



**PREMIER HEALTH GROUP INC.**  
(the “Company” or “PHGI”)

**Form 51-102F6V**  
**STATEMENT OF EXECUTIVE COMPENSATION**  
**(for the year ended December 31, 2017 and December 31, 2018)**

The following information is presented in accordance with National Instrument Form 51-102F6V – Statement of Executive Compensation – Venture Issuers (“**Statement**”) of Premier Health Group Inc. for the financial year ended **December 31, 2017** and **December 31, 2018**. All amounts represented in this form are in Canadian dollars unless stated otherwise.

**GENERAL**

“**company**” or “**companies**” (other than the “Company” as defined above) includes other types of business organizations such as partnerships, trusts, controlled business entities and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**named executive officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

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Based on the foregoing definition, during the last completed fiscal year of the Company, the Company had two (2) NEOs, namely, **Essam Hamza**, CEO, **Mena Beshay**, CFO.

## Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company, for each of the Company's 2 most recent completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year Ended Dec 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Essam Hamza</b> <sup>(1)</sup> Director and CEO	2018	\$120,000	N/A	N/A	N/A	N/A	\$120,000
	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Yari Nieken</b> <sup>(2)</sup> Director and Former Interim CEO	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brenda Rasmussen</b> <sup>(3)</sup> Director and Former CEO	2018	\$16,518	N/A	N/A	N/A	N/A	\$16,518
	2017	\$15,806	N/A	N/A	N/A	N/A	\$15,806
	2016	\$9,487	N/A	N/A	N/A	N/A	\$9,487
<b>Donald Gordon</b> <sup>(4)</sup> Director and Former CFO	2018	\$47,242	N/A	N/A	N/A	N/A	\$47,242
	2017	\$223,750	N/A	N/A	N/A	N/A	\$223,750
	2016	\$38,500	N/A	N/A	N/A	N/A	\$38,500
<b>Katherine Badali</b> <sup>(5)</sup> Former Director	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brian Peterson</b> <sup>(6)</sup> Former Director	2018	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mena Beshay</b> <sup>(7)</sup> CFO	2018	\$25,000	N/A	N/A	N/A	N/A	\$25,000
	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A

### Notes

1. Essam Hamza was appointed a Director of the Company on August 2, 2018 and was appointed as CEO on August 31, 2018.

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2. Yari Nieken was appointed as Interim CEO of the Company on July 6, 2018 and resigned as Interim CEO on August 31, 2018. He was appointed a Director of the Company on July 13, 2018.
3. Brenda Rasmussen was appointed as a Director and CEO on February 4, 2016. Brenda Rasmussen resigned as CEO on July 6, 2018 and resigned as Director on May 16, 2019.
4. Donald Gordon was appointed Director and CFO of the Company on September 19, 2013. Donald Gordon resigned as CFO on January 25, 2019.
5. Katherine Baldali was appointed a Director of the Company on February 4, 2016 and resigned as a Director on August 2, 2018.
6. Brian Peterson was appointed a Director of the Company on September 19, 2013 and resigned as a Director on February 20, 2018.
7. Mena Beshay was appointed CFO on January 25, 2019.

## External Management Companies

There are no management functions of the company which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

## Stock Options and Other Compensation Securities

There were no stock options or other compensation securities granted or issued to directors and NEOs by the Company or any subsidiary thereof in the year ended December 31, 2017. There were 1,400,000 stock options granted or issued to directors and NEO's by the Company in the year ended December 31, 2018.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
<b>Essam Hamza</b> <sup>(1)</sup> Director and CEO	Options	1,000,000 common shares	Aug 13, 2018	\$0.50	\$0.50	\$0.90	Aug 13, 2023
<b>Yari Nieken</b> <sup>(2)</sup> Director and Former Interim CEO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brenda Rasmussen</b> <sup>(3)</sup> Director and Former CEO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Donald Gordon</b> <sup>(4)</sup> Director and Former CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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<b>Katherine Badali</b> <sup>(5)</sup> Former Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brian Peterson</b> <sup>(6)</sup> Former Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mena Beshay</b> <sup>(7)</sup> CFO	Options	400,000 common shares	Aug 13, 2018	\$0.50	\$0.50	\$0.90	Aug 13, 2023

Notes

1. Essam Hamza was appointed a Director of the Company on August 2, 2018 and was appointed as CEO on August 31, 2018.
2. Yari Nieken was appointed as Interim CEO of the Company on July 6, 2018 and resigned as Interim CEO on August 31, 2018. He was appointed a Director of the Company on July 13, 2018.
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7. Mena Beshay was appointed CFO on January 25, 2019.

### Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by directors and NEOs of the Company or any subsidiary thereof in the year ended December 31, 2017 and December 31, 2018.

### Stock Option Plans and Other Incentive Plans

The Board has adopted a rolling form of stock option plan whereby a maximum of 10% of the issued and outstanding PHGI Shares, from time to time, may be reserved for issuance pursuant to the exercise of incentive stock options (the “**PHGI Option Plan**”).

The options are non-assignable and non-transferable. Options granted under the PHGI Option Plan have a maximum term of five years and can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the PHGI Option Plan or within 90 days (or as otherwise determined by the Board) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee’s death.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the PHGI Option Plan or may terminate the PHGI Option Plan at any time.

The decision to grant options is made by the Board as a whole, and a grant is approved by directors’ resolutions or at a meeting of the Board. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

The following information is intended as a brief description of the PHGI Option Plan:

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1. The aggregate maximum number of options that may be granted under the Stock Option Plan at any one time is 10% of the number of common shares the Company has outstanding at the time of grant.
2. The term of any options granted under the Plan will be fixed by the Board at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
3. The exercise price of any options granted under the PHGI Option Plan will be determined by the Board, in its sole discretion, but shall not be less than the market price of the Company's stock as calculated on the date of the grant and the exercise price must not be less than the lowest price permitted by the applicable securities exchange, or if the PHGI Shares are not listed on any securities exchange, the exercise price may not be less than the fair market value of the PHGI Shares as may be determined by the Board on the day immediately preceding the date of the grant of such option.
4. The Board may, from time to time in its sole discretion, attach restrictions relating to the exercise of an option, including vesting provisions save and except any options granted to consultants performing investor relations activities must include a vesting schedule whereby the options must vest in stages over at least twelve months with not more than one-quarter vesting in any three-month period.
5. All options are non-assignable and non-transferrable.
6. No more than (i) 5% of the issued common shares may be granted to any one individual in any 12 month period; and (ii) no more than 2% of the issued common shares may be granted to a consultant, or an employee performing investor relations activities, in any 12 month period.
7. If the option holder ceases to be a director of the Company, then the option granted shall expire on no later than the 90<sup>th</sup> day following the date that the option holder ceases to be a director of the Company, subject to the terms and conditions set out in the PHGI Option Plan. If the option holder ceases to be an Employee or Consultant of the Company, then the option granted shall expire on the 30<sup>th</sup> day following the date the option holder ceases to be an Employee or Consultant, subject to the terms and conditions set out in the PHGI Option Plan. If the option holder is a Consultant or Employee engaged in performing investor relations activities and ceases to be an Employee or Consultant of the Company, then the option granted shall expire on the day the option holder ceases to be a Consultant or Employee subject to the terms and conditions set out in the PHGI Option Plan.
8. Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the option holder is an insider; (ii) any grant of options to insiders, within a 12 month period, exceeding 10% of the Company's issued common shares; and (iii) any grant of options to any one individual, within a 12 month period, exceeding 5% of the Company's issued common shares.
9. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's common shares.

As at December 31, 2018, there were 4,000,000 stock options outstanding leaving 2,116,403 common shares available for grant of further options under the Option Plan.

### **Employment, Consulting and Management Contracts**

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEO's or directors.

### **Oversight and Description of Director and NEO Compensation**

The primary goal of the Company's executive compensation program is to attract and retain the key executives necessary for the Company's long term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives. The key elements of the executive compensation program are: (i) base salary; (ii) potential annual incentive award; and (iii) incentive stock options. The directors are of the view that all elements of the total program should be considered, rather than any single element.

The Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, or such person acting in capacity of CEO of the Company, the directors and management, and for reviewing the recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

The Board of Directors periodically reviews the compensation paid to directors, officers, and management based on such factors as: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Company provides its executives may include a parking allowance or a fee for each board or Audit Committee meeting attended, to assist with their out-of-pocket costs, such benefits and perquisites as set out, respectively, in the "Table of compensation excluding compensation securities" above.

### **Pension Plan**

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.