CAPTOR CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2018

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Captor Capital Corp. and its subsidiaries (collectively, the "Company" or "Captor") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended March 31, 2018. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the fiscal years ended March 31, 2018 and 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as at July 30, 2018, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considered the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Captor common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at **www.sedar.com**.

Special Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as at the date of this MD&A or as at the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forward-looking information	Assumptions	Risk factors
The Company's anticipated plans, to acquire a portfolio of investment assets which also include mining assets that could contain significant value for shareholders.	Financing will be available for future acquisitions by the Company; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for development projects and other operations will be received on a timely basis upon terms acceptable to Captor, and applicable political and economic conditions are favourable to Captor; the price of applicable investments and applicable interest and exchange rates will be favourable to the Company.	Equity price volatility; uncertainties involved in interpreting geological data and retaining title to acquired properties and investees; availability of financing for the acquisitions; increases in costs; environmental compliance requirements and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending March 31, 2019. The Company's cash and investment balances at March 31, 2018, are sufficient to fund its consolidated operating expenses at current levels. At the date hereof, the Company's consolidated cash balance has diminished as a result of normal business operations.	The operating and development activities of the Company for the twelve-month period ending March 31, 2019, and the costs associated therewith, will be dependent on raising sufficient capital consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Captor.	Adverse changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance requirements and changes in environmental and other local legislation and regulations; interest rate and exchange rate fluctuations; changes in economic conditions.
Management's outlook regarding future trends.	Financing will be available for Captor's investing and operating activities; the price of applicable equity investments will be favourable to the Company.	Equity price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.
Sensitivity analysis of financial instruments.	Equity price will not be subject to change in excess of plus or minus 20%; foreign exchange rates against the United States dollar and UK Pound Sterling will not be subject to change in excess of plus or minus 5%.	Changes in debt and equity markets and exchange rate fluctuations.
Prices and price volatility for investments.	The price of investments will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of investments will be favourable.	Changes in debt and equity markets and the spot prices of investments; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Captor's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section in this MD&A. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Captor's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Captor was incorporated under the laws of the Province of Ontario, Canada by articles of inCompany on September 26, 2003 and Captor's outstanding common shares became publicly listed on March 19, 2004 on the TSX Venture Exchange (the "Exchange") under the symbol "NWT". Subsequently, the Company's outstanding common shares were listed on the OTCBB under the symbol "NWURF" and on the Frankfurt Exchange. The Company de-listed its common shares from the Exchange on June 1, 2017 and submitted an application for listing its common shares on the Canadian Securities Exchange ("CSE"). The delisting of the Company's shares from the Exchange was done pursuant to a resolution approved by shareholders that was passed on December 16, 2016.

As an investment company, the Company will focus its resources on investments in other companies. The investment objective of the Company will be to provide its shareholders with long-term capital growth by investing in a diversified portfolio of public companies and commodities.

Highlights

- On October 23, 2017, the Company completed a non-brokered private placement of 35,000,000 common shares at $0.02 per common share for gross proceeds of up to $700,000. The common shares issued under the private placement are subject to a four month and one day hold period.

- On November 29, 2017, the Company granted an aggregate of 4,200,000 options to officers and directors of the Company. All stock options are fully vested and exercisable at $0.10 per common share of Captor for a period of 2 years.

- On December 11, 2017, the Company closed a non-brokered private placement of 152,100,000 units ("Units") at a price of $0.05 per Unit for gross proceeds of $7,605,000. Each Unit consisted of one common share and one common share purchaser warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share for a price of $0.10 for a period of 24 months from the date of issue. The common shares and Warrants are subject to a hold period of four months and one day from the date of issue.

- In January 2018, Captor made a $500,000 investment in Millennial Esports Corp. ("Millennial") by purchasing 714,285 units of securities ("Units") of Millennial at a purchase price of $0.70 per Unit. Each Unit purchased by Captor is comprised of one (1) common share of Millennial and one-half of one (1/2) common share purchase warrant of Millennial (a "Warrant"). Each whole Warrant will entitle Captor to acquire one (1) common share of Millennial for a period of 24 months from the date of issuance of the Warrant, at an exercise price of $1.20 per share.

- On February 26, 2018, Captor acquired 5,181,785 Class A Units of MM Enterprises USA, LLC ("MM Enterprises") for US$23,000,000 ($29,164,000).

- On February 12, 2018, the Company closed a non-brokered offering of units of Captor ("Units") at a price of $0.20 per Unit. The Company issued 277,999,989 Units for total gross proceeds of $55,599,997. Each Unit was comprised of one common share of Captor and one half of one common share purchase warrant (each whole common share purchase a "Warrant"). Each Warrant entitles the holder to acquire one common share of Captor at a price of $0.30 for a period of two years from the date of issue. The securities issued are subject to a four-month hold period from the date of issue, in accordance with applicable securities laws.

  In connection with the offering, Canaccord Genuity Corp and Maven Capital Inc. received advisory fees of $1,550,000 which was paid $312,500 in cash and issuance of 6,187,700 Units with the same terms as the offering.

- On February 26, 2018, the Company completed the acquisition of I-5 Holdings Ltd. (the "Acquisition"). The Acquisition was completed pursuant to a merger agreement dated February 16, 2018 between Captor and I-5 Holdings. (See "Investment in I-5 Holdings Ltd." and "Subsequent Events" below)

Corporate Objective

As an investment company, the Company will focus its resources on investments in other companies. The investment objective of the Company will be to provide its shareholders with long-term capital growth by investing in a diversified portfolio of public companies and commodities.

On April 10, 2018, the Company announced that it has decided to change its business focus from a diversified investment and merchant banking company and focus solely on cannabis. This change in the focus and direction of Captor's business is considered a Fundamental Change under Canadian Securities Exchange ("CSE") Policy 8. In accordance with the policies of the CSE, the shareholders of Captor will have to approve this Fundamental Change before it becomes effective.

Investment Opportunities

Investment in I-5 Holdings Ltd.

On December 20, 2017, Captor acquired 12,500,000 common shares of I-5 Holdings Ltd. ("I-5 Holdings") for $5,000,000, representing approximately 21% of I-5 Holdings' issued and outstanding shares at the date of acquisition.

On February 26, 2018, Captor issued a total of 171,959,364 Captor Shares in escrow to acquire the remaining 79% of the I-5 Holdings securities. The Acquisition will be completed pursuant to an amended merger agreement dated February 16, 2018 between Captor and I-5 Holdings whereby the holders of common shares of I-5 ("I-5 Shares") will receive 2.6 common shares of Captor Capital Corp. ("Captor Share") in exchange for each I-5 Share. The completion of the Acquisition is dependent on the results of due diligence that was not completed as of March 31, 2018.

Approximately 70% of the Captor Shares issued in consideration for the I-5 Shares are subject to a lock-up agreement under which 25% of the Captor Shares subject to the lock-up agreement became freely tradeable on May 23, 2018, a further 25% will become freely tradeable on August 23, 2018 and the remaining 50% will become freely tradeable on February 23, 2019.

As at March 31, 2018, management has determined that the fair market value of the 12,500,000 common shares of I-5 Holdings was $7,500,000.

Investment in MM Enterprises USA, LLC

On February 26, 2018, Captor acquired 5,181,785 Class A Units of MM Enterprises USA, LLC ("MM Enterprises") for US$23,000,000 ($29,164,000). As at March 31, 2018, MM Enterprises was a private company and was not publicly traded. Management has determined that as at March 31, 2018, its fair market value was $37,081,734. On May 28, 2018, MM Enterprises became publicly listed on the CSE.

Other Investment Opportunities

The Company continues to investigate appropriate investment properties and investee companies. The process of locating these properties continues to be a complex task, and management has taken a cautious approach to identifying properties to maximize the probability that any potential property acquired will be successful and add to shareholder value.

Investment in URU Metals Limited

As at March 31, 2018, the Company owned 118,511,118 common shares (March 31, 2017 – 118,511,118 common shares) in URU Metals Limited which represents approximately 15% (March 31, 2017 – 15%) of URU's shareholding.

Vietnamese Opportunities

The Company intends to acquire a global portfolio of equity investment assets in Asia by leveraging current relationships. Management has assessed several prospective properties in Europe, North America, South America and Africa as well.

On February 5, 2010, the Company was granted approval to conduct a preliminary survey and exploration of the minerals in the Quang Tri province in Vietnam, covering an area of approximately 1,500 square kilometers. The agreements pertaining to the Vietnam property in Quang Tri province in Vietnam are in good standing. Due to various changes in government officials in Vietnam and recent amendments to the mining legislation in Vietnam, the Company has not been able to undertake a comprehensive work program which would provide the Company with meaningful information with respect to this opportunity.

Summary of Quarterly Results

Three Months Ended	Revenue ($)	Income or (Loss) Total ($)	Income or (Loss) Basic and diluted income (loss) per share [9] ($)	Total assets ($)
March 31, 2018	Nil	8,982,725 [1]	(0.02)	72,090,500
December 31, 2017	Nil	(933,308) [2]	(0.00)	10,244,774
September 30, 2017	Nil	(442,952) [3]	(0.00)	3,993,473
June 30, 2017	Nil	(3,825,460) [4]	(0.03)	4,003,357
March 31, 2017	Nil	8,780,392 [5]	0.07	7,657,951
December 31, 2016	Nil	(330,070) [6]	(0.00)	2,327,050
September 30, 2016	Nil	96,642 [7]	0.00	2,451,751
June 30, 2016	Nil	(235,177) [8]	(0.00)	2,163,891

Notes:

(1) Net income of $8,982,725 consisted primarily of unrealized gain in investment in MM Enterprises of $7,917,734, unrealized gain in investment in I-5 Holdings of $2,500,000, unrealized loss in other investments of $249,734, unrealized loss in investment in URU Metals Limited of $545,775 and general and administrative expenses of $702,241.

(2) Net loss of $933,308 consisted primarily of unrealized gain in other investments of $63,985, unrealized loss in investment in URU Metals Limited of $509,327 and general and administrative expenses of $492,672.

(3) Net loss of $442,952 consisted primarily of unrealized gain in other investments of $65,255, unrealized loss in investment in URU Metals Limited of $419,565 and general and administrative expenses of $86,310.

(4) Net loss of $3,825,460 consisted primarily of unrealized loss in other investments of $56,509, unrealized loss in investment in URU Metals Limited of $3,616,521 and general and administrative expenses of $155,236.

(5) Net income of $8,780,392 consisted primarily of the gain on the sale of Niketo of $3,795,227, unrealized gain in other investments of $481,114, unrealized loss in investment in URU Metals Limited of $224,541, exploration costs of $191,457 and general and administrative expenses of $250,458.

(6) Net loss of $330,070 consisted primarily of unrealized loss in other investments of $373,574, unrealized gain in investment in URU Metals Limited of $198,183 and general and administrative expenses of $147,129.

(7) Net income of $96,642 consisted primarily of unrealized gain in other investments of $156,370, unrealized gain in investment in URU Metals Limited of $211,895 and general and administrative expenses of $270,079.

(8) Net loss of $235,177 consisted primarily of unrealized gain in other investments of $138,895, unrealized loss in investment in URU Metals Limited of $138,387, exploration costs of $12,952 and general and administrative expenses of $201,085.

(9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Results of Operations

<u>For the three months ended March 31, 2018, compared with the three months ended March 31, 2017:</u>

For the three months ended March 31, 2018, the Company's net income was $8,982,725 ($0.02 per share), compared to income of $8,780,392 ($0.07 per share) for the three months ended March 31, 2017. The increase in net income of $202,333 is a result of the following:

- During the three months ended March 31, 2018, unrealized gain in investment in I-5 Holdings was $2,500,000 due to change in the fair value of the investment in I-5 Holdings;
- During the three months ended March 31, 2018, unrealized gain in investment in MM Enterprises was $7,917,734 due to change in the fair value of the investment in MM Enterprises;
- Unrealized loss in other investments increased to $249,734 for the three months ended March 31, 2018 from a gain of $91,251 for the three months ended March 31, 2017 due to changes in the fair value of the Company's other investments;
- Unrealized loss in investments in URU Metals Limited increased to $545,775 for the three months ended March 31, 2018 from a gain of $5,068,054 for the three months ended March 31, 2018 due to changes in the fair value of the investment;
- General and administrative expenses increased from $172,276 for the three months ended March 31, 2017 to $702,241 for the three months ended March 31, 2018. The increase mainly comes from increases in professional fees and shareholder information of $436,540 and $126,495, respectively during the three months ended March 31, 2018 compared to the prior period.
- The Company recorded a gain on sale of Niketo Co. Ltd. of $3,795,227 for the year ended March 31, 2017. There was no such gain in 2018.

For the year ended March 31, 2018, compared with the year ended March 31, 2017:

For the year ended March 31, 2018, the Company's net income was $3,781,005 ($0.02 per share), compared to net income was $8,311,787 ($0.06 per share) for the year ended March 31, 2017. The decrease in net income of $4,530,782 is a result of the following:

- During the year ended March 31, 2018, unrealized gain in investment in I-5 Holdings was $2,500,000 due to change in the fair value of the investment in I-5 Holdings;
- During the year ended March 31, 2018, unrealized gain in investment in MM Enterprises was $7,917,734 due to change in the fair value of the investment in MM Enterprises;
- Unrealized loss in other investments increased to $177,003 for the year ended March 31, 2018 from a gain of $12,942 for the year ended March 31, 2017 due to changes in the fair value of the Company's other investments;
- Unrealized loss in investments in URU Metals Limited increased to $5,091,188 for the year ended March 31, 2018 from a gain of $5,339,745 for the year ended March 31, 2017 due to changes in the fair value of the investment;
- General and administrative expenses increased from $790,569 for the year ended March 31, 2017 to $1,436,459 for the year ended March 31, 2018. The increase mainly comes from increases in professional fees, share based compensation and shareholder information of $396,478, $174,720 and $130,717, respectively during the year ended March 31, 2018 compared to the prior period.
- The Company recorded a gain on sale of Niketo Co. Ltd. of $3,795,227 for the year ended March 31, 2017. There was no such gain in 2018.

Liquidity and Financial Position

As at March 31, 2018, the Company had a consolidated cash balance of $21,296,842 compared to $26,034 at March 31, 2017. The Company had a working capital of $61,902,906 as at March 31, 2018, compared to a working capital deficit of $148,973 at March 31, 2017.

The activities of the Company, which consist of investments in a diversified portfolio of public companies and commodities, are financed through the completion of equity offerings and the exercise of stock options.

Accounts payable and accrued liabilities increased from $980,952 at March 31, 2017 to $1,426,375 as at March 31, 2018. The increase is primarily a result of incurring of general and administrative expenses during the period.

As of March 31, 2018, and to the date of this MD&A, the cash resources of the Company are held with select financial institutions in Canada. At March 31, 2018, the Company had no indebtedness other than trade payables in the normal course of business. Accounts payable and accrued liabilities are in the ordinary course of business, short term and non-interest bearing.

The Company's use of cash at present occurs, and in the future is expected to occur, principally in two areas: the funding of its general and administrative expenditures and the funding of its investment activities. In connection with the Company's operating and investment activities, the Company will seek to raise capital primarily through the issuance of equity securities. No funds have been raised as of the date of this MD&A. The Company will continue to attempt to raise capital to meet its ongoing operating and investment purposes.

Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management of the Company was as follows:

Fees	**Year Ended March 31, 2018 $**	**Year Ended March 31, 2017 $**
David Tsubouchi (1)	3,000	12,000
Kyle Appleby (1)	12,000	12,000
Alexander Dementev (1)	9,000	nil
Alegana Enterprises Ltd. ("Alegana") (2)	219,996	219,996
2249872 Ontario Ltd. (3)	84,000	105,000
Marrelli Support Services Inc. ("MSSI") (4)	18,000	18,000
Totals	**345,996**	**366,996**

Share based compensation	**Year Ended March 31, 2018 $**	**Year Ended March 31, 2017 $**
Kyle Appleby (1)	31,200	nil
Alexander Dementev (1)	27,040	nil
Alegana (2)	83,200	nil
Henry Kloepper (3)	20,800	nil
Jing Ping (4)	12,480	nil
Totals	**174,720**	**nil**

(1) Fees paid to directors of the Company. Included in accounts payable and accrued liabilities at March 31, 2018, is $42,000 (March 31, 2017 - $78,491) due to directors of the Company.

(2) Alegana is a company controlled by Mr. John Zorbas, the President of the Company. Alegana provides consulting services to the Company for $220,000 a year under the terms of a written contract that runs for an indefinite term. The consulting fees paid to Alegana are for the function of the President which include, but are not limited to, managing the capital structure and current investment portfolio of the Company. Alegana may receive, at the sole discretion of the board of directors, a performance bonus of up to 400% of the annual consulting fee payable by the Company to Alegana. Included in accounts payable and accrued liabilities as at March 31, 2018 owing to Alegana was $669,150 (March 31, 2017 - $531,372).

As at March 31, 2018, Alegana owed the Company $56,517 for a loan to cover travel costs.

Upon termination of Alegana by the Company without cause or a termination following a change of control, the Company is obligated to pay Alegana: (a) 1.5 times Alegana's annual consulting fee; and (b) an amount equal to 1.5 times the amount of all bonuses John Zorbas received for the most recent calendar year ended prior to the termination date or 2 times the amount of Alegana's annual consulting fee should John Zorbas not have received a bonus for the most recent calendar year ended prior to the termination date. Upon termination of Alegana under any other circumstances, the Company is not obligated to pay Alegana any penalty.

(3) 2249872 Ontario Ltd. is a company controlled by Henry Kloepper, the Chief Executive Officer ("CEO") of Captor. The management fees paid to 2249872 Ontario Ltd. are for the CEO function performed by Mr. Kloepper which includes the day-to-day operations of the Company as well as an implementation of the Company's long and short term plans. Included in accounts payable and accrued liabilities at March 31, 2018 was $47,190 (March 31, 2017 - $110,460) due to 2249872 Ontario Ltd. The Company has no ongoing contractual obligation or commitment to 2249872 Ontario Ltd.

(4) Mr. Jing Peng, the Chief Financial Officer ("CFO"), is a senior employee of MSSI. The management fees paid to MSSI relate to CFO function performed by Mr. Peng which includes the reporting of financial information and the safeguard of the Company's assets. Included in accounts payable and accrued liabilities at March 31, 2018 is $8,042 (March 31, 2017 – $17,713) owing to MSSI. The Company has no ongoing contractual obligation or commitment to MSSI.

The Company is owed $25,576 (March 31, 2017 - $53,053) from a company related to Captor through common management. These amounts are included in the amounts receivable and prepaid expenses balance on the statement of financial position.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources, that are material to investors.

Proposed Transactions

As is typical of the investment industry, the Company is continually reviewing potential investment transactions and opportunities that could enhance shareholder value.

Recent Accounting Pronouncements

(i) IFRS 9 – Financial instruments ("IFRS 9") was issued by the IASB and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). 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. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. 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. Earlier adoption is permitted. The Company is in the process of assessing the impact of this pronouncement.

Financial Instruments

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Cash are held with reputable financial institutions. Amounts receivable are in good standing as of March 31, 2018. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is minimal.

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due, or can only do so at excessive cost. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2018, the Company had a cash balance of $21,296,842 (March 31, 2017 - $26,034) to settle current liabilities of $1,426,375 (March 31, 2017 - $1,444,688). The Company generates cash flow primarily from its financing activities and management is of the opinion that additional funding is available to allow the Company to meet its financial obligations when they become due. While it has been successful in the past, there can be no assurance that it will be able to raise sufficient funds in the future. All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances and no interest-bearing debt.

Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using cash flow forecasting. The Company maintains United States dollar bank accounts. The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management does not hedge its foreign exchange risk.

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 commodity prices, individual equity movements and the stock market in general to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period. The sensitivity analysis shown in the notes below may differ materially from actual results.

(i) The Company is exposed to foreign currency risk on fluctuations of financial instruments related to cash and accounts payable and accrued liabilities that are denominated in United States dollars and UK Pound Sterling. As at March 31, 2018, had the United States dollar and UK Pound Sterling varied by 5% against the Canadian dollar with all other variables held constant, the Company's reported net income for the year ended March 31, 2018 would have varied by approximately $101,000.

(ii) The Company's investments in other public companies are sensitive to an estimated plus or minus 20% change in equity prices which would affect income and comprehensive income by approximately $9,748,000.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at March 31, 2018:

	Level 1 $	Level 2 $	Level 3 $	Total $
Other investments	2,936,757	nil	nil	2,936,757
Investment in URU Metals Limited	1,223,083	nil	nil	1,223,083
Investment in I-5 Holdings Ltd.	nil	nil	37,081,734	37,081,734
Investment in MM Enterprises USA, LLC	nil	nil	7,500,000	7,500,000

- Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- Level 3 – valuation techniques with significant unobservable market inputs.

Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus and deficit which at March 31, 2018 totaled equity of $70,664,125 (March 31, 2017 – $6,213,263). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on activities related to its investments. Selected information is frequently provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended March 31, 2018.

Outstanding Share Data

The number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of Captor as at July 30, 2018 are as follows:

Securities	As at July 30, 2018
Common shares outstanding	775,297,395
Issuable under options	4,200,000
Issuable under warrants	294,193,844
Total securities	**1,073,691,239**

Subsequent Events

(i) On April 3, 2018, the Company announced that it entered into a non-binding term sheet with leading California cannabis company, Growth Network Holdings, Inc. ("Growth Network") to acquire 30% of its issued and outstanding equity securities for a purchase price of US$14,632,500 (the "Investment"). In accordance with the term sheet, Captor will also be granted an option exercisable for up to 12 months after closing to acquire the remaining issued and outstanding equity securities of Growth Network for USD$34,142,500.

Under the terms of the proposed Investment, Captor would acquire the 22.25% of the issued and outstanding equity securities of Growth Network (calculated on a post-purchase basis) from the sole shareholder of Growth Network, John Jezzini, for a purchase price of USD$10,857,500 (the "Share Purchase"). The purchase price will be satisfied in common shares of Captor at a deemed issue price of the lesser of (a)

$0.30; and (b) the prevailing market price of Captor shares on the date a definitive share purchase agreement. Captor will also acquire 7.75% per cent the issued and outstanding equity securities of Growth Network directly from treasury for a cash purchase price of USD$3,775,000 (the "Equity Contribution"). After completion of the Share Purchase and the Equity Contribution, Captor will own 30% of Growth Network.

In accordance with the term sheet, John Jezzini will also grant an option to Captor to acquire the remaining issued and outstanding equity securities of Growth Network for USD$34,142,500 for common shares of Captor at a deemed issue price equal to the market price of Captor's common shares at the time the option is exercised. The option shall be exercisable for 12 months and may be extended for a further 12 months if Growth Network has not received all of its remaining cultivation licenses and permits.

Concurrent with the completion of the Share Purchase and the Equity Contribution, Captor will enter into a shareholder agreement with John Jezzini pursuant to which, among other things, Captor will agree to provide debt financing of up to USD$27,875,000 to Growth Network to fund its cultivation and retail dispensary operations. These funds will be lent to Growth Network based on a drawdown schedule conditional upon the achievement of certain milestones to be agreed between Captor and Growth Network.

(ii) On April 10, 2018, the Company announced that it has decided to change its business focus from a diversified investment and merchant banking company and focus solely on cannabis. This change in the focus and direction of Captor's business is considered a Fundamental Change under Canadian Securities Exchange ("CSE") Policy 8. In accordance with the policies of the CSE, the shareholders of Captor will have to approve this Fundamental Change before it becomes effective. Trading in Captor has been halted and will remain halted at least until the meeting materials to be sent to shareholders for approval of the Fundamental Change have been reviewed and accepted by the CSE.

(iii) On May 28, 2018, MedMen Enterprises Inc. (formerly Ladera Ventures Corp.) (the "Issuer"), located at 10115 Jefferson Blvd, Culver City, CA 90232, and MM Enterprises USA, LLC (the "LLC") completed their previously announced business combination (the "Business Combination"), creating a U.S. based medical and adult use cannabis company listed on the Canadian Securities Exchange.

Captor Acquisition Corp. (the "Acquiror"), a subsidiary of Captor, in connection with the Business Combination, acquired 7,991,251 Class B Common Shares ("Class B Shares") of MM Can USA, Inc. ("PC Corp"), a subsidiary of the Issuer, pursuant to a contribution by the Acquiror of the same number of units of the LLC in exchange for such Class B Shares (the "Acquired Shares"). Pursuant to the articles of incorporation of PC Corp, Captor may, from time to time, exchange its Class B Common Shares for Class B Subordinate Voting Shares of Issuer on a one-for-one basis (the "Subordinate Voting Shares").

To Captor's knowledge, the Acquired Shares represents ownership and control of approximately 1.7% of the Issuer's Subordinate Voting Shares based on 464,167,789 Subordinate Voting Shares issued and outstanding on a fully diluted basis (which assumes the exchange of all outstanding Class B Common Shares for Subordinate Voting Shares). However, on the date the Business Combination was completed and prior to the exchange of any of the Class B Common Shares for Subordinate Voting Shares, to Captor's knowledge, the Acquired Shares represented ownership and control of approximately 22% of the Issuer's issued and outstanding Subordinate Voting Shares on the basis of 28,775,175 issued and outstanding Subordinate Voting Shares on a partially-diluted basis. The Acquiror does not currently own or control any Subordinate Voting Shares nor, other than the Acquired Shares, any right or option to acquire Subordinate Voting Shares.

(iv) On May 30, 2018, the Company completed the acquisition of the 79% of securities of I-5 Holdings. The shares held in escrow were released from escrow.

Disclosure Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date at and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company uses the Venture Issuer Basic Certificate, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS). The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

The business of investing primarily in resource exploration and development companies involves a high degree of risk. The Company's portfolio is highly concentrated in this sector, which is exposed to above average cyclical fluctuations due to economic conditions, commodity supply/demand imbalances and global political factors. Development stage companies in this sector focus on early-stage resource properties, and few of those properties explored are ultimately developed into commercial operations. At present, none of the Company's investments are in companies that are in commercial operations and therefore do not internally generate any cash flows to support their operations. Thus, they are reliant on raising additional financing through debt or equity issuances to continue their operations and develop their properties. As a result the securities of the Company must be considered speculative. A prospective investor in the Company should carefully consider the following factors:

Marketability of Investments

There is no assurance that the investment objectives of the Company will actually be achieved. The value of the shares of the Company will increase or decrease with the value of its investment portfolio and general economic conditions beyond the control of the Company's management, including the level of interest rates, corporate earnings, economic activity, the value of the Canadian dollar and other factors.

Lack of Liquidity

Due to market conditions beyond its control, including investor demand, resale restrictions, general market trends and regulatory restrictions, the Company may not be able to liquidate investments without a listed market for their securities, when it would otherwise desire to do so in order to operate in accordance with its investment policy and strategy. Such lack of liquidity could have a material adverse effect on the value of the Company's investments and, consequently, the value of the shares of the Company.

Fluctuation in Investments

The Company's investments in securities of public companies are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the subject shares is sustainable. The trading prices of the subject shares could be subject to wide fluctuations in response to various factors beyond the Company's control, including, quarterly variations in the subject companies' results of operations, changes in earnings (if any), estimates by analysts, conditions in the industry of the subject companies and general market or economic conditions. In recent years equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of our investments.

Reliance on the Board

Shareholders will be required to rely on the business judgment, expertise and integrity of the directors and officers of the Company. The Company must rely substantially upon the knowledge and expertise of its directors and officers in entering into any investment agreement or investment arrangements, in determining the composition of the Company's investment portfolio, and in determining when and whether to dispose of securities owned by the Company. The death or disability of any of the Company's directors and officers could adversely affect the ability of the Company to achieve its objectives. The success of the Company will be dependent upon Management, the Board successfully identifying and managing the Company's investments.

Trading Price of Common Shares Relative to Net Asset Value

The Company is neither a mutual fund nor an investment fund and due to the nature of its business and investment strategy and the composition of its investment portfolio, the market price of its common shares, at any time, may vary significantly from the Company's net asset value per share. This risk is separate and distinct from the risk that the market price of the common shares may decrease.

Ability to Raise Investment Capital

If the Company is unable to raise additional investment capital either through investment returns or new financing through securities offerings, then it will be limited in its ability to fulfill its investment objectives. This may adversely affect its long-term viability. The Company will require additional capital to continue its business and to raise additional capital the Company may have to issue additional shares which may dilute the interests of existing shareholders.

Competitive Risks

The Company faces competition from other capital providers, all of which compete 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.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other reporting companies or may have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will disclose the conflict of interest.

Additional financing

The Company believes that its raised capital is sufficient to meet its presently anticipated working capital and capital expenditure requirements for the near future. This belief is based on its operating plan which, in turn, is based on assumptions, which may prove to be incorrect. In addition, the Company may need to raise significant additional funds sooner to support its growth, develop new or enhanced services and products, respond to competitive pressures, acquire or invest in complementary or competitive businesses or technologies, or take advantage of unanticipated opportunities. If its financial resources are insufficient, it will require additional financing to meet its plans for expansion. The Company cannot be sure that this additional financing, if needed, will be available on acceptable terms or at all. Furthermore, any debt financing, if available, may involve restrictive covenants, which may limit its operating flexibility with respect to business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of existing shareholders will be reduced, such shareholders may experience additional dilution in net book value, and such equity securities may have rights, preferences or privileges senior to those of its existing shareholders. If adequate funds are not available on acceptable terms or at all, the Company may be unable to develop or enhance its services and products, take advantage of future opportunities, repay debt obligations as they become due, or respond to competitive pressures, any of which could have a material adverse effect on its business, prospects, financial condition, and results of operations.

Volatile global financial and economic conditions

Current global financial and economic conditions remain extremely volatile. Access to public and private capital and financing continues to be negatively impacted by many factors as a result of the global financial crisis and global recession. Such factors may impact the Company's ability to obtain financing in the future on favorable terms or obtain any financing at all. Additionally, global economic conditions may cause a long-term decrease in asset values.

If such global volatility, market turmoil and the global recession continues, the Company's operations and financial condition could be adversely impacted.

Private Issuers and Illiquid Securities

The Company may invest in securities of private companies, illiquid securities of public companies and publicly-traded securities that have low trading volumes. The value of these investments may be affected by factors such as investor demand, resale restrictions, general market trends and regulatory restrictions. Fluctuation in the market value of such investments may occur for a number of reasons beyond the control of the Company and there is no assurance that an adequate market will exist for investments made by the Company. Many of the cannabis investments made by the Company may be relatively illiquid and may decline in price if a significant number of such investments are offered for sale by the Company or other investors.

Volatility of Stock Price

The market price of the Common Shares have been and may continue to be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may adversely affect the market price of the Common Shares, even if the Company is successful in maintaining revenues, cash flows or earnings. The purchase of the Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Company should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company should not constitute a major portion of an investor's portfolio.

Additional Disclosure for Venture Issuers without Significant Revenue

General and Administrative	**Year Ended March 31, 2018 $**	**Year Ended March 31, 2017 $**
Management and administrative services	327,996	348,996
Professional fees	570,785	174,307
Office and administration	122,939	108,089
Travel expenses	10,923	5,909
Shareholders information	137,785	7,068
Regulatory fees	57,850	44,905
Share based compensation	174,720	nil
Interest and penalty	23,632	88,882
Depreciation	9,829	12,413
	1,436,459	**790,569**