

ALTERNATE HEALTH CORP.
(FORMERLY 1017344 BC Ltd.)
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

General

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented here.

This management discussion and analysis of financial position and results of operations (“**MD&A**”) is prepared as at April 28, 2016 and should be read in conjunction with the December 31, 2015 audited financial statements and related notes of Alternate Health Corp. (“**AHC**” or the “**Company**”). These financial statements, including comparatives, have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the IFRS Interpretations Committee (“**IFRIC**”).

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis (“**MD&A**”), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, capitalization requirements.

DATE OF MD&A

This MD&A was prepared on **April 28, 2016.**

OVERVIEW

Description of Business

The Company was incorporated under the Business Corporations Act (British Columbia) on October 26, 2014.

As a result of a Plan of Arrangement described below the Company became a reporting issuer in the provinces of British Columbia and Alberta in April 2015 and has agreed to do a share exchange with Alternate Health Inc. as described below.

Plan of Arrangement

On October 29, 2014, the Company entered into an Arrangement Agreement with Riske Capital Corp. (“**Riske**”). Riske is a reporting issuer in the provinces of Alberta and British Columbia.

Final Court Order approving the Arrangement was received by Riske on December 3, 2014. Under the terms of the Arrangement: (i) Riske will transfer to the Company all of its interest in a letter of intent with Fusion Business Group and \$1,000 cash; and (ii) the Company will issue 396,600 Common Shares to the shareholders of Riske. By resolution of the board of directors of Riske, the Closing of the transaction and Effective Date of Arrangement as it pertains to the Company was deemed to have occurred on April 15, 2015. The letter of intent with Fusion Business Group was cancelled on April 15, 2015.

Following completion of the Arrangement Agreement, the Company became a reporting issuer.

Share Exchange Agreement

On November 23, 2015, the Company, Alternate Health Inc. and its shareholders (“**AHI**”), signed a definitive share exchange agreement to complete a proposed acquisition of AHI by AHC (the “**Share Exchange Agreement**”).

Pursuant to the terms of the Share Exchange Agreement, AHC will acquire all of the issued and outstanding shares of AHI in exchange for issuance of AHC shares on a one for one basis to the Company’s shareholders, which will result in AHI becoming a wholly-owned subsidiary of AHC and the business of AHI becoming the business of AHC (the “**Acquisition**”). Pursuant to the terms of the proposed Acquisition, AHC will issue 29,970,000 shares to the shareholders of AHI for the Acquisition, resulting in AHI becoming a wholly owned subsidiary of AHC. 550,000 Warrants of AHC will also be issued to/exchanged with the holders of warrants of the Company on a one for one basis. The actual number of AHC shares and warrants issued at closing will be increased by the number of additional AHI shares and warrants issued between November 23, 2015 and closing of the Acquisition.

The proposed Acquisition was used by AHC to file for listing on the Canadian Securities Exchange (“**CSE**”). Completion of the Acquisition is subject to approval of the listing by the CSE.

AHC's costs related to the Acquisition to December 31, 2015 totaled \$16,135.

The Business of Alternate Health Inc.

AHI owns or holds exclusive licenses to operational, proprietary technologies being launched in both Canada and the United States for a series of medical service software systems:

- o VIP-Patient Electronic Medical Records & Practice Management System (“VIP-Patient”).
- o Patent-protected CanaCard Controlled Substance Management System (“CanaCard”) modified for the medical cannabis industry.

Both systems offer similar features, including:

- o Electronic Medical Records for Doctors and Clinics
- o Patient portal for access to medical records.
- o Pharmacy portal for prescription handling & cross-checking for harmful drug interactions will be coming soon (have approached a large pharmacy chain in Canada).
- o Medical records billing services will integrate into VIP-Patient for dynamic, accurate Doctor/Clinic billing submission.
- o Toxicology Lab software can be integrated into VIP-Patient along with a modified billing system to service this undeveloped market segment and offer electronic links between Doctors and Labs.

Company Operations - 2015

Alternate Health Corp. had no active business operations during 2015. It focused its activities on seeking a suitable acquisition target that wanted to be a public company. It negotiated a share exchange agreement with Alternate Health Inc. and working with AHI prepared and submitted a Non Offering Preliminary Prospectus to the BC Securities Commission and an application to list the Company on the Canadian Securities Exchange. Subsequent to the year end it was determined that Ontario Securities Commission had jurisdiction to review its prospectus because AHI is an Ontario corporation with its principal office in Ontario and the prospectus was amended and resubmitted to the Ontario Securities Commission.

SELECTED ANNUAL INFORMATION

The following selected financial data has been prepared in accordance with IFRS and is a summary of financial results for the Company’s three most recently completed financial years: As the Company was incorporated in 2014, there are no comparatives for 2013. All dollar amounts are in Canadian dollars.

Year Ended Dec. 31	2015	2014	2013
Total revenues	\$0.00	\$0.00	-
Net income (loss)	(\$21,748)	\$0.00	-
Earnings (loss) per share – basic and diluted	(\$0.05)	\$0.00	-
Total assets	\$872	\$1.00	-
Short term liabilities	\$14,688	\$0.00	-
Long term liabilities	\$0.00	\$0.00	-

SUMMARY OF QUARTERLY RESULTS

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Profit (loss) for the period	Profit (loss) per Share (Basic & Diluted)	Total Assets	Interest Income
December 31, 2015	(\$9,259)	(\$0.02)	\$872	\$Nil
September 30, 2015	(\$5,418)	(\$0.01)	\$4,647	\$Nil
June 30, 2015	(\$7,071)	(\$0.02)	\$12,868	\$Nil
March 31, 2015 *	\$Nil	\$Nil	\$1	\$Nil
December 31, 2014*	\$Nil	\$Nil	\$1	\$Nil

* The Company only became a reporting issuer in April 2015

OPERATIONS

The Company had no active business operations during the year. Quarterly losses highlighted in the Quarterly Summary all relate to professional fees incurred in relation to becoming a reporting issuer and related to the preparation of the Company's prospectus required to complete the share exchange with AHI and list on the CSE. These fees include legal, audit and transfer agent fees. AHI has funded all but \$7,931 of the joint expenses related to the Share Exchange Agreement and legal and audit required for the prospectus. No Compensation was paid to officers or directors in 2015 and 2014.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a negative working capital position at December 31, 2015 of \$13,816. Pending the completion of its Share Exchange Agreement with AHI and listing on the CSE, the Company does not have an active business generating positive cash flows. It is reliant on equity financing and/or debt to provide the necessary cash to meet its financial obligations. To date short term liquidity funds have been substantially funded by unsecured, interest free loans from Alternate Health Inc. AHI has indicated that it will continue to fund AHI expenses pending the closing of the Share Exchange Agreement. As of the date of this MD&A, Alternate Health Inc. has raised common share equity of \$635,000 which will be available to the AHC upon completing the Share Exchange Agreement and listing on the CSE. While management expect to close the Share Exchange Agreement, there can be there can be no assurance that the CSE will

approve its listing and that equity or debt financings will be available to the Company. Assuming the listing is approved management believes that the Company will have sufficient capital and the ability to source growth capital to fund its business plan and get the Company to positive cash flow.

The Company has not entered into any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

During the 2015 year the Company acted as paying agent for Alternate Health Inc. a related party because it has overlapping directors with AHC. Under the paying agent arrangement AHI made interest free loans totaling \$76,000 to the Company to pay AHI expenses and also to fund approximately \$4,000 of AHC expenses. The balance outstanding at December 31, 2015 was \$4,727. AHC did not charge a fee for this paying arrangement and the AHI expenses paid have been recorded on the books of AHI.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Financial Instruments and Risk Management

Fair Values

The fair values of cash and equivalents, receivables and trade payables approximate their book values because of the short-term nature of these instruments.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company can be exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if counter-party to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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. Such fluctuations may be significant.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of December 31, 2015.

Additional Share Information

As at December 31, 2015, and the date of this MD&A, the Company had 396,600 common shares outstanding and had no stock options or warrants outstanding.

Officers and directors of the Company

As at December 31, 2015, the directors and officers of the Company were:

Bobby Curtola – Director and Chairman

Marjorie Sanderson – Director and CEO

Rick Macartney – Director

Marcelin O'Neill – Director and Corporate Secretary

James Tykolis – Director

James Griffiths- Director and CFO

Accounting Standards issued but not yet effective

New standard IFRS 9 "Financial Instruments":

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

The Company has not early adopted this revised standard and is currently assessing the impact that this standard will have on its financial statements.

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

Additional Information

Additional information relating to the Company is available on the SEDAR website at www.sedar.com or by contacting the Company at Suite 309 – 1485 6th Avenue West, Vancouver, BC, Canada V6H 4G1.