

**CAPTOR CAPITAL CORP.**  
**(FORMERLY NWT URANIUM CORP.)**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS –  
QUARTERLY HIGHLIGHTS**

**FOR THE THREE MONTHS ENDED  
JUNE 30, 2017**

## **Introduction**

The following interim Management's Discussion & Analysis ("Interim MD&A") of Captor Capital Corp. (the "Company" or "Captor") for the three months ended June 30, 2017 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended March 31, 2017. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in accordance with section 2.2.1 of Form 51-102F1 of the National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended March 31, 2017 and 2016, together with the notes thereto, and unaudited condensed consolidated interim financial statements for the three months ended June 30, 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed consolidated interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of August 29, 2017 unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers 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 the Company's common shares; (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, 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](http://www.sedar.com).

## **Special Note Regarding Forward-Looking Information**

This Interim 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

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forward-looking statements. The forward-looking statements in this Interim MD&A speak only as at the date of this Interim MD&A or as at the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim 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
<p>The Company’s anticipated plans, to acquire a portfolio of investment assets which also include mining assets that could contain significant value for shareholders.</p>	<p>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 metals and applicable interest and exchange rates will be favourable to the Company.</p>	<p>Metal 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.</p>
<p>The Company’s ability to meet its working capital needs at the current level for the twelve-month period ending June 30, 2018.</p> <p>The Company’s cash and investment balances at June 30, 2017, 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.</p>	<p>The operating and development activities of the Company for the twelve-month period ending June 30, 2018, 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.</p>	<p>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.</p>
<p>Management’s outlook regarding future trends.</p>	<p>Financing will be available for Captor’s investing and operating activities; the price of applicable metals will be favourable to the Company.</p>	<p>Metal price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.</p>

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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, UK Pound Sterling and Euro 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 metals.	The price of metals will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of metals will be favourable.	Changes in debt and equity markets and the spot prices of metals; 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 Interim 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 Interim 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 incorporation 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.

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Captor currently has a wholly-owned subsidiary, Northwest Mineral Mexico, S.A. de C.V.

### **Operational Highlights**

On June 2, 2017, the Company announced that it intends to complete a non-brokered private placement of up to 50,000,000 common shares at an issue price of \$0.02 per common share for gross proceeds of up to \$1,000,000. It is intended that the private placement be completed prior to listing the Company's common shares on the CSE.

### **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.

### **Financial Highlights**

For the three months ended June 30, 2017, the Company's net loss was \$3,825,460 (\$0.03 per share), compared to net loss of \$235,177 (\$0.00 per share) for the three months ended June 30, 2016. The decrease in net income of \$3,590,283 is a result of the following:

- Unrealized loss in other investments increased from a gain of \$138,895 for the three months ended June 30, 2016 to a loss \$56,509 for the three months ended June 30, 2017 due to changes of the fair value of the Company's other investments;
- Unrealized loss in investments in URU Metals Limited increased from a loss of \$138,387 for the three months ended June 30, 2016 to \$3,616,521 for the three months ended June 30, 2017 due to a decrease in the fair value of the investment;
- Exploration costs were \$nil for the three months ended June 30, 2017 compared to \$12,952 for the three months ended June 30, 2016 due to halt on expenditure in Vietnam;
- General and administrative expenses decreased from \$201,085 for the three months ended June 30, 2016 to \$155,236 for the three months ended June 30, 2017. The decrease resulted from cost saving initiatives implemented during 2017.
- Foreign exchange gain increased from a loss of \$21,648 for the three months ended June 30, 2016 to a gain of \$2,806 for the three months ended June 30, 2017. The increase in gain of \$24,454 during the current period resulted from the fluctuations in the United States dollar and UK Pound Sterling exchange rates.

### **Cash Flow**

At June 30, 2017, the Company had cash of \$47,857 compared to \$26,034 at March 31, 2017. The increase in cash of \$21,823 resulted from cash inflow in operating activities. Operating activities were affected by adjustments of depreciation of \$2,457, unrealized loss in other investments of \$56,509 and unrealized loss in investments in URU Metals Limited of \$3,616,521. Net change in non-cash working capital balances of \$171,796 resulted from a decrease in amounts receivable and prepaid expenses of \$3,439, an increase in prepaid deposit of \$2,509 and an increase in accounts payable and accrued liabilities of \$170,866.

## **Liquidity and Financial Position**

The Company had a working capital deficit of \$355,455 as at June 30, 2017, 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.

Accounts payable and accrued liabilities increased from \$980,952 at March 31, 2017, to \$1,151,818 as at June 30, 2017. The increase is primarily a result of incurring of general and administrative expenses during the period.

As of June 30, 2017, and to the date of this Interim MD&A, the cash resources of the Company are held with select financial institutions in Canada. At June 30, 2017, 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 Interim 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:

	<b>Three Months Ended June 30, 2017 \$</b>	<b>Three Months Ended June 30, 2016 \$</b>
David Tsubouchi <sup>(1)</sup>	nil	3,000
Kyle Appleby <sup>(1)</sup>	3,000	3,000
Alexander Dementev <sup>(1)</sup>	3,000	nil
Alegana Enterprises Ltd. ("Alegana") <sup>(2)</sup>	54,999	54,999
2249872 Ontario Ltd. <sup>(3)</sup>	21,000	42,000
Marrelli Support Services Inc. ("MSSI") <sup>(4)</sup>	4,500	4,500
<b>Totals</b>	<b>86,499</b>	<b>107,499</b>

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- (1) Fees paid to directors of the Company. Included in accounts payable and accrued liabilities at June 30, 2017 is \$84,491 (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. All amounts payable by the Company to Alegana up to June 30, 2017 have been deferred by Alegana until the Company is in a better financial position. Included in accounts payable and accrued liabilities as at June 30, 2017 owing to Alegana was \$586,371 (March 31, 2017 - \$531,372). 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 June 30, 2017 was \$131,460 (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 June 30, 2017 is \$56,258 (March 31, 2017 - \$17,713) owing to MSSI. The Company has no ongoing contractual obligation or commitment to MSSI.

## **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

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beginning on or after January 1, 2018. Earlier adoption is permitted. The Company is in the process of assessing the impact of this pronouncement.

## **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 unaudited condensed interim consolidated 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 consolidated financial statements; and (ii) the unaudited condensed interim consolidated 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**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's MD&A for the fiscal year ended March 31, 2017, available on SEDAR at [www.sedar.com](http://www.sedar.com).