CAPTOR CAPITAL CORP.

FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2018 AND 2017

(Expressed in Canadian Dollars)

Independent Auditors' Report

To the Shareholders of Captor Capital Corp.:

We have audited the accompanying financial statements of Captor Capital Corp., which comprise the statements of financial position as at March 31, 2018 and March 31, 2017, and the statements of income and comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Captor Capital Corp. as at March 31, 2018 and March 31, 2017 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Mississauga, Ontario

Chartered Professional Accountants

July 30, 2018

Licensed Public Accountants

MNP

CAPTOR CAPITAL CORP.
Statements of Financial Position
(Expressed in Canadian Dollars)

	March 31, 2018	March 31, 2017
Assets		
Current		
Cash	**$ 21,296,842**	$ 26,034
Amounts receivable and prepaid expenses (Notes 6 and 24)	**455,056**	208,863
Loan receivable (Note 7)	**1,344,602**	-
Other investments (Note 9)	**2,936,757**	863,760
Investment in MM Enterprises USA, LLC (Note 10)	**37,081,734**	-
Prepaid deposit (Note 19)	**214,290**	197,058
	63,329,281	1,295,715
Investment in I-5 Holdings Ltd. (Note 11)	**7,500,000**	-
Investment in URU Metals Limited (Note 12)	**1,223,083**	6,314,271
Equipment (Note 8)	**38,136**	47,965
Total assets	**$ 72,090,500**	$ 7,657,951
Liabilities and Shareholders' Equity		
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 24)	**$ 1,426,375**	$ 980,952
Loan payable (Note 13)	**-**	463,736
Total liabilities	**1,426,375**	1,444,688
Shareholders' Equity		
Share capital (Note 14)	**65,735,076**	21,618,953
Warrants reserve (Notes 14 and 15)	**16,379,014**	-
Contributed surplus	**8,130,710**	7,955,990
Deficit	**(19,580,675)**	(23,361,680)
Total shareholders' equity	**70,664,125**	6,213,263
Total liabilities and shareholders' equity	**$ 72,090,500**	$ 7,657,951

NATURE OF OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 26)

APPROVED ON BEHALF OF THE BOARD:

Signed *"John Zorbas "*, Director

Signed *"Henry Kloepper"*, Director

The accompanying notes are an integral part of these financial statements.

CAPTOR CAPITAL CORP.
Statements of Income and Comprehensive Income
(Expressed in Canadian Dollars)

Years Ended March 31,	2018	2017
Investment income (loss)		
Unrealized (loss) gain in other investments	**$ (177,003)**	$ 12,942
Unrealized (loss) gain in investment in URU Metals Limited	**(5,091,188)**	5,339,745
Unrealized gain in investment in I-5 Holdings Ltd.	**2,500,000**	-
Unrealized gain in investment in MM Enterprises USA, LLC	**7,917,734**	-
Total investment income	**5,149,543**	5,352,687
Expenses		
General and administrative expenses (Note 18)	**(1,436,459)**	(790,569)
Exploration due diligence costs (Note 19)	**-**	(12,952)
Total expenses	**(1,436,459)**	(803,521)
Net income for the year before foreign exchange and gain on sale of investments:	**3,713,084**	4,549,166
Gain on sale of Niketo Co. Ltd. (Note 20)	**-**	3,795,227
Foreign exchange gain (loss)	**67,921**	(32,606)
Net income and comprehensive income for the year	**$ 3,781,005**	$ 8,311,787
Income per share - basic (Note 17)	**$ 0.02**	$ 0.06
Income per share - diluted (Note 17)	**$ 0.02**	$ 0.06

The accompanying notes are an integral part of these financial statements.

CAPTOR CAPITAL CORP.
Statements of Cash Flows
(Expressed in Canadian Dollars)

Years Ended March 31,	**2018**	**2017**
Cash (used in) provided by:		
Operating activities		
Net income for the year	**$ 3,781,005**	$ 8,311,787
Gain on sale of Niketo Co. Ltd.	**-**	(3,795,227)
Unrealized loss (gain) in other investments	**177,003**	(12,942)
Unrealized loss (gain) in investments in URU Metals Limited	**5,091,188**	(5,339,745)
Unrealized gain in investment in I-5 Holdings Ltd	**(2,500,000)**	-
Unrealized gain in investment in MM Enterprises USA, LLC	**(7,917,734)**	-
Share based compensation	**174,720**	-
Depreciation	**9,829**	12,413
Changes in non-cash working capital items:		
Amounts receivable and prepaid expenses	**(246,193)**	(56,878)
Loan receivable	**(1,344,602)**	-
Accounts payable and accrued liabilities	**456,687**	326,238
Income taxes payable	**-**	88,882
Prepaid deposit	**(17,232)**	23,694
Net cash used in operating activities	**(2,335,329)**	(441,778)
Financing activities		
Issue of common shares and units, net of issue costs	**60,020,137**	-
Proceeds from loan payable	**-**	463,736
Net cash provided by financing activities	**60,020,137**	463,736
Investing activities		
Purchase of investment in I-5 Holdings Inc.	**(5,000,000)**	-
Purchase of other investments	**(2,250,000)**	-
Purchase of investment in MM Enterprises USA, LLC	**(29,164,000)**	-
Acquisition of common shares in URU Metals Limited	**-**	(463,736)
Net cash proceeds from sale of Niketo Co. Ltd.	**-**	21,978
Net cash used in investing activities	**(36,414,000)**	(441,758)
Change in cash	**21,270,808**	(419,800)
Cash, beginning of year	**26,034**	445,834
Cash, end of year	**$ 21,296,842**	$ 26,034

SUPPLEMENTAL INFORMATION:

Units issued for loan payable and accrued interest	**$ 475,000**	$ -
Units issued for finders fees	**$ 1,538,140**	$ -

The accompanying notes are an integral part of these financial statements.

CAPTOR CAPITAL CORP.
Statements of Changes in (Deficiency) Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total
Balance, March 31, 2016	**$ 21,618,953**	**$ -**	**$ 7,955,990**	**$ (31,673,467)**	**$ (2,098,524)**
Net income for the year	-	-	-	8,311,787	8,311,787
Balance, March 31, 2017	**21,618,953**	**-**	**7,955,990**	**(23,361,680)**	**6,213,263**
Common shares issued for private placement	700,000	-	-	-	700,000
Units issued for private placement	63,204,997	-	-	-	63,204,997
Finders units	1,237,540	-	-	-	1,237,540
Issuance of warrants	(16,078,414)	16,078,414	-	-	-
Cost of issue - cash	(3,409,860)	-	-	-	(3,409,860)
Cost of issue - finders fees	(1,538,140)	300,600	-	-	(1,237,540)
Share based compensation	-	-	174,720	-	174,720
Net income for the year	-	-	-	3,781,005	3,781,005
Balance, March 31, 2018	**$ 65,735,076**	**$ 16,379,014**	**$ 8,130,710**	**$ (19,580,675)**	**$ 70,664,125**

The accompanying notes are an integral part of these financial statements.

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

Captor Capital Corp. (the "Company" or "Captor") was incorporated under the laws of the Province of Ontario, Canada by Articles of Incorporation dated September 26, 2003. On June 2, 2017, the Company changed its name from NWT Uranium Corp. to Captor Capital Corp. The Company also delisted its common shares from the TSX Venture Exchange (the "Exchange") on June 1, 2017. 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. On October 30, 2017, the common shares of Captor commenced trading on the Canadian Securities Exchange ("CSE") under the symbol "CPTR".

The Company holds strategic investments in other companies. The primary office is located at 4 King Street West, Suite 401, Toronto, Ontario, M5H 1B6, Canada.

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

The financial statement were approved by the Board of Directors on July 30, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statement have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended March 31, 2018.

(b) Basis of presentation

These financial statement have been prepared on a historical cost basis, with the exception of financial instruments classified at fair value through profit or loss. In addition, these financial statement have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these financial statement, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in note 2(j).

(c) Equipment

Equipment is recorded at cost less accumulated depreciation. Depreciation is recorded on the declining balance basis at the following annual rates:

Computer equipment	30%
Furniture and fixtures	20%
Field equipment	20%

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Financial instruments

The Company recognizes financial assets and financial liabilities when the Company becomes a party to a contract. Financial assets and financial liabilities, with the exception of financial assets classified as fair value through profit or loss, are measured at fair value plus transaction costs on initial recognition. Financial assets at fair value through profit or loss are measured at fair value on initial recognition and transaction costs are expensed when incurred. Securities are accounted for at the trade date.

Measurement in subsequent periods depends on the classification of the financial instrument.

i) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL when acquired principally for the purpose of trading or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the statements of income. Other investments and investments in I-5 Holdings Ltd., URU Metals Limited and MM Enterprises USA, LLC are designated as FVTPL.

ii) Available-for-sale financial assets

Financial assets are classified as available-for-sale when so designated by management. Financial assets classified as available-for-sale are measured at fair value, with changes recognized in other comprehensive (loss) income and accumulated in equity until the gain or loss is realized, at which time they will be recorded in net (loss) income. Significant or prolonged impairments on available-for-sale financial assets are recorded in net (loss) income. As at March 31, 2018, the Company did not have any available-for-sale financial assets.

iii) Loans and receivables

Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method.

Cash, amounts receivable and loan receivable are classified as loans and receivables.

iv) Other financial liabilities

Other financial liabilities are financial liabilities that are not classified as FVTPL. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

Accounts payable and accrued liabilities and loan payable are classified as other financial liabilities. The Company does not currently apply hedge accounting.

The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument to the net carrying amount on initial recognition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of income.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(f) Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Foreign currency translation

The Canadian dollar is the presentation currency and also the functional currency of the Company. Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities not denominated in the functional currency are translated at the period end rates of exchange. Foreign exchange gains and losses are recognized in the statements of income and comprehensive income.

(h) Share-based payments

The Company operates a stock option plan under which it receives services from employees, and others providing similar services, as consideration for equity instruments of the Company.

Stock options granted are settled with shares of the Company when exercised. The expense is determined based on the fair value of the award granted and recognized over the period which services are received, which is usually the vesting period. For awards with graded vesting, the fair value of each tranche is recognized over its respective vesting period. At the end of each reporting period, the Company re-assesses its estimates of the number of awards that are expected to vest and recognizes the impact of the revisions in the statements of income and comprehensive income.

(i) Earnings per share

The Company presents basic and diluted earnings per share data for its common shares, calculated by dividing the earnings attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares.

(j) Critical accounting estimates and judgments

The preparation of the financial statement using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. The preparation of the financial statement also requires management to exercise judgment in the process of applying the accounting policies.

i) Critical judgments in applying accounting policies

Income taxes – measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.

Fair value of investment in securities not quoted in an active market or private company investments - where the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. As valuations of investments for which market quotations are not readily available are inherently uncertain, determination of fair value may differ materially from the values that would have resulted if a ready market existed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(l) Investments

The Company carries its investments at fair value as financial assets at FVTPL. When a financial instrument is initially recognized, its fair value is generally the value of consideration paid or received. Acquisition costs relating to investments are not included as part of the cost of the investment and are recorded as an expense in the statements of income and comprehensive income. Purchases and sales of investments are accounted for on a trade-date basis. Subsequent to initial recognition, for the fair value of an investment quoted on an active market, the fair value is generally the bid price on the principal exchange on which the investment is traded.

In the absence of an active market, the fair value is determined by management using the appropriate valuation methodologies after considering the history and nature of the business, operating results and financial conditions, the general economic, industry and market conditions, capital market and transaction market conditions, contractual rights relating to the investment, public market comparables, private company transactions multiples and, where applicable, other pertinent considerations. The process of valuing investments for which no active market exists is inevitably based on inherent uncertainties and the resulting values may differ from values that would have been used had an active market existed. Investments in options and warrants that are not traded on a recognized securities exchange do not have readily available market values. When there are sufficient and reliable observable market inputs, a valuation technique is used; if no such market inputs are available, the options and warrants are valued at intrinsic value.

The Company also incurs costs to investigate certain early stage and other potential investment opportunities to determine whether an investment will be made. These costs are expensed as incurred.

(m) Revenue recognition on investments

Investment transactions are recorded on a trade-date basis. Realized gains and losses on the disposal of investments and unrealized gains and losses in the fair value of the investments are reflected in the statements of income and comprehensive income.

Interest and loan income is recorded on an accrual basis when reasonable assurance exists regarding measurement and collectibility.

Recent accounting pronouncements

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. Management has determined the adoption of IFRS 9 will not have a material impact on the Company's financial statements.

3. 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, reserve and deficit which at March 31, 2018 totaled $70,664,125 (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.

4. FINANCIAL RISK FACTORS

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 is 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 (2017 - $26,034) to settle current liabilities of $1,426,375 (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.

4. FINANCIAL RISK FACTORS (continued)

Market Risk

(i) 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.

(ii) 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.

(iii) 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 and comprehensive income for the year ended March 31, 2018 would have varied by approximately $101,000.

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

(Expressed in Canadian Dollars)

5. CATEGORIES OF FINANCIAL INSTRUMENTS

	March 31, 2018	March 31, 2017
Financial assets:		
Loans and receivables:		
Cash	**$ 21,296,842**	$ 26,034
Amounts receivable	**$ 202,093**	$ 173,053
Loan receivable	**$ 1,344,602**	$ -
FVTPL:		
Other investments	**$ 2,936,757**	$ 863,760
Investment in I-5 Holdings Ltd.	**$ 7,500,000**	$ -
Investment in URU Metals Limited	**$ 1,223,083**	$ 6,314,271
Investment in MM Enterprises USA, LLC	**$ 37,081,734**	$ -
Financial liabilities:		
Other financial liabilities		
Accounts payable and accrued liabilities	**$ 1,426,375**	$ 980,952
Loan payable	**$ -**	$ 463,736

As of March 31, 2018 and 2017, the fair values of cash, amounts receivable, loan receivable and accounts payable and accrued liabilities approximate the carrying value.

6. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	March 31, 2018	March 31, 2017
Sales tax receivable - Canada	**$ 201,706**	$ 8,592
Other receivable (Note 24)	**202,093**	173,053
Prepaid expenses	**51,257**	27,218
	$ 455,056	$ 208,863

7. LOAN RECEIVABLE

On March 5, 2018, the Company loaned I-5 Holdings Ltd. US$1,042,812 ($1,344,602). The loan bears no interest and is to be repaid on March 5, 2019.

(Expressed in Canadian Dollars)

8. EQUIPMENT

Cost	Computer equipment	Furniture and fixtures	Field equipment	Total
Balance, March 31, 2017 and March 31, 2018	**$ 44,906**	**$ 95,924**	**$ 57,365**	**$ 198,195**

Accumulated Depreciation	Computer equipment	Furniture and fixtures	Field equipment	Total
Balance, March 31, 2016	$ 41,531	$ 59,460	$ 36,826	$ 137,817
Depreciation during the year	1,013	7,293	4,107	12,413
Balance, March 31, 2017	42,544	66,753	40,933	150,230
Depreciation during the year	709	5,834	3,286	9,829
Balance, March 31, 2018	**$ 43,253**	**$ 72,587**	**$ 44,219**	**$ 160,059**

Net Carrying Value	Computer equipment	Furniture and fixtures	Field equipment	Total
Balance, March 31, 2017	$ 2,362	$ 29,171	$ 16,432	$ 47,965
Balance, March 31, 2018	**$ 1,653**	**$ 23,337**	**$ 13,146**	**$ 38,136**

9. OTHER INVESTMENTS

Other investments consists of shares held in publicly listed companies. The fair market value as at March 31, 2018 was $2,936,757 (March 31, 2017 - $863,760).

The following table represents a continuity of other investments:

Balance, March 31, 2016	$ 964,052
Disposals	(113,234)
Revaluation to fair market value	12,942
Balance, March 31, 2017	**863,760**
Additions	2,250,000
Revaluation to fair market value	(177,003)
Balance, March 31, 2018	**$ 2,936,757**

		Original cost as of	
Investments	**Number of shares held**	**March 31, 2018**	**March 31, 2017**
Handa Copper Corp. (HEC)	849,700	$ 338,675	$ 338,675
Canuc Resources Corporation (CDA)	500,000	1,000,000	1,000,000
Azimut Exploration Inc. (AZM)	1,800,000	774,000	774,000
Kure Technologies Inc. (KUR)	1,130,533	338,675	338,675
HyperBlock Technologies Corp.	1,000,000	1,750,000	-
Millennial Esports Corp. (GAME)	714,285	500,000	-
Millennial Esports Corp. warrants (1)	357,142	-	-
		$ 4,701,350	$ 2,451,350

(1) Each warrant entitles Captor to acquire one common share of Millennial at an exercise price of $1.20 per share until January 9, 2020.

(Expressed in Canadian Dollars)

10. 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). MM Enterprises is a private company and is not publicly traded. Management has determined that as at March 31, 2018, its fair market value was $37,081,734.

11. 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 (Note 26(iv)).

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.

12. 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 (“URU”) which represents approximately 15% (March 31, 2017 - 15%) of URU's shareholding. Changes in fair value of URU are recorded through profit and loss in accordance with the investment entity standards.

Balance, March 31, 2016	$	510,791
Acquisition of common shares		463,735
Revaluation to fair market value		5,339,745
Balance, March 31, 2017		**6,314,271**
Revaluation to fair market value		(5,091,188)
Balance, March 31, 2018	**$**	**1,223,083**

13. LOAN PAYABLE

On March 31, 2017, the Company received a loan of $463,736. The loan payable was due on December 29, 2017 and bore interest at 6% per annum. The loan was secured by 46,444,444 common shares of URU Metals Limited.

On December 11, 2017, $463,736 of the loan principal and $11,264 of loan interest, was used to participate in the December 11, 2017 private placement to acquire 9,500,000 Units of the Company at a price of $0.05 per Unit for gross proceeds of $475,000.

(Expressed in Canadian Dollars)

14. SHARE CAPITAL

a) Authorized

Unlimited number of common shares with no par value.

b) Issued and outstanding

	Number of shares	Amount
Balance, March 31, 2016 and March 31, 2017	**132,141,342**	**$ 21,618,953**
Common shares issued for private placement (i)	35,000,000	700,000
Units issued for private placement (ii)(iii)	430,099,989	63,204,997
Finders units (iii)	6,187,700	1,237,540
Cost of issue - warrants	-	(16,078,414)
Cost of issue - cash	-	(3,409,860)
Cost of issue - finders fees	-	(1,538,140)
Balance, March 31, 2018	**603,429,031**	**$ 65,735,076**

(i) 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 $700,000. The common shares were subject to a hold period of four months and one day from the date of issue.

(ii) 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 were subject to a hold period of four months and one day from the date of issue.

The proceeds from the issuance of units were allocated between share capital and warrant reserve, with the fair value of the warrants of $3,008,909 being allocated to warrant reserve and the remaining allocated to share capital. The fair value of the warrants was estimated using Black-Scholes pricing model with the following assumptions: share price $0.15, dividend yield 0%, risk free interest rate 1.51%, volatility 110%, and an expected life 2 years.

(iii) 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 were subject to a four-month hold period from the date of issue, in accordance with applicable securities laws.

The proceeds from the issuance of units were allocated between share capital and warrant reserve, with the fair value of the Warrants of $13,069,505 being allocated to warrant reserve and the remaining allocated to share capital. The fair value of the Warrants was estimated using Black-Scholes pricing model with the following assumptions: share price $0.37, dividend yield 0%, risk free interest rate 1.51%, volatility 110%, and an expected life 2 years.

In connection with the offering, Canaccord Genuity Corp. and Maven Capital Inc. received advisory fees of $1,550,000 which were paid $312,500 in cash and issuance of 6,187,700 Units with the same terms as the offering. A fair value of $300,600 for the 3,093,850 Warrants was estimated using Black-Scholes pricing model with the following assumptions: share price $0.37, dividend yield 0%, risk free interest rate 1.51%, volatility 110%, and an expected life 2 years.

(iv) On February 23, 2018, the Company issued 171,959,364 common shares for the acquisition of I-5 Holdings (Note 11). These common shares were held in escrow as the completion of the acquisition is dependent on the results of due diligence that was not completed as at March 31, 2018. For the purposes of these financial statements, these shares are not included in the Company's outstanding shares.

(Expressed in Canadian Dollars)

15. WARRANTS

The following table reflects the continuity of warrants for the periods presented:

	Number of warrants	Weighted average exercise price
Balance, March 31, 2016 and March 31, 2017	**-**	**$ -**
Issued (Note 14(ii)(iii))	294,193,844	0.20
Balance, March 31, 2018	**294,193,844**	**$ 0.20**

The Company had the following warrants outstanding at March 31, 2018:

Number of Warrants	Exercise Price	Expiry Date
152,100,000	$0.10	December 11, 2019
142,093,844	$0.30	February 12, 2020
294,193,844	$0.20	

16. STOCK OPTIONS

The Company has a stock option plan for the purchase of common shares for its directors, officers, employees and other service providers. The aggregate number of common shares reserved for issuance under the stock option plan is 10% of the issued and outstanding common shares of the Company. The options are non-assignable and non-transferable and may be granted for a term not exceeding five years. The exercise price of the options is fixed by the Board of Directors of the Company at the time of grant, subject to all applicable regulatory requirements. The vesting term of the options is fixed by the Board of Directors of the Company at the time of grant and may vary from immediate vesting to up to 24 months.

The following table reflects the continuity of stock options for the periods presented:

	Number of stock options	Weighted average exercise price
Balance, March 31, 2016 and March 31, 2017	-	$ -
Options granted (i)	4,200,000	0.10
Balance, March 31, 2018	**4,200,000**	**$ 0.10**

(i) On November 29, 2017, the Company granted an aggregate of 4,200,000 options to officers and directors of the Company. All stock options vested immediately and are exercisable at $0.10 per common share for a period of 2 years. The fair value of $174,720 was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 110%; risk-free interest rate of 1.43% and an expected life of 2 years.

(Expressed in Canadian Dollars)

16. STOCK OPTIONS (continued)

The Company had the following stock options outstanding at March 31, 2018:

Outstanding options	Exercisable options	Weighted average remaining contractual life (years)	Weighted average exercise price ($)	Expiry date
4,200,000	4,200,000	1.67	0.10	November 29, 2019

17. LOSS PER SHARE

Years Ended March 31,	2018	2017
Net income for the year	**$ 3,781,005**	$ 8,311,787
Weighted average number of shares outstanding - basic	**229,820,305**	132,141,342
Dilutive effect of stock options and warrants	**6,627,670**	-
Weighted average number of shares outstanding - diluted	**236,447,975**	132,141,342
Net income per share		
Basic	**$ 0.02**	$ 0.06
Diluted	**$ 0.02**	$ 0.06

18. GENERAL AND ADMINISTRATIVE EXPENSES

Years Ended March 31,	2018	2017
Expenses		
Management and administrative services (Note 24)	**$ 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 (Note 16)	**174,720**	-
Interest and penalty	**23,632**	88,882
Depreciation (Note 8)	**9,829**	12,413
	$ 1,436,459	$ 790,569

19. PREPAID DEPOSITS

The Company entered into a service agreement with a private company that has extensive experience working in Vietnam. The private company will provide due diligence services in regards to acquiring an investment in a mining operation in Vietnam. In fiscal year 2012, the Company paid a retainer of 1,100,000 GBP for the services. As of March 31, 2018, 118,353 GBP (C$214,290) (March 31, 2017 - 118,353 GBP (C$197,058)) of the initial deposit remained unused.

The Company is obligated to make another GBP1,100,000 (C$1,894,750) deposit at the time the drilling phase of the project commences to maintain an interest in the operations.

(Expressed in Canadian Dollars)

20. SALE OF NIKETO CO. LTD.

On March 15, 2017, the Company sold all the shares of its wholly owned subsidiary, Niketo Co. Ltd. for proceeds of $100,000.

A summary of the transaction is as follows:

Consideration	**$ 100,000**
Net liabilities:	
Cash	**78,022**
Other investments	**113,233**
Income taxes payable	**(3,886,482)**
	(3,695,227)
Gain on sale of Niketo Co. Ltd.	**$ 3,795,227**

21. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2017 - 26.5%) on the net loss is as follows:

Years Ended March 31,	2018	2017
Income before income taxes	**$ 3,781,005**	$ 8,311,787
Expected income tax expense	**$ 1,001,710**	$ 2,202,620
Share based compensation and non-deductible expenses	**(668,170)**	(1,897,680)
Share issuance costs booked directly to equity	**(410,750)**	-
Utilized tax benefit not previously recognized	**-**	(391,970)
Change in tax benefit not recognized	**77,210**	87,030
Income tax expense reflected in the statement of income	**$ -**	$ -

The following table summarizes the components of deferred tax:

Deferred Tax	March 31, 2018	March 31, 2017
<u>Deferred Tax Assets</u>		
Investment in URU Metals Limited	**1,380,350**	-
<u>Deferred Tax Liabilities</u>		
Investment in I-5 Holdings Ltd.	**(331,250)**	-
Investment in MM Enterprises USA, LLC	**(1,049,100)**	-
Net deferred tax asset	**$ -**	$ -

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

(Expressed in Canadian Dollars)

21. INCOME TAXES (continued)

Unrecognized Deferred Tax Assets

Deferred income taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	March 31, 2018	**March 31, 2017**
Investment in URU Metals Limited	**$ 7,266,050**	$ 14,137,630
Other investments	**1,764,590**	-
Non- capital losses carried forward - Mexico	**31,380**	50,880
Non-capital losses carried forward - Canada	**4,210,730**	5,842,130
Mineral properties	**1,275,460**	3,860,950
Mineral properties - Mexico	**2,420,420**	-
Share issuance costs	**1,240,000**	-
Equipment	**64,880**	87,090
Non-deductible salaries	**253,000**	316,000

The Canadian non-capital loss carry forwards expire as noted in the table below. The Mexico non-capital losses expire between 2022 and 2023. The Company's Canadian non-capital income tax losses expire as follows:

2034	$ 1,161,710
2035	766,470
2036	603,260
2037	1,679,290
	$ 4,210,730

22. CONTINGENCIES

From time to time, the Company is subject to legal proceedings and claims arising in the ordinary course of business. Management is of the opinion, based upon information presently available, that it is unlikely that any such liability, to the extent not provided for by insurance or otherwise, would have a material adverse effect in relation to the Company’s financial position, liquidity, or results of operations.

(Expressed in Canadian Dollars)

23. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

The Company's reportable segments are based upon the geographic region for the Company's operations or tradable financial instruments, and include Canada, South Africa, Vietnam and Cyprus.

As at March 31, 2018, cash of $21,296,842 (March 31, 2017 - $26,034) was held in Canadian chartered banks. Total assets were held as follows:

As at March 31, 2018	Canada	Vietnam	South Africa	United States	Total
Current assets	$ 26,033,257	$ 214,290	$ -	$ 37,081,734	$ 63,329,281
Equipment	38,136	-	-	-	38,136
Other assets	-	-	1,223,083	7,500,000	8,723,083
Total assets	**$ 26,071,393**	**$ 214,290**	**$ 1,223,083**	**$ 44,581,734**	**$ 72,090,500**

As at March 31, 2017	Canada	Vietnam	South Africa	Cyprus	Total
Current assets	$ 1,098,657	$ 197,058	$ -	$ -	$ 1,295,715
Equipment	47,965	-	-	-	47,965
Other assets	-	-	6,314,271	-	6,314,271
Total assets	**$ 1,146,622**	**$ 197,058**	**$ 6,314,271**	**$ -**	**$ 7,657,951**

Year Ended March 31, 2018	Canada	Vietnam	South Africa	United States	Total
Net income (loss) allocation for the year	$ (659,491)	$ (6,938)	$ (5,218,323)	$ 9,665,757	$ 3,781,005

Year Ended March 31, 2017	Canada	Vietnam	South Africa	Cyprus	Total
Net income (loss) allocation for the year	$ 3,545,596	$ (39,843)	$ 4,900,474	$ (94,440)	$ 8,311,787

(Expressed in Canadian Dollars)

24. RELATED PARTY TRANSACTIONS AND BALANCES

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:

Years Ended March 31,		2018		2017
Directors fees (i)	**$**	**24,000**	$	24,000
Alegana Enterprises Ltd. ("Alegana") (ii)		**219,996**		219,996
2249872 Ontario Ltd. (iii)		**84,000**		105,000
Marrelli Support Services Inc ("MSSI") (iv)		**18,000**		18,000
Share based compensation		**174,720**		-
	$	**520,716**	$	366,996

(i) 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.

(ii) Alegana is a company controlled by Mr. John Zorbas, the President of the Company. 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. Included in accounts payable and accrued liabilities at March 31, 2018 is $669,150 (March 31, 2017 - $531,372) owing to Alegana.

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

(iii) 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 is $47,190 (March 31, 2017 - $110,460) due to 2249872 Ontario Ltd.

(iv) 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.

(v) 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 statements of financial position.

(Expressed in Canadian Dollars)

25. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(a) Assets and liabilities measured at fair value on a recurring basis:

As at March 31, 2018	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Aggregate fair value**
Other investments	$ 2,936,757	$ -	$ -	$ 2,936,757
Investment in URU Metals Limited	1,223,083	-	-	1,223,083
Investment in MM Enterprises USA, LLC	-	-	37,081,734	37,081,734
Investment in I-5 Holdings Ltd.	-	-	7,500,000	7,500,000
	$ 4,159,840	**$ -**	**$ 44,581,734**	**$ 48,741,574**

(b) Fair values of financial assets and liabilities:

	March 31, 2018		**March 31, 2017**	
	Carrying amount	**Estimated fair value**	**Carrying amount**	**Estimated fair value**
Loans and receivables				
Cash (i)	**$ 21,296,842**	**$ 21,296,842**	$ 26,034	$ 26,034
Amounts receivable (i)	**202,093**	**202,093**	173,053	173,053
Loan receivable	**1,344,602**	**1,344,602**	-	-
Prepaid deposit	**214,290**	**214,290**	197,058	197,058
	$ 23,057,827	**$ 23,057,827**	$ 396,145	$ 396,145
FVTPL				
Other investments	**$ 2,936,757**	**$ 2,936,757**	$ 863,760	$ 863,760
Investment in URU Metals Limited	**1,223,083**	**1,223,083**	6,314,271	6,314,271
Investment in MM Enterprises USA, LLC	**37,081,734**	**37,081,734**	-	-
Investment in I-5 Holdings Ltd.	**7,500,000**	**7,500,000**	-	-
	$ 48,741,574	**$ 48,741,574**	$ 7,178,031	$ 7,178,031
Other financial liabilities				
Accounts payable and accrued liabilities (i)	**$ 1,426,375**	**$ 1,426,375**	$ 980,952	$ 980,952
Loan payable	**-**	**-**	463,736	463,736
	$ 1,426,375	**$ 1,426,375**	$ 1,444,688	$ 1,444,688

(i) The carrying amounts of cash, amounts receivable, loan receivable, accounts payable and accrued liabilities and loan payable are reasonable approximation of their fair values due to their short-term nature.

The Company does not offset financial assets with financial liabilities.

26. 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”).

26. SUBSEQUENT EVENTS (continued)

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 (See Note 11). The shares held in escrow were released from escrow.