO, who continues to act as a president of one of the Company's subsidiaries. The loan is non-interest bearing with no specific terms of repayment.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Financial instruments are classified into one of the five following categories: fair value through profit or loss, held-to-maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities.

Cash and cash equivalents, restricted cash, accounts receivable, and loan receivable are classified as loans and receivables. Their carrying value approximates fair value due to their limited time to maturity and readily available conversion of cash and cash equivalents to cash. Accounts payable and accrued liabilities and convertible debentures are classified as other financial liabilities. Their carrying values also approximate fair value due to their short term maturities.

Marketable securities are classified as fair value through profit or loss, and investments is classified as available-for-sale. Other long term liability is designated as fair value through profit and loss.

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1	quoted prices in active markets for identical assets or liabilities;
Level 2	inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and
Level 3	inputs for the asset or liability that are not based upon observable market data.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies.

The levels of the fair value inputs used in determining estimated fair value of the Company's financial assets at fair value through profit or loss, and available for sale financial instruments as at December 31, 2015, is shown below.

		Estimated fair values		
	December 31, 2015	**Level 1**	**Level 2**	**Level 3**
Marketable securities	$ 586,811	$ 586,811	$ -	$ -
Investments	1,137,800	762,800	-	375,000
Other long term liability [1]	(534,683)	-	-	(534,683)
	$ 1,189,928	**$ 1,349,611**	**$ -**	**$ (159,683)**

1) For details of the movement in other long term liability, the Company's other Level 3 financial asset, refer to the audited consolidated financial statements for the year ended September 30, 2015.

Level 3 inputs for other long term liability include the use of a discounted cash flow model. Estimates are made regarding (i) future cash flows which are driven by historical information, and (ii) the discount rate used. Level 3 inputs in determining the fair value of investments includes estimates in assessing for indicators of impairment. At December 31, 2015, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 2 in the fair value hierarchy above.

Financial risk management

The Company's operations consist of providing health services in Canada and China. The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of being affected by these risks, which may include credit risk, liquidity risk, interest rate risk, currency risk and other price risks. When material, these risks are also reviewed and monitored by the Board of Directors.

Credit Risk

Credit risk is the loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is attributable to liquid holdings with a local Chinese bank, the carrying value of accounts receivable, and a loan receivable from a related company. Management believes that the credit risk concentration with respect to financial instruments above is remote with respect to is liquid holdings at the Chinese bank as the funds are easily accessible, accounts receivable as these are amounts due in relation to the MRI revenue sharing arrangement in which there has no be history of non-payment. The risk with loan receivable is equals the amount of its carrying value.

Liquidity Risk

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, 2015, the Company had a working capital of $3,493,648. Included in cash and cash equivalents are funds invested in China which are subject to liquidity risk as any funds to be withdrawn from the entity will be subject to various approvals. The Company will continue to raise additional capital through future private placements and public offerings.

Market Risk

The significant market risk exposure to which the Company is exposed are interest rate risk, currency risk and other price risk. The Company has a significant interest in a Company in China and two subsidiaries in Hong Kong. All funds maintained by the entity are subject to foreign currency fluctuation and the bank account earns interest income at variable rates.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are held mainly in high yield saving accounts and term deposits and therefore there is currently minimal interest rate risk. Because of the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as at December 31, 2015. As at December 31, 2015, the Company does not hold any variable interest-bearing debt.

The Company's interest rate risk principally arises from the interest rate impact of interest earned on cash and cash equivalents. A 1% change in interest rates on cash and cash equivalents outstanding at December 31, 2015, would result in a $39,881 change to the Company's net loss for the three months ended December 31, 2015.

Currency risk

Currency risk is the risk of loss due to fluctuation of foreign exchange rates and the effects of these fluctuations on foreign currency denominated monetary assets and liabilities.

The Company had the following balances of monetary assets and liabilities in different currencies as at December 31, 2015:

	in CAD	in USD	in RMB	in HKD
Cash and cash equivalents	$ 2,884,560	$ 547,653	$ 1,606,695	$ 3,031
Restricted cash	-	-	-	-
Marketable securities	-	423,110	-	-
Accounts receivable	1,162	-	412,163	-
Loan receivable	13,864	-	-	-
Investments	1,137,800	-	-	-
Accounts payable and accrued liabilities	(471,023)	-	(21,774)	-
Accrued liability	(121,063)	(3,600)	(976,563)	-
Convertible debentures	(410,063)	-	-	-
Other long term liability	-	-	(2,503,199)	-
Total foreign currencies	**3,035,238**	**967,163**	**(1,482,678)**	**3,031**
Foreign currency rate	1.000	1.3869	0.2136	0.1789
Equivalent to Canadian dollars	**$ 3,035,238**	**$ 1,341,358**	**$ (316,700)**	**$ 542**

A change in the value of the US dollar by 10% relative to the Canadian dollar would affect the Company's US dollar monetary assets and liabilities by approximately $134,136.

A change in the value of the RMB dollar by 10% relative to the Canadian dollar would affect the Company's RMB dollar monetary assets and liabilities by approximately $31,670.

A change in the value of the HKD dollar by 10% relative to the Canadian dollar would affect the Company's HKD dollar monetary assets and liabilities by approximately $54.

The Company does not invest in derivatives to mitigate these risks.

In addition, as the functional currency of China (RMB) and Hong Kong's (HKD) operations is different with the Company (CAD), any non-monetary assets and liabilities in China and Hong Kong subject the Company to foreign currency fluctuations which may adversely affect the Company's financial position, results of operations and cash flows.

Other price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers the items included in shareholders' equity (deficiency) and debt financing as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. Cash and cash equivalents consist of cash at a major Canadian chartered bank and at a major Chinese bank. Cash and cash equivalents with the Canadian chartered bank is insured by the Canadian Deposit Insurance Corporation (CDIC).

There were no changes to the Company's approach to the management of capital for the three months ended December 31, 2015. The Company is not subject to externally imposed capital requirements.

NEW ACCOUNTING STANDARDS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2015. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 14 – New standard to specify the financial reporting requirements for regulatory deferral account balances that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation., effective for annual periods beginning on or after January 1, 2016.

- IFRS 9 – New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

- IFRS 15 - New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2017.

RISKS AND UNCERTAINTIES

The Company's new business as an Investment Issuer will be subject to a number of significant risk factors, and an investment in the Company will involve a high degree of risk. Investors should carefully consider each of such risks and before investing in the Company. The success of the Company will depend entirely on the expertise, ability, judgment, discretion, integrity and good faith of its management.

The risks consist of:

- ***No Operating History as an Investment Issuer***

  The Company does not have any record of operating as an Investment Issuer. As such, upon completion of the Change of Business, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that the Company will not achieve its financial objectives as estimated by the Management. Furthermore, past successes of the Management or the Board in other ventures does not guarantee future success.

- ***Risks of Competition***

  The Company will face competition from other capital providers, all of which compete with it for investment opportunities. These competitors may limit the Company's opportunities to acquire interests in investments that are attractive to the Company. The Company may be required to invest otherwise than in accordance with its Investment Policy and strategy in order to meet its investment objectives. If the Company is required to invest other than in accordance with its Investment Policy and strategy, its ability to achieve its desired rates of return on its investments may be adversely affected.

- ***Risks of Fluctuations in the Value of the Company and the Common Shares***

  The net asset value of the Company and market value of the Common Shares will fluctuate with changes in the market value of the Company's investments. Such changes in value may occur as the result of various factors, including general economic and market conditions, the performance of corporations whose securities are part of the Company's investment portfolio and changes in interest rates which may affect the value of interest-bearing securities owned by the Company. There can be no assurance that Shareholders will realize any gains from their investment in the Company and may lose their entire investment.

- ***Dividends***

  To date, the Company has not paid dividends on any of its Common Shares and the Company is not required to pay any dividends on its Common Shares in the foreseeable future. Any decision to pay dividends will be made on the basis of the Company's earnings, financial requirements and other conditions.

- ***Due Diligence***

  The due diligence process undertaken by the Company in connection with investments that it makes or wishes to make may not reveal all relevant facts in connection with an investment. Before making investments, the Company will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence investigations, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence investigations and making an assessment regarding an investment, the Company will rely on resources available, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence investigations that are carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

- ***Currency Risk***

  Some of the Company's assets may be invested in foreign securities. Consequently, the Canadian dollar equivalent of the Company's net denominated assets and dividends would be adversely affected by reductions in the value of the applicable foreign currencies relative to the Canadian dollar and would be positively affected by increases in the value of the applicable foreign currencies relative to the Canadian dollar.

- ***Foreign Investment Risks***

  Foreign investments made by the Company may be subject to political risks, risks associated with changes in foreign exchange rates, foreign exchange control risks and other similar risks.

- ***Risk of Lack of Diversification of Investments***

  Investments concentrated in specific sectors are generally more volatile than the overall market. Investing in only specific sectors of the stock market entails greater risk (and greater potential reward) than investing in all sectors of the stock market. If a sector declines or falls out of favour, the share values of most or all of the corporations in that sector will generally fall faster than the market as a whole. The opposite is also true.

- ***Commodity Risk***

  The Company may invest in sectors that are very sensitive to the fluctuations of commodity prices.

- ***Equity Market Risk***

  The price of the equity securities in which the Company may invest are influenced by the issuing corporation's outlook, market activity and regional, national and international economic conditions. When the economy is expanding, the outlook for many corporations is equally promising, and the value of their equity securities should rise in agreement. The opposite is also true. Typically, the greater the potential reward, the greater the potential risk. For small corporations and corporations in the emerging sectors the risk and reward ratio is usually greater. Equity-related securities, which give indirect exposure to the equity value of a corporation, such as warrants and convertible securities, can also be affected by this equity risk.

- ***Private Corporation Risks***

  Investments in private corporations cannot be resold without a prospectus, an available prospectus exemption or an appropriate ruling under relevant securities legislation. Even if they can be sold, there may not be a market for such securities. This may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private corporations may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. The process of valuing investments in private corporations will inevitably be based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments.

- ***Risk of Dilution from Possible Future Offerings***

  The Company may issue additional securities from time-to-time to raise funding for its business and such issuances may be dilutive to Shareholders.

- ***Risks of Investment in Illiquid Securities***

  There is a possibility that the Company will be unable to dispose of illiquid held in its portfolio and if the Company is unable to dispose of some or all of the Company's investments at the appropriate time, a return on such investment may not be realized.

- ***Loss of Investment Risk***

  An investment in the Company is speculative and may result in the loss of a substantial portion of an investor's investment. Only potential investors who are experienced in high risk investments and who can afford to lose a substantial portion of their investment should consider an investment in the Company.

- ***No Guaranteed Return Risk***

  There is no guarantee that an investment in the Company will earn any positive return in the short term or long term.

- ***Reliance on Management Risk***

  Investors will be dependent on the Management and evaluation capabilities of the CEO with Board oversight for investment decisions as explained in the Company's Investment Policy. Investors not willing to rely on the Management and judgment of the Board should not invest in the Company.

- ***Reliance on Key Consultants Risk***

  The Company may be dependent on consultants for evaluations of some of its investment opportunities. There can be no assurance such consultants will remain retained by the Company or be available as and when needed.

- ***Market Disruption Risks***

  War and occupation, terrorism and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events could also have an acute effect on individual corporations or related groups of corporations. These risks could also adversely affect securities markets, inflation and other factors relating to the securities that would

be held from time to time. Such events could, directly or indirectly, have a material effect on the prospects of the Company and the value of the securities in its investment portfolio.

- ***Conflicts of Interest***

  Some of the directors, officers, promoters and other members of the management of the Company may, now and in the future, act as directors, officers, promoters and members of management of other companies. There is no guarantee that, while performing their duties with respect to the Company, the directors, officers and promoters will not find themselves in situations that may give rise to conflicts of interest. There is no guarantee that such conflicts will be resolved in a manner favourable to the Company. The Company is currently developing a conflict of interest policy.

  The directors and officers of the Company are aware of existing legislation providing for directors' liability with respect to favourable business opportunities for the applicable company and requiring directors and officers to disclose any conflicts of interest. They are also aware that the Company will avail itself of the aforesaid legislation with respect to any conflicts of interest involving its directors and officers or with respect to such directors' and officers' failure to fulfill their duties.

- ***Risks Related to Premier as a Going Concern***

  The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company has raised capital through various private placements and proposes to continue to do so through future private placements and public offerings. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain adequate additional financing, management may be required to curtail or cease some or all of the Company's operations.

- ***Investment in SRHL - No Operating History and Expected Losses***

  The Company's current investment in SRHL has no operating history and expects to make significant investments in order to build infrastructure, operations and develop its services. Start-up operating losses are expected and such losses may be greater than anticipated, which could have a significant adverse effect on the long-term viability of the Company.

Additional risk factors related to the Company's operations can be found in the Company's Management Information Circular filed on Sedar (www.sedar.com) on March 3, 2015.

Currently, the Company is operating medical diagnostic imaging centers in Canada and China. This operation is exposed to a number of risks and uncertainties that are common to the industry. The following is a summary of certain risk factors which have or are reasonably likely to have an effect on the Company's financial statements and financial condition. In addition to those stated below, other risks are also discussed elsewhere in this document.

- ***Additional Funding Requirements***

  The Company is reliant upon additional equity financing in order to continue its businesses and operations. There is no guarantee that future sources of funding will be available to Premier. If the Company is not able to raise additional equity funding in the future it may be unable to continue all its businesses.

- ***Negative Operating Cash Flows***

  As the Company continues to ramp up its Burnaby clinic operations, it may continue to have negative operating cash flows until the clinic is running optimally. Without the injection of further capital and the development of further revenue streams from its business, the Company may continue to have negative operating cash flows until it has fully developed its market.

- ***Litigation Risks***

  Litigation and legal matters include our ability to successfully defend potential actions against us and legal compliance complexity domestically and in foreign jurisdictions.

- ***Intellectual Property Rights***

  The Company's success could depend on its ability to protect its intellectual property, including trade secrets, and continue its operations without infringing the proprietary rights of third parties and without having its own rights infringed.

- ***Uncertainty Regarding Penetration of the Target Market***

  The commercial success of the Company's business as compared with those of its competitors depends on its acceptance by potential users and the medical community. Market acceptance will largely depend on the reputation of the Company, its marketing strategy, patient and physician services and performance. The Company's success will depend on such factors as its ability to maintain and expand its network of facilities and its patient numbers. The Company will need to expand its marketing and sales operations and establish business relations with suppliers and users in a timely manner. The Company may not be able to achieve these needs so as to meet its projections, or at all.

  In order to meet its business objectives, the Company will have to ensure that its facilities and services are safe, reliable and cost-effective, and bring the expected return. There can be no assurance that the Company's services will be accepted and recommended. Failure of the Company's business to achieve significant acceptance in the market will have an adverse effect on the Company's financial statements and operating results.

- ***Competition, Technological Obsolescence***

  The diagnostic imaging device industry is competitive. Others in the field may have significantly more financial, technical, distribution and marketing resources. Technological progress and product development may cause the Company's services to become obsolete or may reduce their market acceptance.

- ***Operating History and Expected Losses***

  The Company expects to make significant investments in order to develop its services, increase marketing efforts, improve its operations, conduct research and development and major servicing to the Burnaby PET/CT scanner in 2016. Start-up operating losses are expected and such losses may be greater than anticipated, which could have a significant adverse effect on the long-term viability of the Company.

- ***Reliance on Joint Ventures, Licence Assignors and Other Parties***

  The nature of the Company's operations requires it to enter into various agreements with joint venturers, hospitals and other medical facilities, medical equipment suppliers in the business world, government agencies, licensors, licensees, and other parties for the successful operation of its businesses and the successful marketing of its services.

  There is no guarantee that those with whom the Company needs to deal will not adopt other technologies or that they will not develop alternative business strategies, acting either alone or in conjunction with other parties, including the Company's competitors, in preference to those of the Company.

- ***Growth Management***

  In executing the Company's business plan for the future, there will be significant pressure on management, operations and technical resources. The Company anticipates that its operating and personnel costs will increase in the future. In order to manage its growth, the Company will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties. There is no guarantee that the Company will be able to successfully manage the growth of its business.

- ***Regulatory Risks***

  Diagnostic imaging clinics are subject to a number of technological challenges and requirements, and will be subject to the regulations and standards imposed by applicable regulatory agencies. There can be no assurance that the Company will be able to comply with all regulations concerning its businesses.

- ***Potential Liability***

  The Company is subject to the risk of potential liability claims with respect to its diagnostic imaging business. Should such claims be successful, plaintiffs could be awarded significant amounts of damages, which could exceed the limits of any liability insurance policies held by the Company. There is no guarantee that the Company will be able to obtain, maintain in effect or increase any such insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide the Company with adequate protection against potential liability.

- ***Potential Fluctuations in Yearly Results***

  The Company anticipates significant future fluctuations in its quarterly operating results caused by a number of factors, including: (i) the rate at which the diagnostic imaging industry is developing; (ii) fluctuating development and other operating costs that are necessary for future growth; (iii) competition; (iv) general economic conditions; and (v) obtaining the necessary funds to expand operations. Consequently, the Company is of the opinion that operating results comparisons will not necessarily be meaningful and that such comparisons should not be relied upon in order to assess future returns.

- ***Activities in China***

  The Company's services and capital expenditures will relate materially to its activities in China. The Company plans to continue to increase these activities. In general, international commercial activities entail certain risks, including but not limited to country risk and foreign exchange risk. The key to success is to operate locally with international standards and best practices.

The healthcare sector in China is heavily regulated. The Company's business, financial condition, results of operations and prospects is however less affected by economic, political and legal developments in China given its size of business, ability in structuring deals and business agility.

The Chinese government continues to encourage private and foreign investments into the healthcare sector. This further expands the target market for the Company. The Company is exploring to replicate its existing successful model in public hospitals, as well as the fast growing private and foreign funded hospitals. The restrictive measures in procurement, installation and operation of large medical equipment are relaxing in private and foreign invested hospitals. As a result, it is reasonable to anticipate increasing competition.

China is sweeping corruption nationwide in all sectors and levels. This, in general, is favorable to the Company due to such high levels of compliance requirements.