

Form 45-106F6

British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
Premier Diagnostic Health Services Inc.
- the issuer's website address; and
www.premierdiagnostics.ca
- the address, telephone number and email address of the issuer's head office.
Suite 301-3185 Willingdon Green
Burnaby, B.C. V5G 4P3
Phone: 604.685.1620
ian.d.robertson@rnllp.ca

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Premier Diagnostic Health Services Inc. is a reporting issuer in British Columbia, Alberta, Manitoba and Ontario

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input checked="" type="checkbox"/> Other (describe) |
| | <u>Health Services</u> |

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

| Information about insiders and promoters | | | |
|--|--|---|---|
| Full name, municipality and country of principal residence | All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities) | Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution | Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$) |
| N/A | | | |

Details of distribution**Item 5: Distribution date**

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

Distribution date is October 2, 2014.

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;

Common shares of the Issuer

- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

A total of 34,108,028 Common shares were distributed.

- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

N/A

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

| Each Canadian and foreign jurisdiction where purchasers reside | Number of purchasers | Price per security (Canadian \$) ¹ | Total dollar value raised from purchasers in the jurisdiction (Canadian \$) |
|---|----------------------|---|---|
| British Columbia | 1 | Deemed price of \$0.18 | N/A Debt Settlement |
| British Columbia | 11 | \$0.18 | \$1,896,812 |
| Alberta | 1 | \$0.18 | \$108,000 |
| Saskatchewan | 2 | \$0.18 | \$261,000 |
| Ontario | 5 | \$0.18 | 1,324,000 |
| USA | 18 | \$0.18 | \$2,273,334.61 |
| United Kingdom | 1 | \$0.18 | \$21,600 |
| Cayman Islands | 1 | \$0.18 | \$180,000 |
| Total number of Purchasers | 40 | | |
| Total dollar value of distribution in all jurisdictions (Canadian \$) | | | \$6,064,746.61 |

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

| Information about non-individual purchasers | | | | | |
|---|---|---|------------------------------------|--|-----------------------------------|
| Full name and address of purchaser and name and telephone number of a contact person | Indicate if the purchaser is an insider (I) of the issuer or a registrant (R) | Number and type of securities purchased | Total purchase price (Canadian \$) | Exemption relied on | Date of distribution (yyyy-mm-dd) |
| DLR Capital Corporation 1350-650 West Georgia Street Vancouver, B.C. V6B 4N8 Attn: Ian D. Robertson (604) 685.1620 | I | 415,000 Common shares | N/A Debt Settlement | Securities for debt, Section 2.14, National Instrument 45-106 | 2014-10-02 |
| Ampersand Financial 509 Commissioners Road West Suite 217 London Ontario N6J 1Y5 Attn: David Hair (519) 663-9322 | N/A | 1,000,000 Common shares | \$180,000 | Accredited Investor, section 2.3 National Instrument 45-106 | 2014-10-02 |
| MPIC Canadian LP 1350-650 West Georgia St. Vancouver, B.C. V6B 4N8 Attn: Sanjeev Parsad (604) 612-3965 | I | 1,388,888 Common shares | \$250,000 | Minimum investment amount, section 2.10 National Instrument 45-106 | 2014-10-02 |

| Information about non-individual purchasers | | | | | |
|--|---|---|------------------------------------|--|-----------------------------------|
| Full name and address of purchaser and name and telephone number of a contact person | Indicate if the purchaser is an insider (I) of the issuer or a registrant (R) | Number and type of securities purchased | Total purchase price (Canadian \$) | Exemption relied on | Date of distribution (yyyy-mm-dd) |
| MPIC Fund 1, LP 1350-650 West Georgia St. Vancouver, B.C. V6B 4N8 Attn: Sanjeev Parsad (604) 612-3965 | I | 6,944,444 Common shares | \$1,250,000 | Minimum investment amount, section 2.10 National Instrument 45-106 | 2014-10-02 |
| Tana Ventures Ltd. 10 Warwick Ave Burnaby, B.C. V5B 3X3 Attn: Kieran Nair (778) 835-6095 | N/A | 250,000 Common shares | \$45,000 | Accredited Investor, section 2.3 National Instrument 45-106 | 2014-10-02 |
| Kiefer Family Revocable Trust 2/1/1994 7266 Falls Rd E., Boynton Beach, FL 33437 USA 33437 USA Attn: Carl & Adele Kiefer (561) 736-5116 | N/A | 1,828,258 Common shares | \$329,086.57 | Minimum investment amount, section 2.10 National Instrument 45-106 | 2014-10-02 |
| Raino Zoller & Holly Ponath Living Trust 194 Skylark Dr. Boise, ID 83702 USA Attn: Raino Zoller & Holly Ponath (208) 863-5367 | N/A | 675,796 Common shares | \$121,643.41 | US Accredited Investor | 2014-10-02 |

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

| Full name and address of the person being compensated | Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R) | Compensation paid or to be paid (cash and/or securities) | | | | |
|---|--|--|--------------------------------------|-------------------------------------|--|---|
| | | Cash (Canadian \$) | Securities | | | Total dollar value of compensation (Canadian \$) |
| | | | Number and type of securities issued | Price per security (Canadian \$) | Exemption relied on and date of distribution (yyyy-mm-dd) | |
| N/A | | | | | | |

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: October 8, 2014

Premier Diagnostic Health Services Inc.

Name of issuer (please print)

Ian D. Robertson, Director 604.685.1620

Print name, title and telephone number of person signing

Ian D. Robertson

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you

have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

Telephone: (604) 899-6500

Toll free across Canada: 1-800-373-6393

Facsimile: (604) 899-6581