No securities regulatory authority has expressed an opinion about any information contained herein and it is an offence to claim otherwise. This Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States. See "Plan of Distribution".*

PROSPECTUS

Initial Public Offering **February 28, 2018**

COGNETIVITY NEUROSCIENCES LTD.

(formerly Utor Capital Corp.)

$4,167,500

16,670,000 Qualified Units on exercise or deemed exercise of 16,670,000 Special Warrants

This preliminary long form prospectus (the "**Prospectus**") is being filed with the securities regulatory authorities in the Provinces of Alberta, British Columbia, Manitoba and Ontario to enable Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.) (the "**Company**", "**Cognetivity**", "**we**", "**us**", or "**our**") to become a reporting issuer under the applicable securities legislation in the Provinces of Alberta, British Columbia, Manitoba and Ontario.

This Prospectus qualifies for distribution 16,670,000 units (the "**Qualified Units**") of the Company issuable for no additional consideration upon exercise or deemed exercise of 16,670,000 special warrants (the "**Special Warrants**") of the Company issued on October 26, 2017 at a price of $0.25 (the "**Offering Price**") per Special Warrant to purchasers in certain provinces of Canada on a non-brokered private placement basis pursuant to prospectus exemptions under applicable securities legislation and in jurisdictions outside of Canada in compliance with laws applicable to each subscriber, respectively (the "**Offering**"). Each Qualified Unit consists of one common share in the capital of the Company (each, a "**Unit Share**") and one-half of one common share purchase warrant (each whole common share purchase warrant, an "**Underlying Warrant**"). Each Underlying Warrant will entitle the holder thereof to acquire one common share in the capital of the Company (each, an "**Underlying Share**") at an exercise price of $0.35 until October 26, 2019. See "*Plan of Distribution*".

The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the Qualified Units upon the exercise or deemed exercise of the Special Warrants.

Certain of the Company's directors reside outside of Canada and have appointed an agent for services of process in Canada. See "*Agent for Service of Process*".

	Price	Net Proceeds to the Company (1)(2)
Per Special Warrant	$0.25	
Total	**$4,167,500**	**$3,920,200**

Notes:

(1) Before deducting the legal, accounting and administrative expenses of the Company in connection with the Offering.

(2) Certain eligible finders were paid a commission of 7% of gross proceeds from certain purchasers**.**

Subject to the terms and conditions of the certificates representing the Special Warrants, each of the Special Warrants entitles the holder thereof to acquire, upon voluntary exercise prior to, or deemed exercise on, the Deemed Exercise Date (as defined below), one Qualified Unit, subject to adjustment in certain circumstances, without payment of any additional consideration.

The Special Warrants will be deemed to be exercised on the date (the "**Deemed Exercise Date**") on which a receipt for the final prospectus of the Company qualifying the distribution of the Qualified Units issuable on exercise of the Special Warrants (the "**Final Receipt**" or the "**Qualification Date**") has been issued, at which time each Special Warrant shall be automatically exercised for one Unit Share and one-half of one Underlying Warrant, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder.

If the Qualification Date has not occurred on or before 5:00 p.m. (Vancouver time) on June 15, 2018 (the "**Qualification Deadline**"), the Company will cause the full amount paid for the Special Warrants to be returned to the holders thereof, and all Special Warrants will be deemed to have been cancelled and will be of no further force or effect whatsoever.

The Special Warrants were purchased by subscribers pursuant to private placement exemptions from the prospectus requirements in the Provinces of British Columbia, Alberta, Manitoba and Ontario (the "**Qualifying Jurisdictions**") and in jurisdictions outside of Canada in compliance with laws applicable to each such subscriber, respectively. There is no market through which the Special Warrants may be sold and none is expected to develop. However, pursuant to the terms and conditions of the certificates representing the Special Warrants, the Special Warrants will be deemed to be exercised on the date the Final Receipt for this Prospectus is issued.

In the event that a holder of Special Warrants exercises such securities prior to the earlier of the Qualification Date and the date which is four months and one day after the original date of issuance of the Special Warrants, the Unit Shares and Underlying Warrants issued upon exercise of such Special Warrants will be subject to statutory hold periods under applicable securities legislation and shall bear such legends as required by securities laws.

No additional proceeds will be received by the Company in connection with the issuance of the Qualified Units upon exercise or deemed exercise of the Special Warrants.

Cognetivity is engaged in the development of a platform for the early stage detection of Alzheimer's Dementia, and other conditions involving cognitive impairment. Due to the nature of the Company's business, an investment in the Qualified Units is speculative and involves a high degree of risk that should be considered by potential investors. An investment in the Qualified Units should only be undertaken by those persons who can afford the total loss of their investment.

There is currently no market through which any of the securities being distributed under this Prospectus, may be sold, and purchasers may not be able to resell such securities acquired hereunder. This may affect the pricing of such securities in the secondary market, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation. See "*Risk Factors*" and "*Cautionary Note Regarding Forward-Looking Information*".

Concurrently with the filing of this Prospectus, the Company to list the common shares of the Company (the "**Common Shares**"), the Unit Shares qualified under this Prospectus and all other Common Shares issuable as described in this Prospectus on the Canadian Securities Exchange (the "**Exchange**"). On February 27, 2018, the Company received conditional approval from the Exchange. The listing of the Common Shares will be subject to the Company fulfilling all of the listing requirements of the Exchange, which cannot be guaranteed.

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Qualified Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires Qualified Units.

Prospective investors should rely only on the information contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

Cognetivity Neurosciences Ltd.
Suite 1980 -1075 West Georgia Street
Vancouver, British Columbia
V6E 3C9

Phone: (604) 688-9588
Fax: (778) 329-9361

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus are forward-looking statements or information (collectively "forward-looking statements"). Cognetivity is hereby providing cautionary statements identifying important factors that could cause the actual results of Cognetivity to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In particular, forward-looking statements in this Prospectus include, but are not limited to, statements about:

- the size of our addressable markets and our ability to commercialize our products;
- the achievement of advances in and expansion of our technology platforms;
- the likelihood of the cognitive assessment software tool clinical trial success;
- our ability to predict and mange government regulation; and
- the proposed use of proceeds of the Offering and available funds.

All forward-looking statements, including, without limitation, our examination of historical operating trends, are based upon our current expectations and various assumptions. Certain assumptions made in preparing the forward-looking statements include:

- our ability to manage our growth effectively;
- the absence of material adverse changes in our industry or the global economy;
- trends in our industry and markets;
- our ability to protect our intellectual property rights;
- our ability to retain key personnel; and
- our ability to raise sufficient debt or equity financing to support our continued growth.

We believe there is a reasonable basis for our expectations and beliefs, but they are inherently uncertain. We may not realize our expectations, and our beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements. The following uncertainties and factors, among others (including those set forth under "Risk Factors"), could affect future performance and cause actual results to differ materially from those matters expressed in or implied by forward-looking statements: dependence on obtaining regulatory approvals; our ability to successfully grow the market and sell our products; general market conditions in the medical technology industry; our ability to successfully market and sell new products; unanticipated cash requirements to support current operations, to expand our business or for capital expenditures; delays or setbacks with respect to governmental approvals, or manufacturing or commercial activities; changes in laws and regulations; the loss of key management or personnel; the risk that the Company is not able to arrange sufficient, cost-effective financing to repay maturing debt and to fund expenditures, future operational activities and acquisitions, and other obligations; and the risks associated with legislative and regulatory developments that may affect costs, revenues, the speed and degree of competition entering the market, global capital markets activity and general economic conditions in geographic areas where we operate.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of Cognetivity or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See “Risk Factors”.

MARKET AND INDUSTRY DATA

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications. Cognetivity believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, Cognetivity has not independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

CONVENTIONS

Certain terms used herein are defined in the “Glossary of Terms”. Unless otherwise indicated, references to $ are to Canadian dollars and references to “£” are to English pounds. All financial information with respect to Cognetivity have been presented in Canadian dollars in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Prospectus. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout. Terms and abbreviations used in the financial statements of Cognetivity and CGN are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

“**$**” means Canadian dollars;

“**£**” means English pounds;

“**Affiliate**” means a company that is affiliated with another company as described below:

A company is an “Affiliate” of another company if:

(a) one of them is the subsidiary of the other; or
(b) each of them is controlled by the same Person;

A company is “controlled” by a Person if:

(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company;

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person, or
(b) an Affiliate of that Person, or
(c) an Affiliate of any Company controlled by that Person;

"**Applicable Securities Law**" means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time;

"**Associate**" means when used to indicate a relationship with a person or company, means:

(a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
(b) any partner of the person or company;
(c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity;
(d) in the case of a person, a relative of that person, including:

    (i) that person's spouse or child; or
    (ii) any relative of the person or of his spouse who has the same residence as that person; but

(e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Board**" or "**Board of Directors**" means the board of directors, or comparable corporate governing structure, of Cognetivity;

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in British Columbia, Canada or London, United Kingdom;

"**CEO**" means Chief Executive Officer;

"**CFO**" means Chief Financial Officer;

"**Cognetivity or Company**" means Cognetivity Neurosciences Ltd. (previously named Utor Capital Corp.);

"**CGN**" means Cognetivity Ltd.;

"**Class B Shares**" means the class B preferred convertible shares in the capital of Cognetivity;

"**Common Shares**" means the Class A common shares in the capital of Cognetivity;

"**CSE**" or the "**Exchange**" means the Canadian Securities Exchange operated by the CNSX Markets Inc.;

"**Deemed Exercise Date**" means the date the Special Warrants are deemed to be exercised, which is the date of the Final Receipt is issued;

"**Escrow Agent**" means TSX Trust Company;

“**Escrow Agreement**” means the escrow agreement to be entered into on the date of the Final Prospectus, among the Company, the Transfer Agent and certain shareholders, pursuant to which 10,879,121 Common Shares and 5,439,560 Class B Shares will be held in escrow;

“**Escrow Shares**” means the 10,879,121 Common Shares and 5,439,560 Class B Shares that are held in escrow pursuant to the CSE Escrow Agreement;

“**FDA**” means the Food and Drug Administration of the United Sates Department of Health and Human Services;

“**Final Prospectus**” means the (final) prospectus of Cognetivity, prepared in accordance with NI 41-101;

“**Final Receipt**” means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Final Prospectus in British Columbia;

“**Finder’s Warrants**” means the 988,400 finder’s warrants issued to eligible finders in connection with the Offering. Each Finder’s Warrant entitles the holder thereof to acquire one additional Common Share at $0.35 per Common Share until October 26, 2019;

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators;

“**NI 52-110**” means National Investment 52-110 – *Audit Committees*, of the Canadian Securities Administrators;

“**Offering**” means the non-brokered private placement of 16,670,000 Special Warrants at a price of $0.25 per Special Warrant for total gross proceeds of $4,167,500. Each Special Warrant entitles the holder to acquire, without further payment, one Unit. The Special Warrants will be deemed to be converted on the day on which a receipt for a (final) prospectus has been issued by the securities regulatory authorities in the Province of British Columbia.

“**Option Plan**” means the stock option plan of the Company approved by the shareholders of the Company at the special meeting held on December 4, 2017;

“**Options**” means the options issued pursuant to the Option Plan;

“**Preliminary Prospectus**” means the (preliminary) prospectus of Cognetivity, prepared in accordance with NI 41-101;

“**Preliminary Receipt**” means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Preliminary Prospectus in British Columbia;

“**Principal Regulator**” means the British Columbia Securities Commission;

“**Person**”, unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“**Prospectus**” means collectively, the Preliminary Prospectus and the Final Prospectus (including any Supplemental Material thereto);

“**Qualification Date**” means the date on which the Final Receipt is issued;

“**Qualification Deadline**” means 5:00 p.m. (Vancouver time) on June 15, 2018;

“**Qualifying Jurisdictions**” means the Provinces of Alberta, British Columbia, Manitoba and Ontario;

“**Qualifying Unit**s” means the 16,670,000 units of the Company issued on exercise or deemed exercise of the Special Warrants. Each Qualified Unit consists of one Unit Share and one-half of one Underlying Warrant;

“**Regulation S**” means Regulation S promulgated under the U.S. Securities Act;

“**Share Exchange Agreement**” means the share exchange agreement among the Company, CGN and shareholders of CGN dated October 23, 2017, and the schedules attached thereto;

“**Shareholders**” means the holders of Common Shares;

“**Special Warrant**” means a special warrant issued by the Company entitling the holder the right to acquire, without additional payment, one Qualified Unit for each Special Warrant held, the issuance of the Unit Shares are qualified under this Prospectus;

“**Transfer Agent**” means the transfer agent and registrar of the Company, being TSX Trust Company;

“**Transaction**” means the purchase and sale of all the issued and outstanding shares of CGN in accordance with the Share Exchange Agreement.

“**Underlying Share**” means the Common Share issued upon the exercise of the Underlying Warrant, and payment thereof;

“**Underlying Warrant**” means the Common Share purchase warrant of the Company of which one-half forms part of the Qualified Unit. Each Underlying Warrant entitles the holder thereof to acquire one additional Warrant Share at $0.35 per Warrant Share for one year following the date of issuance;

“**Unit Share**” means the Common Share partially forming the Qualified Unit upon exercise or deemed exercise of the Special Warrants, qualified under this Prospectus;

“**US Securities Act**” means the *U.S. Securities Act of 1933*, as amended; and

“**USA**”, “**United States**”, “**U.S.**” or “**US**” means the United States of America, its territories and possessions, and any state of the United States, and the District of Columbia.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Qualifying Units and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Capitalized used but not defined in this Summary of Prospectus have the meanings ascribed thereto in the Glossary of Terms.

Principal Business of Cognetivity

Cognetivity was incorporated on December 11, 2015 under the BCBCA under the name "Utor Capital Corp." On December 19, 2017, it changed its name to "Cognetivity Neurosciences Ltd."

The Company is engaged in the development of a platform for the early stage detection of Alzheimer's, dementia, and other conditions involving cognitive impairment. The Company's objective is bring to market an effective screening tool, to be used by clinical practitioners to allow patients suffering from cognitive impairment to be referred into the appropriate treatment pathway earlier than is possible using current screening tools, in order to allow more effective treatment. See "*Description of the Business*".

Management, Directors & Officers

Sina Habibi	Chief Executive Officer and Director
Christos Kalafatis	Chief Medical Officer and Director
Mark Phillips	Chief Compliance Officer and Director
Ravinder Kang	Director
David Velisek	Director
Thomas Sawyer	Chief Operating Officer
Seyed-Madhi Khaligh-Razavi	Chief Scientific Officer
Denise Lok	Chief Financial Officer and Corporate Secretary

See "*Directors and Executive Officers*".

No Proceeds Raised

No proceeds will be raised pursuant to this Prospectus. See "*No Proceeds Raised*".

Funds Available

The estimated net proceeds received by the Company from the Offering (after deducting legal expenses and costs to complete the Offering) will be approximately $3,920,200. As at January 31, 2018, the Company had an estimated working capital deficiency of $698,516.

The Company has used, or intends to use, the net proceeds of the Offering and its other available funds as follows:

Item	$
Funds Available	
Working capital of Cognetivity as at January 31, 2018	(698,516)
Net Proceeds from the Offering	3,920,200
Total	**3,221,684**
Principal purposes for the use of available funds	
Clinical validation trial	1,036,160
Development of full commercial version of ICA	204,600
Regulatory approval as Class II Medical Device	144,158
Prospectus related cost	201,000
Accounting and Audit Related Expenses	33,000

Marketing and investor relations	261,000
Legal and regulatory (1)	151,790
General and administrative costs for 12 months after completion of the Transaction (2)	1,034,492
Unallocated working capital	155,484
Total	**3,221,684**

Notes:

(1): Legal and professional fees ($71,050) and CSE and regulatory fees ($71,050).

(2): General and administrative costs are broken down as follows: (i) salaries ($49,962 per month), (ii) rent ($10,912 per month), CFO services ($15,000 per month), and (iii) office supplies and miscellaneous ($10,333 per month).

While the Company currently intends to use the available funds for the purposes set out herein, it will have discretion in the actual application of the available funds, and may elect to use the net proceeds differently than as described herein, if the Company believes it is in its best interests to do so. See "*No Proceeds Raised*".

Risk Factors

An investment in the Company involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Company.

The risks, uncertainties and other factors, many of which are beyond the control of Cognetivity that could influence actual results include, but are not limited to: compliance with regulatory requirements and dependence on obtaining regulatory approvals; limited operating history; reliance on management; requirements for additional financing; competition; dependence on intellectual property; reliance on key inputs; dependence on suppliers and skilled labor; difficulty in forecasting sales; claims for intellectual property infringement; dependence on suppliers and skilled labour; difficulties with forecasting results; conflicts of interest; litigation; price fluctuation of the Common Shares; no earnings or dividend record; limited market for the Company's securities; unconfirmed assumptions for financial projections that may prove materially inaccurate or incorrect; challenges with managing growth; unpredictable operational or investment results; and other factors beyond the control of Cognetivity.

For a detailed description of certain risk factors relating to the Common Shares which should be carefully considered before making an investment decision. See "*Risk Factors*" for further detail.

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of Cognetivity, and notes thereto. The selected financial information is derived from and should be read in conjunction with Cognetivity's interim financial statements for the nine-month period ended October 31, 2017 and Cognetivity's audited financial statements for the fiscal years ended January 31, 2017 and 2016. See "*Selected Financial Information*".

	As at the nine-month period ended October 31, 2017 $	**As of the year ended January 31, 2017 $**	**For the period ended January 31, 2016 $**
Balance Sheet			
Current assets	4,798,908	342,323	6,000
Total assets	4,798,908	342,323	6,000
Current liabilities	401,900	505	-
Total liabilities	401,900	505	-
Shareholders' Equity (accumulated deficit)	4,397,008	341,818	6,000

The following selected financial information is subject to the detailed information contained in the financial statements of CGN, and notes thereto. The selected financial information is derived from and should be read in conjunction with CGN's interim financial statements for the nine months ended October 31, 2017 and CGN's audited financial statements for the fiscal years ended January 31, 2017 and 2016. See "*Selected Financial Information*".

	As at the nine-month period ended October 31, 2017 £	As of the year ended January 31, 2017 £	As of the year ended January 31, 2016 £
Balance Sheet			
Current assets	144,309	40,145	274
Total assets	149,809	41,861	274
Current liabilities	434,892	102,649	61,690
Total liabilities	434,892	102,649	61,690
Shareholders' Equity (accumulated deficit)	(285,083)	(60,788)	(61,416)

The following table contains certain unaudited *pro forma* consolidated financial information for the Company as at and for the period ended October 31, 2017 and of CGN as at and for the period ended October 31, 2017 and gives effect to completion of the Transaction. This information should be read together with the unaudited financial statements of the Company as at October 31, 2017, the unaudited financial statements of CGN as at October 31, 2017, and the *pro forma* financial statements of the Company together with the accompanying notes which are included elsewhere in this Prospectus. See "*Selected Financial Information*".

	As at the nine-month period ended October 31, 2017 $
Current assets	3,843,163
Total assets	3,852,565
Current liabilities	131,061
Total liabilities	131,061
Shareholders' Equity	3,721,504

CORPORATE STRUCTURE

Name, Address and Incorporation

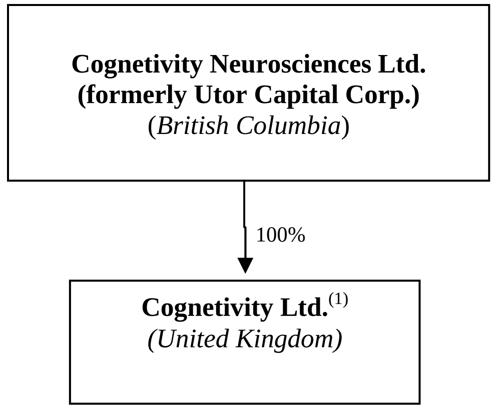
Cognetivity was incorporated on December 11, 2015 under the BCBCA under the name "Utor Capital Corp.". On December 19, 2017, it changed its name to "Cognetivity Neurosciences Ltd.".

The head office of Cognetivity is located at Suite 1980 – 1075 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3C9. Cognetivity's registered and records office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

On December 19, 2017, the Company amended its article to create certain rights and restrictions for its Class B Shares. See "*Description of Share Capital*".

Intercoporate Relationships

The diagram below describes the current intercorporate relationships of the Company. CGN was acquired by the Company pursuant to a reverse take-over transaction that was completed on December 21, 2017. See "*The Transaction*".



Note:

(1) The Company currently operates its business through its wholly-owned subsidiary, Cognetivity Ltd., a United Kingdom company formed on April 10, 2013.

GENERAL DEVELOPMENT OF THE BUSINESS

History

Prior to the Transaction, the Company had no operating business and was actively pursuing business opportunities.

Through its wholly-owned subsidiary, the Company's principal business activity is developing a platform for the early stage detection of Alzheimer's, Dementia, and other conditions involving cognitive impairment.

On January 16, 2017, the Company completed a private placement of Common Shares and issued 2,212,667 Common Shares at $0.15 per Common Shares for aggregate gross proceeds of $331,900.

On May 31, 2017, the Company completed a private placement of an aggregate of 1,142,857 common shares at a price of $0.175 per share for aggregate gross proceeds of $200,000.

Upon obtaining a receipt for this Prospectus from securities regulatory authorities in Alberta, British Columbia, Manitoba and Ontario, the Company will become a reporting issuer in those Provinces. The Company has applied to list the Common Shares and Underlying Warrants on the Exchange. On February 27, 2018, the Company received conditional approval from the Exchange. Any listing of the Common Shares and Underlying Warrants will be subject to the Company meeting the Exchange initial listing requirements and there is no assurance such listings will be obtained.

The Transaction

Cognetivity entered into the Share Exchange Agreement dated October 23, 2017 with CGN and all the shareholders of CGN.

CGN, a company incorporated under the United Kingdom Companies Act 2006 on April 10, 2014, was created to develop a platform for the early stage detection of Alzheimer's dementia, and other conditions involving cognitive impairment. Pursuant to the Share Exchange Agreement, the Company acquired 100% of the issued and outstanding shares of CGN from the shareholders of CGN in consideration for an aggregate of (i) 19,999,998 Common Shares; and (ii) 10,000,002 Class B Shares. The Transaction was completed on December 21, 2017 and constituted a reverse take-over transaction for the Company. On completion of the Transaction, the shareholders of CGN collectively held approximately 81% of the issued and outstanding shares of the Company calculated on a non-diluted basis. In connection to the Transaction, 800,000 Common Shares were issued to eligible a finder as finder's fees.

Prior to the closing of the Transaction, the Company completed the Offering and raised gross proceeds of $4,167,500 through the issuance of Special Warrants. See “*Plan of Distribution*”.

On December 21, 2017, following the completion of the Transaction, the Company appointed Sina Habibi as Chief Executive Officer and Denise Lok as Chief Financial Officer and Corporate Secretary of the Company.

DESCRIPTION OF THE BUSINESS

General

Cognetivity is developing a platform technology comprising of a visual stimulus based diagnostic test and artificial intelligence (“**AI**”) tools to support the early detection and monitoring of cognitive impairment in neurodegenerative diseases, with initial emphasis on dementia in Alzheimer’s disease (“**AD**”) and mild cognitive impairment (“**MCI**”), a difficult-to-diagnose, “pre-dementia” condition. Its Integrated Cognitive Assessment (the “**ICA**”) tool aims at identifying and alerting medical practitioners to difficult-to-identify cognitive changes earlier than is possible in currently available tests. Cognetivity is planning a United Kingdom National Health Service (“**UK NHS**”)-based clinical trial, due to commence in the first quarter of 2018, with a EU CE Mark application and FDA submission (Class II medical device) in 2019. Class II devices are simple devices which require stringent regulatory controls to provide assurance of their effectiveness and safety.

Cognetivity’s core business is focused on commercialising its cognitive assessment software tool, the ICA. The ICA is able to take advantage of the human brain’s inbuilt responsiveness to particular stimuli to detect small changes in the brain’s ability to process complicated stimuli, coupled with the power and flexibility of AI learning algorithms to detect patterns in responses. The ICA test has been specifically developed to flag the early signs of cognitive change due to the onset of neurodegeneration with greater sensitivity than the cognitive tests currently available to medical practitioners. With an increasing acceptance in the medical community of the vital role that early detection plays in the treatment of neurodegenerative disorders, a major challenge is the difficulty in detecting small cognitive changes, which currently require expensive expert monitoring and can involve a difficult, time-consuming and often subjective diagnosis process. Preliminary results from a proof of concept trial of the proposed ICA test in a clinical setting have validated the approach, with the test performing as expected in early human trials, and a thorough UK NHS-based clinical validation trial is scheduled to commence in early 2018**.**

Market Overview

Currently general practitioners neither have the expertise nor the clinical time to highlight early cognitive impairment, never mind diagnose MCI or dementia. The existing cognitive assessment tools are either crude, only detecting cognitive impairment when it is significantly symptomatic, or time-consuming to the extent that their use in primary care is prohibitive. The availability of multiple different short but crude tests does little to aid early diagnosis, as only expert-administered neuropsychological testing can so far detect the milder spectrum of dementia. MCI, a notoriously difficult to diagnose condition, requires specialist assessment that is entirely absent in a typical general practitioner clinic. Even in specialist memory clinics, diagnoses are expensive and their ability to diagnose early stage disease is limited by the point at which patients are referred, and existing tests’ sensitivity to early stage impairment. As the baby boomer generation advances in age, the number of dementia patients will increase dramatically over the next decades and there is currently a significant number of people with dementia who remain unrecognized in the United States healthcare system[1]. Also, given the increasing awareness of dementia in the population as a whole, greater numbers of people are becoming concerned about their cognitive health, and will look for effective ways to monitor their mental health. Greater understanding of how to bring people with dementia to attention of health-care providers and how resources can be optimally planned to the growing population with dementia are important areas for future research, and it also needs clinical as well as policy attention[2].

Why is Early Detection Important?

[1] Alzheimer’s Association, In Brief for Healthcare Professionals, 2016
[2] Dementia in the USA: state variation in prevalence. D. Koller & Julie P.W. Bynum, J Public Health (Oxf) (2015) 37 (4): 597-604

Early diagnosis is critical as it enables patients and their family or caregivers to make informed future care choices, in turn modifying their environment and lifestyle before illness leaves them with fewer informed choices to make, preventing very costly hospital admissions and significantly reducing caregivers' stress[3,4]. In other words, quality of life outcomes will improve both for patients and their families, and cost of care is decreased. Non-pharmacological treatments such as Cognitive Stimulation Therapy and Behavioural Interventions are significantly more successful with an earlier diagnosis[5], becoming less effective the later the condition is diagnosed. As disease modifying therapeutics are developed, their effectiveness will be dependent on early diagnosis, and given the current problems in getting drug approval there would be an obvious advantage in an ability to trial disease-modifying drugs at a much earlier stage.

The benefits of early detection are

- improve outcomes through access to medical and support services[3];

- provide an opportunity to make legal, financial and care plans while the affected individual is still capable; and

- reduce health care costs by delaying placement in a nursing home.[5]

MCI and milder forms of dementia are both growing segments of this expanding disease population, with the majority of people with dementia currently not receiving a formal diagnosis. Recognised and documented cases in primary care in high income countries can be low, comprising 20 to 50% of total estimated dementia cases[6]. In the United States, as high as 56% of people with dementia symptoms can be undiagnosed, while in the United Kingdom, similar proportions of patients go undiagnosed (55.8%), with a similar situation existing in Ireland[7].

In the United Kingdom, more and more of the responsibility for the dementia care pathway and patient load, both in terms of initial assessment and post-diagnosis care, are being placed on the general practitioners. Reports have highlighted that an increasing number of people under the age of 65 are having to access memory clinics and associated services in the United Kingdom for diagnosis, posing the potential for overburdening of these facilities and services. A published audit[8] highlights an urgent need for more thorough screening in primary care of these "younger" patients before they reach the memory clinic.

Current United Kingdom guidelines[9] recommend that general practitioners perform a comprehensive assessment of patients with suspected dementia. General practitioners play a key role in the diagnosis of dementia as they are the first point of access to identify patients with suspected dementia, initiate a diagnostic evaluation and make referrals for specialist treatment. In the case of United Kingdom general practitioner practice, the initial attempt at diagnosis consists of a single question, "Are you experiencing any memory issues?" directed to the patient, or to the patient's partner if available. This is a crude measure and ineffective as a reliable, repeatable screening process. In most cases, a referral to specialist services is preferred to confirm the diagnosis, exclude other pathologies, and establish a subtype diagnosis. Memory clinics are increasingly used as specialist centres for differential diagnosis, with an accompanying cost to them in terms of inappropriate referrals and patients being tested that have no real dementia symptoms.

In the United States, strategies for early identification, assessment and patient management are still evolving. Many AD patients eventually require formal long-term care services because of the absence, exhaustion or inability of family members to provide care. The costs of long-term care, especially nursing home care, often deplete private financial resources, placing a substantial burden on state Medicaid programs. Current evidence suggests that

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[3] http://www.nhs.uk/Conditions/dementia-guide/Pages/dementia-early-diagnosis-benefits.aspx
[4] https://www.alz.co.uk/info/importance-of-early-diagnosis
[5] Alzheimer's Disease International, World Alzheimer Report 2016
[6] Alzheimer's Disease International, World Alzheimer Report 2011
[7] Ciblis et al, PLOS ONE, March 2016
[8] O'Keilly et al, Progress in Neur and Psych, March/April 2015
[9] UK National Health Service – Dementia Diagnosis and Management, A brief pragmatic resource for general pratitioners. 2015

pharmacological treatments and caregiver interventions can delay entry into nursing homes[10] and reduce Medicaid costs[11]. However, these cost savings are not being realized because many patients with AD are either not diagnosed or diagnosed at late stages of the disease, and have no access to Medicare-funded caregiver support programs.

In the United States, no single tool is recognised as best for a brief assessment in order to determine whether a full dementia evaluation is needed. Alternative tools to the suggested General Practitioner Assessment of Cognition ("**GPCOG**"), Mini-COG (developed as a simple, non-specialist cognitive assessment test) or Memory Impairment Screen are used, including Mini- Mental Status Exam ("**MMSE**"), St Louis University Mental Status ("**SLUMS**") exam and Montreal Cognitive Assessment ("**MoCA**"). This more flexible approach (and one open to new evidence) could play to Cognetivity's advantage once the ICA is approved for use in the United States clinical assessment market. The recent de novo approval of Cognivue, a "cognition assessment aid" (marketed by Cerebral Assessments Systems Inc.) highlights a greater level of encouragement from the FDA, which established a new device class for this test.

Furthermore, primary care physicians ("**PCPs**") in the USA have since 2011 have been charged with carrying out the (Medicare) Annual Wellness visit ("**AWV**"), with the *Patient Protection and Affordable Care Act* adding a new Medicare benefit, the AWV, effective January 1, 2011. The AWV requires an assessment to detect cognitive impairment; however, the Center for Medicare and Medicaid Services elected not to recommend a specific assessment tool because there is no single, universally accepted screen that satisfies all needs in the detection of cognitive impairment. This represents a significant opportunity for Cognetivity, as the ICA's capabilities closely match the requirements for a test tool in this environment.

In order to provide primary care physicians with guidance on cognitive assessment during the AWV, and when referral or further testing is needed, the United States Alzheimer's Association convened a group of experts to develop recommendations. The resulting Alzheimer's Association Medicare Annual Wellness Visit Algorithm for Assessment of Cognition includes review of patient Health Risk Assessment information, patient observation, unstructured queries during the AWV, and use of structured cognitive assessment tools for both patients and informants. Hopes are high that implementation of this algorithm could be the first step in reducing the prevalence of missed or delayed dementia diagnosis, thus allowing for better healthcare management and more favourable outcomes for affected patients and their families and caregivers.

In summary, currently, there are limited options available to primary healthcare practitioners for quick and cost-effective testing and there is a significant requirement for a product that fulfils the needs of this massive branch of healthcare provision.

Product Overview

<u>The ICA Tool</u>

In diagnosing the cognitive disease (eg. Alzheimer's, dementia, etc.), researchers have tended to look for signs in either the whole brain or at the single-gene level. However, to detect the first disruptions to brain circuitry, techniques that probe the activity of thousands or millions of networked neurons are needed. An effective measurement of the performance of a large block of simultaneously activated neurons would provide the biggest clues to detect the steady cognitive decline that is symptomatic of the disease[12]. Consistent with this approach, Cognetivity has developed the ICA, a computerized psychophysical task that is designed to monitor the behaviour and performance of large collections of neurons, and so detect the disease in its early stages.

The ICA revolves around a visual experiment, engaging visual networks in the brain including the retina and visual cortex, as well as pattern recognition networks such as inferior temporo-occipital areas. Participants also have a motor response (i.e. they make a physical response to categorize the presented images); therefore, the motor cortex

[10] Nursing Home Placement in the Donepezil and Memantime in Moderate to Severe Alzheimer's Disease (Domino-Ad) Trial: Secondary and Post-Hoc Analyses the Lancet; Volume 14, No. 12, P1171-1181, December 2015.
[11] http://www.medscape.com/viewarticle/866639
[12] Kosik; Nature 503, November 2013, 31-32

is engaged as well. These areas are known to be affected in the early stages of diseases that affect cognitive ability: retina[13 14 15], visual cortex[16 17 18], and motor cortex[19].

Cognetivity's approach targets brain functionalities that are affected in the initial stages of the disease development, most importantly before the start of the memory symptoms that have to date been used to detect disease progression. These key brain functionalities include a subject's ability and speed in visual processing and classification. This is in contrast to current cognitive tests that attempt to detect memory deficits to diagnose cognitive impairment.

As opposed to other cognitive tests (See "*Description of Business – Competition*" below), our diagnosis is not based on a battery of tests; instead we have a unique single test, in which participant's response reaction times are measured in a rapid categorization task. This is less time-consuming than running a battery of tests, so is therefore easier to administer and does not need expert intervention or supervision whilst maintaining high levels of sensitivity and accuracy in detection of both MCI and more advanced impairment.

The ICA also, importantly, utilises the power of Artificial Intelligence to process the results from the test, allowing the detection of subtle patterns in the data that match particular sources of cognitive impairment, giving a likelihood of a subject belonging to a particular patient group (e.g. MCI or mild AD). The AI engine is trained using real patient data from controlled studies and is capable of learning from larger data sets and improving its ability to diagnose over time, and adds increased sensitivity to mild cognitive impairment to the ICA.

What this means in practical terms is that the ICA is capable of being more sensitive to neurodegeneration than any current test, and with Cognetivity's AI engine processing the results it is anticipated that the test will be able to detect signature patterns in the responses that could indicate different causes of cognitive impairment; for example, between the effects of AD, Parkinson's and stroke.

The key to the approach is Cognetivity's technology platform - a "response-to-image" technique that measures minute changes in visual cognition, relying on multiple levels of brain processing and neural pathways. It aims to identify small changes in cognition in general practitioner triage environments, at a low cost per treatment and with high accuracy and repeatability. Cognetivity's ICA is poised to commence a thorough UK NHS-based clinical trial to confirm its utility and diagnostic effectiveness in a memory clinic evaluation environment. Additionally, the embedded AI algorithms in the ICA are designed to enable refined mapping of results and pattern detection in order to more clearly define and diagnose a spectrum of overlapping dementia-related disorders.

How does the ICA test work?

In the ICA test, a number of natural images are briefly shown to participants and they are asked to respond as quickly and accurately as possible to indicate whether they see an animal in an image sequence. The use of an animal image is particularly effective as a visual stimulus for simultaneously activating large numbers of neurons because the brain represents object images by response patterns that cluster according to various categories, the strongest of which responses are between animate and inanimate stimuli[20]. This has a clear evolutionary advantage, the ability to quickly discern between living and inanimate stimuli, and knowledge of this biological quirk of human brains drove Cognetivity's decision to use animate versus inanimate categorization at the heart of the test. Upon starting the ICA the participants are fed a range of short-duration images over the test period, which typically takes less than five minutes to complete the core test.

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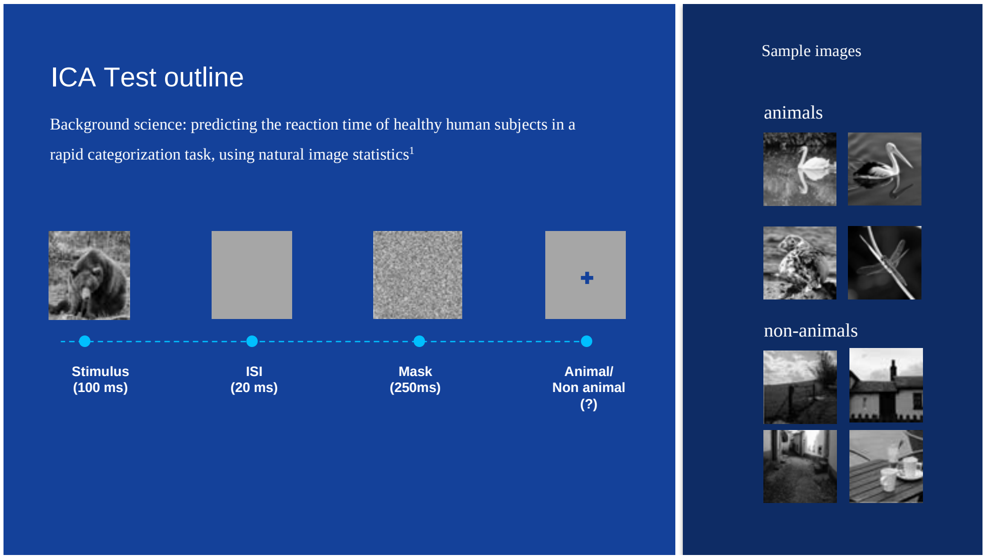
[13] Berisha et al , Invest Ophthalmol Vis Sci. 2007 May;48(5):2285-9
[14] Lu et al., Neurosci Lett. 2010 Aug 9;480(1):69-72.
[15] Paquet et al., Front Cell Neurosci. 2013; 7: 142.
[16] Armstrong, R 2012, The visual cortex in Alzheimer disease: laminar distribution of the pathological changes in visual areas V1 and V2. in J Harris & J Scott (eds), *Visual cortex: anatomy, functions and injuries.* Neuroscience research progress, Nova science, Hauppage, NY (US), pp. 99-128.
[17] Brewer AA, Barton B. Visual cortex in aging and Alzheimer's disease: changes in visual field maps and population receptive fields. *Frontiers in Psychology*. 2014;5:74
[18] Chang et al., 2013
[19] Ferreri et al., 2011 Motor cortex excitability in Alzheimer's disease: A transcranial magnetic stimulation follow-up study Neuroscience Letters 492(2):94-8 · April 2011
[20] Alison J. Wiggett, Iwan C. Pritchard, Paul E. Downing, Animate and inanimate objects in human visual cortex: Evidence for task-independent category effects, Neuropsychologia, Volume 47, Issue 14, December 2009, Pages 3111-3117

The images are selected from a library of categorized images to vary in terms of their complexity and their statistical properties. We collect participants' response reaction times and the accuracy of their categorization and then, using advanced machine learning and AI techniques, patients are assigned a probability that determines which category of condition they are more likely to belong (i.e. healthy or MCI). In our analysis, we use two measures: (i) participant's patterns of reaction times, and (ii) patterns of correlations between reaction times and the statistical properties of the presented images. All natural images have different statistical properties that can be quantified through the quantification of those properties which have meaning in terms of how the human brain processes images. For example, the complexity of an image is one of these properties; images that are more cluttered and contain more complicated visual cues that can be categorised as "surprising" to the eye are usually more complex and difficult to process.



The AI engine that carries out the analysis is trained by feeding it with the combination of two vectors: patterns of reaction times, and patterns of correlations between reaction times and image statistics. The AI classifier learns to distinguish between healthy and diseased participants based on these two patterns, which can then be used for diagnosis. As the system collects more validated data its ability to classify subjects is enhanced and it becomes more accurate. Two types of collected data can be used to train the engine: (i) having reaction times for more participants, which reduces the noise due to between-subject variations; and (ii) collecting more reaction time patterns per subject, which reduces the noise due to within-subject variations. Increasing the amount of each of these will increase the accuracy of the classifier (as a result of having more training data) and the specificity of the test. The table below summarizes advantages of ICA compared with currently available types of dementia test.

Comparing different diagnosis methodologies across cost, sensitivity, specificity, invasiveness

Timeline of disease progression

Method	Low cost	Sensitive	Non-Invasive	Early stage	Specific[1]
Cognetivity computerized test – targeting brain functionalities other than memory					
Cognitive-computerized tests – based on memory					
Cognitive tests, not computerized (e.g. questionnaires or conversation), done in a clinic.					
Biomarkers reflecting molecular neuropathology (e.g. PET Scanning, CSF test)					
Diagnosis based on brain **MRI** – done by a clinician's diagnosis or software-based (IXICO)					

[1] Specific to different types of dementia

Cognetivity

www.cognetivity.com

In terms of technical architecture, the ICA test is configured with a client – server architecture, with data collection taking place on the client device (initially an iPad) which communicates with Cognetivity's secure servers. All processing is carried out on the server, using an AI engine to generate results, with analysis and output sent to the practice administrator to aid with diagnosis and provide documentation to append to the patient's healthcare records.

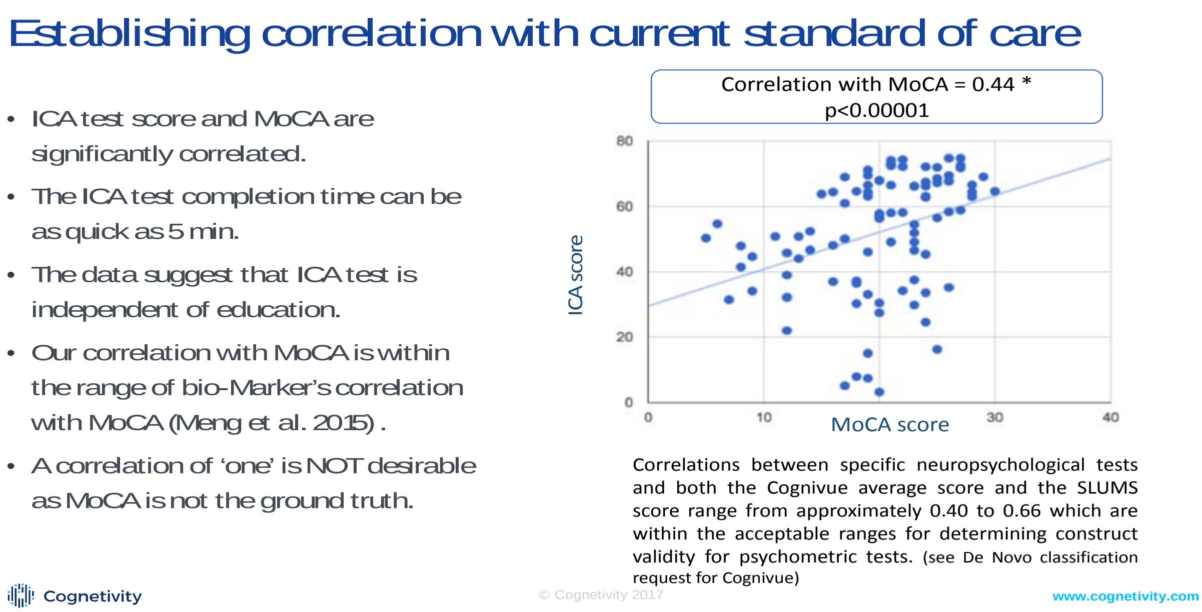
As this system has currently been developed for use on the iOS platform, it will work with readily available and well supported hardware such as the iPad air2 and iPad Pro, which have current high use levels in health systems in the USA, Canada and the UK and have high levels of acceptance among users. Unlike some competitors, Cognetivity's ICA is delivered as Software as a Medical Device (SaMD, see glossary), making distribution and adoption simple, highly scalable and low cost, thus reducing barriers to entry.

Results to Date

As part of the ongoing development process for the ICA a successful pilot study was carried out in Tehran, Iran and completed in 2016. The study was aimed a validating the ICA's ability to measure cognitive impairment for a range of patients with differing levels of cognitive impairment, and looked to validate the ICA against one of the most widely accepted standard of care tests currently in use.

The results, when analysed, established a significant relationship between the results of MoCA test and ICA scores for individuals displaying mild to moderate cognitive impairment. This relationship confirmed the theory that the ICA can be used to measure cognitive ability, but it is important to note that it would not be desirable to have a very close relationship between the scores. The MoCA test itself is a far from perfect indicator of neurodegeneration, as it does not correlate strongly with biomarkers in MCI patients[21]. Despite that, the MoCA still represents one of the most reliable currently available tests for determining the presence of cognitive impairment. The results from this study are presented in the below figure "Establishing correlation with current standard of care".

[21] Meng et al.,Nature Scientific Reports; 5:15546, October 2015



A full UK NHS-based clinical trial has been specified and planned and is expected to commence in the first quarter of 2018.

Description of the markets, market size, different market verticals and different geographical markets.

Cognetivity's development of the ICA tool provides an opportunity to enable a specific and early diagnosis of dementia at a primary care level, which would provide an advantage for patients since all current treatments for the disease are far more effective in the early stages[26]. This is also of potential benefit to pharmaceutical companies for developing new treatments, with current clinical trials being carried out on patients at a relatively advanced stage of disease, increasing the likelihood of failure for trials. Clear advantages exist for patients, clinicians, health providers, insurers and pharmaceutical companies through the use of the ICA test, since earlier diagnosis and timely intervention provide well documented health, safety, financial and social benefits[22].

Cognetivity's major impact approach aims to re-define the process of screening for dementia for primary healthcare and testing in specialist clinics. Its initial product development process is aimed at producing a short stand-alone cognitive screening tool developed specifically to help frontline physicians in the detection of early neurodegeneration, which manifests itself in MCI and AD. Current detection at a primary healthcare level is ineffective in screening for early stage dementia and cognitive impairment, with currently available tests requiring supervision by trained staff, are time consuming and expensive and, as discussed earlier, have a limited ability to detect early stage impairment.

Cognetivity is ideally placed to capitalise on the growing awareness of a requirement for an easily administered, scalable, sensitive test to allow early intervention in cases of dementia. With the limited ability of current drugs to treat dementias, and in the absence of any disease modifying therapeutics, the early detection of the onset of the disease is critical to improving outcomes for patients.

In the UK, more and more of the dementia care pathway and patient load, both in terms of initial assessment and post-diagnosis care, is being placed on the GP. However, many GPs remain unaware of the availability of computerised assessments.

[22] Alzheimer Disease International, World Alzheimer Report 2015

Some reports have highlighted that an increasing number of under-65s are having to access memory clinics and allied services in the UK, posing the potential for saturation of these facilities and services. A 2015 published audit in the UK[23] highlights an urgent need for more thorough screening in primary care of these 'younger' patients before they reach the memory clinic.

In the UK, there is a political desire to develop an infrastructure to improve identification of dementia patients and their treatment, and at earlier stages in the disease pathway[24]. However, a key obstacle remains the lack of effective disease-modifying drugs, although some that can potentially delay the course of the disease are available.

<u>The Dementia Population</u>

Globally, there are estimated to be 50 million people living with dementia in 2017. This number will almost double every 20 years, reaching 75 million in 2030 and 131.5 million in 2050. Much of the increase will be in developing countries. Already 58% of people with dementia live in low and middle-income countries, but by 2050 this will rise to 68%. The fastest growth in the elderly population is taking place in China, India, and their south Asian and western Pacific neighbours[25] and there are over 9.9 million new cases of dementia each year worldwide, implying one new case every 3.2 seconds. Estimates for the USA show 5 million people currently diagnosed and living with Alzheimer's disease, rising to 16 million by 2050[26]. In the United Kingdom, recent update on incidence and future prevalence[27] suggested that there were likely to be approximately 850,000 dementia sufferers in 2015. This figure would grow to more than 1million by 2015 and to more than 2 million by 2051. In 2013, the United Kingdom's Department of Health acknowledged that only approximately 50% of people with dementia were diagnosed. The estimated financial cost of dementia to the United Kingdom is £26 billion per annum and 60,000 deaths a year directly attributable to the condition. We assume in our revenue model that an initial sell-in to the NHS commences in 2018 (for AD triage and follow-up), followed by product development focused on Parkinson's Disease triage and follow-up (expected to be introduced in 2020).

<u>Market Size</u>

Cognetivity plans to approach the market in five main areas in the United States and United Kingdom initially and moving into other markets thereafter: (i) primary healthcare; (ii) secondary healthcare (specialist clinics and care); (iii) private health providers; (iv) home monitoring; and (v) clinical trials.

The following scenarios depict "use cases" for the ICA test, describing the way in which the ICA test would be used in each environment.

<u>Primary Healthcare.</u> Patient arrives at the general practitioner clinic for pre-booked appointment with physician. After registering at reception, the patient is given an iPad with the ICA test installed and is asked to complete a 5-minute screening assessment (in this case the version of the ICA test that is specifically designed for initial screening, the ICA-1). The patient completes the test and attends the general practitioner appointment. The general practitioner is then able to view the test results through their existing Electronic Health Record (EHR) systems, or log into Cognetivity's online management website to access the patient's results where the results can be viewed and a summary can be downloaded and appended to the patient's electronic records. The general practitioner can then make an assessment whether to refer to a specialist clinic for further, more in-depth testing, or be comfortable that the patient lies within normal ranges for his or her age range and gender.

<u>Secondary Healthcare.</u> Patients are referred by their general practitioners to a memory clinic (or other specialist centres) and are scheduled to take a test. This test is a more in-depth version of ICA-1, with a longer test (the version of the ICA test that is specifically designed for use at the secondary healthcare level, the ICA-2) consisting of more variation in the test stimulus to be conducted in a more controlled environment. This test will produce a more

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[23] O'Kelly et al, Progress in Neurology and Psychiatry, March/April 2015
[24] UK Government Department of Health, Prime Minister's Challenge on Dementia 2015
[25] Alzheimer's Disease International, Dementia Statistics 2017
[26] Alzheimer's Association, alz.org, 2017
[27] Alzheimer's Society, dementia UK update, 2014 report

detailed report for the specialist to be used as a diagnostic aid and that has output that can be appended to the patient's electronic records.

Outpatient Assessment. Patients who are returning to the specialist clinic for outpatient assessment in order to assess the effectiveness of treatment will take a follow up test (ICA-2). This will allow the specialist to compare the test performance with previous test results, giving a reliable ongoing monitoring service that allows tracking of the patient's progress under a treatment regime.

At-home Assessment. As healthcare professionals (general practitioners or nurses) conduct visits to at-risk patients, at either the patient's home or at care homes, they can conduct the screening test (ICA-1) in situ. Patients can also take the test themselves unsupervised at regular intervals, in order to give an on-going assessment of the effectiveness of a particular treatment program. The results of these tests can then be accessed by the patient's general practitioner or specialist physician, used to monitor the patient's cognitive health, aid with referral decisions and to produce reports to append to the patient's electronic records.

Clinical Trial Use. The ICA's ability to detect early stage symptoms of diseases such as Alzheimer's, its lack of reliance on memory tasks and its independence from factors such as language and education level make it an ideal tool for use in clinical trials for drugs that are designed to modify diseases that affect cognitive function. In this scenario the ICA can be used to identify and select candidates (initially using ICA-1, followed up by ICA-2) for trials that are at an earlier stage of the disease than traditionally are available, then ongoing monitoring during the trial can be conducted using ICA-2. This, plus the test's sensitivity would give a greater chance that subtle disease modifying effects are detected during the trial.

These scenarios are broken down in the table below.

	Business Model	**Development plan**	**Vertical**	**Competitive advantage**
Screening (Primary Care)	Charge per test (Equipment FOC or nominal)	Regulatory development and application (under development)	Primary health practitioners **(20+ General Practitioners and Clinical Commissioning Groups have registered interest both in the US and UK)**	**Improved detection rates, simple, short, no expert required, language independent**
Full service diagnostic support (Secondary care)	Charge per test and equipment	Follow on from initial regulatory application	Hospital Groups and mental health clinics (**finalizing a trial agreement with a hospital group with largest R&D centre for psychiatry in EU**)	**Improved sensitivity with AI algorithm, low cost of administration**
Post diagnosis monitoring (home care)	Subscription	Peer reviewed publication based on trials	Mental healthcare specialists and remote health monitor providers	**Outpatient compatibility, ease of use, highly repeatable**

Home health monitor	Licensing	Trial and development partnership with a provider (trial design phase)	Remote health providers (**currently in partnership negotiations with a global medical device company and a digital health platform provider**)	**Ease of use, compatibility with different platforms**
Drug discovery	Licensing	Peer reviewed publication	Large pharmaceutical companies with ongoing clinical trials	**Potential earlier stage detection, increased resolution, repeatability with isolating learning effects**

The largest of these markets is for primary healthcare, as the test can be used as an on-going screening tool for all at-risk patients. For the purposes of this document we will consider the initial at-risk population to consist of patients over 65 years of age, although there are other at-risk demographics that can be added to this, including patients with vascular risk factors, obesity, hypertension, history of stroke, alcohol misuse, and diabetes. In the United States, there are 210,000,000 visits to general practitioners annually by the over 65s[28] and in the United Kingdom this number is 60,000,000. The ICA test to be used at this level (ICA-1) is designed to be used repeatedly and administered easily and should be used as a regular screening process in the same way that at-risk patients receive a regular blood pressure or cholesterol test. Given this, these numbers of visits represent the maximum achievable number of tests in this market segment. There are currently no easy to administer, repeatable and sensitive tests at this level, making this a relatively uncontested market. The challenge here is driving adoption, as the test's technical advantages are clear, but Cognetivity has made inroads into this market in the United Kingdom already, with the test having been evaluated by a number of general and specialist healthcare providers, with positive feedback to date. The test will initially be charged on a per-use basis but there exists scope to negotiate a set fee to cover all testing for a large patient group on an annual basis.

In secondary healthcare, the ICA test is to be used for more in-depth follow up testing, after referral with the assistance of the test's use at primary healthcare level. The test as designed for use at this level (ICA-2) is longer and is administered in more controlled environment, giving the test greater sensitivity and an increased ability to detect specific dementias. The test can be used to aid a first specialist diagnosis, and on an on-going basis thereafter to monitor the effectiveness of treatment regimes.

As Cognetivity's development of the ICA tool provides an opportunity to enable a specific and early diagnosis of dementia at a primary care level; this provides an advantage for patients since all current treatments for the disease are far more effective in the early stages[26], this providing a clear benefit for the use of the ICA for healthcare payers. This is also of potential benefit to pharmaceutical companies for developing new treatments, with current clinical trials being carried out on patients at a relatively advanced stage of disease, increasing the likelihood of failure for trials. Clear advantages exist for patients, clinicians, health providers, insurers and pharmaceutical companies through the use of the ICA test, since earlier diagnosis and timely intervention provide well documented health, safety, financial and social benefits[29].

In summary, the key features and benefits supporting the case for implementing ICA by healthcare providers include:

- speed of testing (c. 5 mins);
- low cost of testing;
- new mechanism of action – "reaches the parts of the brain that other tests fail to reach";

[28] Center for Disease Control and Prevention, Summary Health Statistics: National Health Interview Survey, 2015
[29] Alzheimer Disease International, World Alzheimer Report 2015

- sensitivity - facilitates very early mapping of the subtle cognitive changes caused by dementia-related brain pathology, unlike current tests;
- AI capability – able to learn from large data sets to help refine the mapping of disease diagnostic criteria;
- Is independent of language, culture and education level,
- can be carried out on unattended patients (and no skilled interventions required),
- can be easily scaled to allow monitoring of large patient numbers; and
- early diagnosis means better outcomes for patients.

Competition

There are currently few companies with directly competing products, and nothing in terms of the combination of novel diagnostic technology (visual response test and AI as opposed to re-appropriation of older test technology) and portability (iPad as client device) that have also secured regulatory approval as a medical device. However, there are a number of assessment tools in the marketplace that offer IT based tools allowing diagnoses to varying degrees. We summarise here the main players in the technology assisted cognitive assessment market:

Cambridge Cognition Ltd.

Cambridge Cognition Ltd. is a United Kingdom based company who supply a suite of tablet-based tools, but these are largely digital versions of previous technologies. Their business appears to be focused mainly on clinical trials screening and support. Their business model of selling iPads (costing in the region of £1000 each) has not proven particularly successful and they are focusing their attention upon web and cloud-based services. They also have a CantabMobile product, recently approved by the FDA, using Cognivue as a predicate. This test uses digital versions of traditional pen and paper tests, so is not directly comparable to Cognetivity's ICA test, but their development has helped open the market for mobile cognitive assessment tools.

Products:

- CANTAB Mobile: Core technology is the digitisation of the CANTAB test battery which was developed at Cambridge in the 1980s
- Offer variety of other products to support clinical trials business:
  - CogKit (launched April 2016) - Move to making clinical trial solutions remote, cloud-based
  - CANTAB Recruit: to aid pharma companies in the population of drug trials

Status:

- Obtained 510(k) FDA clearance for CANTAB Mobile (Jan 2017)[30]

Revenue:

- Listed as Cambridge Cognition Holdings PLC on London Stock Exchange.
- Market Capitalization: £11.3 million (June 2016)
- Core business has not proven profitable - Profit margins decreased in 2015[31]
- Little evidence of successful contract wins and profitability in 2016 thus far

Business Model:

- Core business: clinical trials recruitment and support
- Secured contracts with research organisations (largest deal: $0.5million at present)

Cerebral Assessment Systems Inc.

Cerebral Assessment Systems Inc. (CAS) is a United States based private company. CAS offers the most comparable offering (computer based testing that has FDA approval as a Class II medical device) to Cognetivity's

[30] http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail/COG/12804071.html
[31] http://www.cambridgecognition.com/file-uploads/Cam_Cog_Holdings_Plc_2015_FINAL.pdf (see p. 4)

ICA solution currently on the market. This product, Cognivue, is FDA approved, but utilizes an inflexible, PC and workstation based platform that is restricted to clinical use. Furthermore, its test basis is only perceived to be as accurate as MMSE, which does not have a clear sensitivity for MCI or early onset Alzheimer's.

Products:

- Cognivue: first computerised cognitive assessment tool that sits in doctors' office to have received FDA clearance as medical device. Test as rigorous as SLUMS assessment method
    - Costs $30,000 per unit
    - Potentially dated software and cumbersome physical unit

Status:

- With FDA clearance and validation of test system, company now seeks to commercialise business.[32]
    - Outsourced sales
    - Have logistics distribution deal

Revenue, Funding/investment:

- Funding from Excell Partners (seed fund) - amount disclosed
- Market Capitalisation: $20-50million (estimated)

Business Model:

- Direct unit sales to healthcare providers
- Reimbursement potential

CogState Ltd.

CogState Ltd. is an Australian company listed on the Australian Stock Exchange (ASX) who offers a battery of tests. Although some of these tests are potentially in direct competition with the ICA, the technology behind them is primarily based upon digitizing older existing tests to produce their test packages. Their current business focus is to provide cognitive testing during drug trials. Their sales force has recently been expanded to support development of this market.

Products:

- Offer 8 customisable battery packages, such as The Cogstate Brief Battery™ to pharma companies to test specific cognitive domains. Main use case: for cognitive assessment during clinical trials
- Digitisation of old paper + pen tests

Status:

- Noticeable recent growth in sales: $9 million contract sales in 2014, $24.7 million in 2015 & $30 million in new contract sales in 2016
- Introduction of 'Precision Recruitment' service in July 2015 to aid screening patients into Alzheimer's disease studies also helped drive contract sales
- In 2016/17 Oncology has been outlined as a key growth area –accounted for 5% of contracts in 2015, but account for 20% in 2016 already

Revenue, Funding/investment:

- Listed as Cogstate Ltd: (CGS:Australian Stock Exchange Ltd)
- Market capitalization: $44.5 million (June 2016)

Business Model:

- Contract sales to large pharma to populate clinical trials
    - Seen considerable growth in clinical trials business - commercial team in USA have driven this growth - Expanding service offering in new domains to core business further[33]

[32] http://www.accessdata.fda.gov/cdrh_docs/pdf13/den130033.pdf

Neurotrack Technologies, Inc.

Neurotrack Technologies, Inc. ("**Neurotrack**") is a United States based private company. Neurotrack's imprint test tracks eye movement and is a potential competitor for the ICA test, but they have not yet secured regulatory approval in the United States. They are currently focusing on using the technology for pharmaceutical company clinical trial support, so as to provide near-term revenue, but without the need for regulatory approval.

Products:

- Imprint™ Cognitive Assessment Test
    - A 5-minute computer-based test that tracks eye movement to assess risk of cognitive decline
    - Patented and trademarked test
    - Tested against MMSE and spinal fluid in clinical trials

Status:

- Still in clinical trials phase (testing efficacy of test with a view to regulatory approval)
- Novel technology, considerable financial backing and moving toward FDA clearance
    - Reliant on FDA clearance to grow the business longer-term

Revenue, Funding/investment:

- Total Equity funding: $8.59M in 3 Rounds from 6 Investors (March 2016)

Business Model:

- Core business: partnerships with pharma to populate clinical trials
- Reimbursement potential with Health Insurers
- Working to develop consumer products (app solution)
    - Eventual sales of consumer products (app solution for mobile and tablet)

Akili Interactive Labs

Akili Interactive Labs, a United States company, has developed game-based technology for the detection and treatment of cognitive disorders, and their products look and feel like high quality video games. Their current focus is not directly competitive (they are currently working on attention deficit hyperactivity disorder), but their solution may have the potential to migrate to other diseases in the future.

Products:

- Project: EVO™
    - Patent-pending new software-based method to measure "interference processing"
    - Consumer videogame engine that runs on mobile phones and tablets
    - 3 separate clinical game versions
    - Novel technology - running substantial clinical trials to validate positive effects for treating attention deficit hyperactivity disorder
    - Looking to secure de novo FDA approval as medical device to sell into US market
    - Consumer market focus would come after regulatory approval

Status:

- Recent investment secured to support clinical development of late-stage products and to build commercial infrastructure for FDA clearance - attempted product launch in 2017[34]
- Focus and movement toward FDA approval

Revenue, Funding/investment

- Parent company - PureTech Health PLC listed on London Stock Exchange

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[33] https://cogstate.com/wp-content/uploads/2016/07/Business-Update-and-Appendix-4C-20-Jul-16.pdf
[34] http://www.businesswire.com/news/home/20160719006692/en/Akili-Adds-Amgen-Ventures-Ventures*-Series-Financing

- Raised $30.5 million in equity investments (April 2016)

Business Model:
- Direct software sales to healthcare providers
- Potential to commercialise game for consumer market: game and subscription sales, In-app purchases

The ICA test occupies a unique position in the ecosystem of existing cognitive ability tests. It is the management's view that the ICA will prove to be more accurate and repeatable than existing tests due to its unique combination of mechanism of action and AI processing, and its scalability and repeatability, ease of administration and low unit cost of delivery allows high volumes to be carried out at a low total cost of delivery (cost of test plus cost of administration).

This research would indicate that, given appropriate investment, successful delivery and commercialization of the proposed ICA test on a mobile platform, Cognetivity should have market advantage in a number of areas, notably use of novel technology, superior performance and portability. Given these advantages it may be possible to obtain some price premium, but even if priced at parity, there is scope to penetrate the target market to a greater extent than other companies identified above.

Marketing and sales strategies.

Cognetivity is currently working on its sales and marketing plan, and this activity is planned as part of the next 18 month's work streams. The proceeds from this raise will be focussed on developing the ICA test through clinical trials to regulatory approval, and it is at this point that the Management feels that the test can be properly marketed and sold for use in clinical environments (such as primary and secondary healthcare). Cognetivity plans to develop an in-depth marketing plan concurrently with its R&D, clinical trial and regulatory programs in order to be ready for the commencement of the sales program as soon as regulatory approval is achieved. Despite this, Management have carried out initial research into the routes to market, the verticals in which it aims to operate and the competitive environment therein.

Cognetivity's route to market is anticipated to consists of five main areas, ranging from direct sales to primary healthcare providers and specialist clinic diagnostic support to licensing to home healthcare provision and testing for drug discovery clinical trials. The major disruptive market with the highest anticipated revenue will be the provision of primary care screening, with the ICA test well positioned to make inroads into this massive market, given its ease of administration, portability, scalability, performance, strong scientific theoretical framework support and low cost of use. Currently there is no single product on the market that has all of these features (see Competition).

Cognetivity's main volume market is primary healthcare providers. The ICA test is designed to be easily delivered at the initial point of contact – the general practitioners. When at-risk patients (for example patients over the age of 65, the "over-65s") enter their general practitioner's clinics they are presented the test on entry to be carried out before consultation. The results are then made available instantly to the physician, with accompanying recommendations on the requirement for further investigation based on the patient's cognitive performance.

Currently in the United States there are approximately in excess of 210,000,000 visits to general practitioners by over-65s per year[35]. In the United Kingdom this number is 60,000,000[36]. This represents the initial market as there is a requirement to effectively screen this population for dementia, and as such, with the test being administered to these "at risk" patients each time they visit their general practitioner, represents the maximum number of tests that could be administered to this demographic at this level. We have used for the figure only the over-65 population visiting primary healthcare, and the inclusion of other high-risk groups will further increase this number.

If we add screening at private clinics, for other at-risk groups and the increasing numbers of "worried well" below the age of 65 these figures again rise. Cognetivity plans to address this market, either using a per-test costing model, or volume licensing to larger organisations (such as primary healthcare trusts in the United Kingdom). Sales approaches will be carried out initially by the senior team at Cognetivity targeting private clinics, and later supplemented by trained Cognetivity's sales staff approaching a prioritised list of, arranging demonstrations and consultations with senior decision makers. The exact detail of this approach is to be developed over the next 18 months as Cognetivity's marketing plan, to be carried out in conjunction with the ongoing research and clinical studies.

In terms of other groups that will require regular testing, young-onset dementia is a growing concern, with a large proportion of the population currently within this less traditionally "at risk" age group (that is, under 65 years of age) but concerned about their cognitive health. However, as memory services in secondary healthcare are generally set up to cope with the demands of an older (generally over 65) age group, more efforts to identify or screen this age group could have the potential to place increased demands on general practitioner practice workloads and the resulting knock-on effects on secondary healthcare. A clear-cut and repeatable assessment as to the actual AD status of these individuals would be extremely valuable to healthcare services. The ICA test as made available to this population at a primary healthcare level would provide an important tool as part of ongoing health monitoring, and this population will increase the numbers for potential market size.

The ability to identify and grade MCI is an opportunity to help pick up early signs of individuals who may be predisposed to developing dementia, but also can be used as a screening tool to enable the section of the population known as the 'worried well', whose concern over premature decline due to cognition problems (and simply early 'senior moments') can over-burden GP workflows. All the above 'touch points' for general practitioners and memory clinics are key opportunities for introduction of the ICA tool as a low-cost screening tool as well as a way of reassuring patients that their cognitive ability is within normal ranges for their age and gender. Again, this demographic adds to the potential market size for the ICA.

Pricing at the primary healthcare level is proposed to be $48 per test in the United States, based on current approved healthcare insurance codes, and £10 per test level for general practitioner triage in the United Kingdom (NB Cambridge Cognition's CANTAB Mobile assessments in the NHS were priced at about £10/test in 2015 (see Competition). For specialist clinic pricing, the higher £40 price for a (full) memory clinic evaluation covers the costs for comprehensive analytics and support. The potential trajectory of penetration by ICA into the general practitioner triage segment and conversion of memory clinics to using ICA (for both rapid screening and detailed evaluation) has been estimated based on initial in-house capability initially, but allows for expanding this capability in year 2 onwards.

[35] Center for Disease Control and Prevention, Summary Health Statistics: National Health Interview Survey, 2015

[36] British Medical Association Media Brief July 2014, General Practice in the UK

In the United States, strategies for early identification, assessment and patient management are still evolving. Many AD patients eventually require formal long-term care services because of the absence, exhaustion, or inability of family members to provide care. The costs of long-term care, and especially nursing home care, often deplete private financial resources, placing a substantial burden on state Medicaid programs. Current evidence suggests that pharmacological treatments and caregiver interventions can delay entry into nursing homes and potentially reduce Medicaid costs. However, these cost savings are not being realized because many patients with AD are either not diagnosed or diagnosed at late stages of the disease, and have no access to Medicare-funded caregiver support programs.

In Europe, the problems are significant, although there is no clearly defined dementia strategy for the majority of European countries (exceptions include France, Scandinavia, and The Netherlands). The United Kingdom and United States are the key commercial markets, although a plan to address other large markets, especially Europe and China will be developed.

The Company plans to access its main initial healthcare markets of the United States and United Kingdom through direct sales into clinical healthcare provision purchasers, the routes to which are described below. Further revenues will be pursued through partnerships with organisations who are addressing customers outside these core markets, for example for non-clinical home health monitoring (which would not require regulatory approval), or as part of a suite of IT based monitoring services aimed at hospital patients. For primary and secondary healthcare in the United States and United Kingdom the following routes have been identified:

United Kingdom. Sales into the National Health Service in the United Kingdom are accessed through Clinical Commissioning Groups (the "**CCGs**"). These clinically-led statutory NHS bodies are responsible for the planning and commissioning of health care services for their local area. CCGs are membership bodies, with local general practitioner practices as the members led by an elected governing body made up of GPs, other clinicians including a nurse and a secondary care consultant, and lay members. CCGs are responsible for administering approximately 2/3 of the total NHS England budget (£71.9 billion in 2016/17[37]) and are responsible for healthcare commissioning such as mental health services, urgent and emergency care, elective hospital services, and community care. CCGs are responsible for the health of populations ranging from under 100,000 to 900,000 patients, with an average of around 250,000. CCGs represent an ideal route to market for both primary and secondary healthcare for the ICA as they control budgets for both levels, are receptive to an economic argument that works across the treatment pathway and are a single point of contact for large numbers of patients. Cognetivity have a hierarchy of CCGs to approach based on size, planning to approach the largest ones first to maximise patient reach.

United States. In the United States a different model of primary healthcare provision exists. Primary healthcare is organised into Medical Service Groups (MSGs), which is made up of general practitioners, physicians, Nurses and supporting staff, and these are managed privately as individual organizations without an overriding organization. MSGs vary in size from small medical centers, providing limited medical services, to larger ones that provide a broad spectrum of specialized services, and finally hospitals. There are some MSGs that provide specialized secondary care services only, such as services related solely to specific specializations such as eye-care, or mental health. In order to access these it is necessary to have the ICA recognised as an established test with an associated billing code that allows the use of this to be reimbursed by health insurers. Thus, the approach to the market is two-fold, once FDA approval is achieved and an appropriate code assigned (in this case CPT code 96120) then MSGs can be approached to offer the ICA test to their patients. Cognetivity will target providers based on size and the proportion of at-risk patients served.

Sales through partners

Cognetivity has started to line up partners to allow other sales channels. A partner route to market currently under development is Medopad (http://www.medopad.com/products/2), with whom Cognetivity has signed a MOU to cover the evaluation and integration of the ICA test for inclusion in their Patient Monitoring platform. Cognetivity has also signed a partnership agreement with EMIS Health, a leading healthcare software and services company that provides Electronic Health Record (EHR) systems to health sectors in the UK NHS and internationally. The use of

[37] NHS England Business Plan, 31 March 2016

the ICA in non-clinical environments would not necessarily require regulatory approval, so the Management have already been actively pursuing opportunities such as these as potential revenue generators and will continue to do so ahead of regulatory approval.

Pricing model

The Management have carried out some analysis on the potential price points for the ICA test's use in Primary and Secondary Healthcare and these are shown in the following table.

Price per test	Primary Healthcare triage	Specialist clinic
USA ($)	$48	$100
UK (£)	£10	£40

The per test figure for US Primary Healthcare of $48 per test is based on the current established CPT billing code 96120 for "Neuropsychological testing with qualified health care professional interpretation and report". This is the current market price for a test of the type the ICA delivers.

For the UK figure of £10 per test, this is based on feedback from NHS professionals and is designed to facilitate rapid uptake and multiple repeat tests for at-risk individuals.

The following patient groups have been identified as the main clinical categories that the ICA is well positioned to address the needs of. The following table sets these out, plus the level of healthcare at which these patients' monitoring needs are best met by the ICA test.

Primary Healthcare:

The total available market for primary healthcare in the United States and United Kingdom is 270,000,000 tests per annum and rising (i.e. the total visits of over 65s to general practitioners per year in both countries[38]).

The serviceable available market consists of the United Kingdom market as Cognetivity's initial reach is the United Kingdom initially. This consists of 60,000,000 tests per annum. This will extend to include the United States, thus rising to 270,000,000 tests per annum (plus anticipated growth in these numbers).

The serviceable obtainable market is the United Kingdom and United States. Cognetivity plans to reach the market through the main access points of CCGs in the United Kingdom and MSGs in the United States through direct and partner sales.

Secondary Healthcare (Memory Disorders Clinics (MDCs)):

Secondary care is delivered through independent hospitals, major hospital provider networks supported by specialist neurology clinics and connections with the MDCs. We believe that much is likely to depend on the outcome and evidence from the imminent UK NHS-based trial and subsequent support to increase general awareness and potential buy-in. We believe that the selection of potential initial targets for market entry and initial state coverage is very important. Furthermore, the optimal states for initial entry should include: New York, Wisconsin, California, Connecticut, Florida and Illinois. These states have high numbers of patients, large networks of memory disorder clinics, strong relationships with neuropsychiatry and neurology centres of excellence[39]. Furthermore, they have good connections with extended hospital networks and are linked to major insurance groups, which makes access to market easier in these locations.

In order to reach these markets Cognetivity plans to hire sales staff to grow a sales and support team after the completion of the clinical validation trial and the completion of the commercial version of the ICA platform. These sales staff will target CCGs in the UK and private clinics and insurers in the USA and provide ongoing sales support

[38] Center for Disease Control and Prevention, Summary Health Statistics: National Health Interview Survey, 2015
[39] KOLLER & BYNUM, DEMENTIA IN THE USA: STATE VARIATION IN PREVALENCE, J PUBLIC HEALTH (OXF) (2015) 37 (4): 597-604

for clients. Cognetivity will target the largest CCGs by patient number first in the UK, as well as private health clinics, and group providers and private clinics in the USA.

This will be combined with a campaign of promotion and scientific publication, involving scientific and industry conferences, academic and trade journals.

The sales campaign will focus on the ease of administration, the high levels of accuracy compared with existing tests and low cost of testing.

Cognetivity's ICA benefits – to be incorporated into the sales methodology for sale staff:

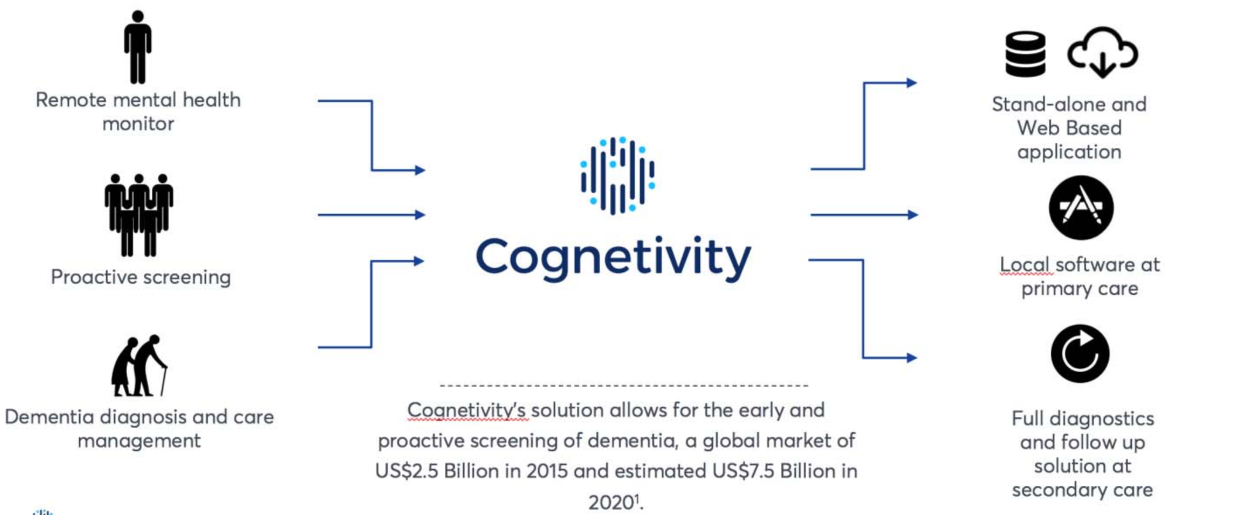
Approach utilizes the latest scientific theory on detection

- Millions of networked neurons activated simultaneously
- Based on image cognition and reaction times
- More sensitive to lower levels of deterioration

Scalability

- Entirely software based and not invasive nor requiring expert supervision
- 5-7 minutes long
- Independent of language culture & education
- Applied artificial intelligence algorithms learn to map results more precisely as more tests taken

Cognetivity's system allows detection and improved diagnosis at multiple levels, with a scalable, cloud based AI platform allowing delivery of large numbers of tests globally.



A detailed marketing plan will be developed alongside the regulatory approval so that this can commence as soon as approval is granted. Meantime the company will develop further relationships with providers of non-medical and home diagnostic / health monitoring services.

Regulatory Environment

The ICA Test is defined as 'Software as a medical device' and satisfies the criteria of MDD 93/42/EEC (as amended by 2007/47/EC). To meet the impending new medical device regulation, the ICA also meets the requirements of Article 2 (1) and 2 (4) and Annex iX (I) of the Medical Device Regulations (EU) 2017/745 and is therefore considered to be an 'active medical device'. By application of Classification Rules, Article 51, Annex VIII Rule 11, falls under the classification of Class IIa. The regulatory approval of a device of this nature is less demanding than gaining approval for a pharmaceutical product or an invasive medical device in both Europe and the United States. Cognetivity has already begun the pre-submission process to collect regulators' comments on clinical trial design ahead of commencing, to help to reduce regulatory approval risk.

Employees

As of January 31, 2018, Cognetivity had four employees. The Company relies on consultants and contractors to conduct its operations.

Facilities

The Company operates from their office in United Kingdom located at 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW.

Intellectual Property

The following is a brief description of the Company's intellectual property rights:

On November 5, 2014, the Company's subsidiary, CGN, filed a Patent Cooperation Treaty application (PCT/GB2014/053298) in the United States, Europe and China, with respect to the system underlying the ICA.

Cognetivity's also rely upon trade secrets, know-how and continuing technological innovations to develop and maintain its competitive position. Cognetivity requires its employees, consultants and parties to collaborative agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration. These agreements provide that all confidential information developed or made known during the course of these relationships are to be kept confidential. In the case of its employees, agreements are in place providing that all inventions resulting from work performed utilizing its property or relating to its business and conceived or completed by the individual during employment are Cognetivity's exclusive property to the extent permitted by law.

NO PROCEEDS RAISED

Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised.

Funds Available

The gross proceeds paid to the Company from the sale of the Special Warrants pursuant to the Offering were $4,167,500. The estimated net proceeds received by the Company from the Offering (after deducting legal expenses and costs to complete the Offering) will be approximately $3,920,200. The Company will not receive any additional proceeds from the Offering upon the exercise or deemed exercise of the Special Warrants. As at January 31, 2018, the Company had an estimated working capital deficiency of $698,516.

The Company has used, or intends to use, the net proceeds of the Offering and its other available funds as follows:

Item	$
Funds Available	
Working capital of Cognetivity as at January 31, 2018	(698,516)
Net Proceeds from the Offering	3,920,200
Total	**3,221,684**
Principal purposes for the use of available funds	
Clinical validation trial	1,036,160
Development of full commercial version of ICA	204,600
Regulatory approval as Class II Medical Device	144,158
Prospectus related cost	201,000
Accounting and Audit Related Expenses	33,000
Marketing and investor relations	261,000
Legal and regulatory (1)	151,790

General and administrative costs for 12 months after completion of the Transaction (2)	1,034,492
Unallocated working capital	155,484
Total	**3,221,684**

Notes:

(1): Legal and professional fees ($71,050) and CSE and regulatory fees ($71,050).

(2): General and administrative costs are broken down as follows: (i) salaries ($49,962 per month), (ii) rent ($10,912 per month), CFO services ($15,000 per month), and (iii) office supplies and miscellaneous ($10,333 per month).

While the Company currently intends to use the available funds for the purposes set out herein, it will have discretion in the actual application of the available funds, and may elect to use the net proceeds differently than as described herein, if the Company believes it is in its best interests to do so. The amounts and timing of Cognetivity's actual expenditures depend on numerous factors, including the progress of Cognetivity's clinical development efforts and any unforeseen cash needs. Pending the use of the funds described herein, the Company may hold or invest all or portion of the proceeds of the Offering in interest bearing bank accounts and the funds will be added to the working capital of the Company. Although it is difficult to predict future liquidity requirements, we believe that the net proceeds from the Offering, together with our existing cash and cash equivalents will fund our operations into the fourth quarter of 2018.

Business Objectives and Milestones

The Company's primary business objectives and milestones are the following:

Objective	**Timeline/Comment**	**Cost**
File Prospectus and apply to list its common shares on the Canadian Securities Exchange	December 2017 to January 2018	$201,000
Clinical validation trial	January 2018 to December 2018	$1,036,160
Development of commercial release version of ICA	January 2018 to December 2018	$204,600
Regulatory approval as Class II Medical Device	January 2018 to December 2018	$144,158
Accounting and Audit Related Expenses	January 2018 to April 2018	$33,000
Marketing and investor relations	January 2018 to December 2018	$261,000
Legal and regulatory	January 2018 to December 2018	$151,790
General & Administrative	January 2018 to December 2018	$1,034,492
Unallocated working capital	January 2018 to December	$323,317
Total		**$3,389,517**

SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information for the periods indicated. The selected financial information for the years ended January 31, 2017 and 2016 has been derived from our audited financial statements and accompanying notes, while the selected financial information for the nine months ended October 31, 2017 has been derived from our unaudited condensed interim financial statements and accompanying notes, in each case prepared in accordance with IFRS and attached as Appendix A to this Prospectus. Our audited financial statements have been audited by our auditor, MNP LLP, Chartered Professional Accountants, and its auditor's report on those audited financial statements is included elsewhere in this Prospectus. The selected financial information should be read in conjunction with the respective Management's Discussion and Analysis and the audited and unaudited financial statements and accompanying notes contained elsewhere in this Prospectus. The selected financial information set out below may not be indicative of Cognetivity's future performance.

	As at the nine-month period ended October 31, 2017 $	As of the year ended January 31, 2017 $	As of the year ended January 31, 2016 $
Balance Sheet			
Current assets	4,798,908	342,323	6,000
Total assets	4,798,908	342,323	6,000
Current liabilities	401,900	505	-
Total liabilities	401,900	505	-
Shareholders' Equity (accumulated deficit)	4,397,008	341,818	6,000

The following table sets forth selected financial information for the periods indicated. The selected financial information for the years ended January 31, 2017 and 2016 has been derived from CGN's audited financial statements and accompanying notes, while the selected financial information for the nine months ended October 31, 2017 has been derived from CGN's unaudited condensed interim financial statements and accompanying notes, in each case prepared in accordance with IFRS and attached as Appendix D to this Prospectus. CGN's audited financial statements have been audited by its auditor, MNP LLP, and its auditor's report on those audited financial statements is included elsewhere in this Prospectus.

	As at the nine-month period ended October 31, 2017 £	As of the year ended January 31, 2017 £	As of the year ended January 31, 2016 £
Balance Sheet			
Current assets	144,309	40,145	274
Total assets	149,809	41,861	274
Current liabilities	434,892	102,649	61,690
Total liabilities	434,892	102,649	61,690
Shareholders' Equity (accumulated deficit)	(285,083)	(60,788)	(61,416)

The following table contains certain unaudited *pro forma* consolidated financial information for the Company as at and for the period ended October 31, 2017 and of CGN as at and for the period ended October 31, 2017 and gives effect to completion of the Transaction. This information should be read together with the unaudited financial statements of the Company as at October 31, 2017, the unaudited financial statements of CGN as at October 31, 2017, and the *pro forma* financial statements of the Company together with the accompanying notes and attached as Appendix G to this Prospectus.

	As at the nine-month period ended October 31, 2017 $
Current assets	3,843,163
Total assets	3,852,565
Current liabilities	131,061
Total liabilities	131,061
Shareholders' Equity	3,721,504

DIVIDENDS

The Company has not, since its inception, declared or paid any dividends on its Common Shares. The declaration of dividends on our Common Shares is within the discretion of the Board and will depend on the assessment of, among other factors, capital requirements, earnings, and the operating and financial condition of the Company. At the present time, Cognetivity anticipated capital requirements are such that Cognetivity follows a policy of retaining all available funds and any future earnings in order to finance Cognetivity technology advancement, business development and corporate growth. Cognetivity does not intend to declare or pay cash dividends on its Common Shares within the foreseeable future. See "*Risk Factors*".

MANAGEMENT'S DISCUSSION AND ANALYSIS

Cognetivity Neurosciences Ltd.

The Management's Discussion and Analysis for Cognetivity is attached to this Prospectus as Appendices B and C.

Certain information included in Cognetivity's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*" for further details.

Off-Balance Sheet Arrangements

Cognetivity has not entered into any off-balance sheet arrangements.

Related Party Transactions

There are no related party transactions.

Changes in Accounting Policies Including Initial Adoption

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management evaluates the estimates periodically. Actual results may differ from these estimates by material amounts.

Cognetivity Ltd.

The Management's Discussion and Analysis for CGN is attached to this Prospectus as Appendices E and F.

Certain information included in CGN's Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*" for further details.

Off-Balance Sheet Arrangements

CGN has not entered into any off-balance sheet arrangements.

Related Party Transactions

During the periods ended October 31, 2017 and 2016, the Company incurred the following expenses to related parties:

	2017	2016
Consulting fees – CEO and a director	£ 40,500	£ 40,500
Salaries and wages – CEO and a director	-	13,517
Salaries and wages – CMO and a director	13,500	15,678
Salaries and wages – CSO and a director	13,500	23,191
Consulting fees – Chairman	12,000	13,500
Salaries and wages – Chairman	-	2,723
Consulting fees – COO and a director	16,500	13,500

Salaries and wages – COO and a director	-	2,178
	£ 90,689	£ 124,787

As at October 31, 2017 and January 31, 2017, the Company has the following balance owing to related parties:

	October 31, 2017	January 31, 2017
CEO and a director	£ -	£ 24,882
CMO and a director	319	5,098
CSO and a director	7,500	10,500
CCO	3,900	12,300
COO and a director	3,750	10,500
	£ 15,469	£ 63,280

Due to related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

As at October 31, 2017 and January 31, 2017, the Company has the following balance due from related parties:

	October 31, 2017	January 31, 2017
CEO and a director	£ 12,684	£ -

Changes in Accounting Policies Including Initial Adoption

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management evaluates the estimates periodically. Actual results may differ from these estimates by material amounts.

DESCRIPTION OF SHARE CAPITAL

Cognetivity is authorized to issue an unlimited number of Common Shares and an unlimited Class B Shares without par value. As of the date of this Prospectus, there were 24,777,022 Common Shares issued and outstanding as fully paid and non-assessable common shares.

As of the date of this Prospectus, there were 10,000,002 Class B Shares issued and outstanding.

Common Shares

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of Cognetivity, and each Common Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of Common Shares, subject to the prior rights, if any, of any other class of shares of Cognetivity, are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of Cognetivity, the remaining property and assets of Cognetivity. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Class B Shares

The holders of the Class B Shares are not entitled to receive notice of and to attend any meeting of the shareholders of Cognetivity or to vote on any matter at any meetings of shareholders of Cognetivity. The holders of Class B Shares are not entitled to receive dividends. The holders of the Class B Shares shall be entitled, in the event of any liquidation, dissolution or winding up, whether voluntary or involuntary, or any other distribution of assets among the Company's shareholders for the purpose of winding up its affairs, to share rateably, together with the holders of Common Shares in such assets of Cognetivity as are available for distribution.

Each Class B Share shall automatically convert into one Common Share, without payment of additional consideration, upon Cognetivity attaining the CE Marketing approval for the cognitive assessment tool kit as a medical device.

All Class B Shares are not subject to any pre-emptive rights, retraction or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital. The Class B Shares shall not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the Common Shares are adjusted proportionately.

CONSOLIDATED CAPITALIZATION

The following table sets forth our capitalization as at October 31, 2017 and the *pro forma* capitalization of Cognetivity as at October 31, 2017 after giving effect to the Offering and the Transaction.

This table should be read in conjunction with the financial statements and notes thereto incorporated by reference in this Prospectus

Description of the Security	**Securities Authorized**	**As at October 31, 2017 before giving effect to the Offering**	**As at October 31, 2017 after giving effect to the Offering and the Transaction**[(1)]
Common Shares ($)	Unlimited	24,777,022	41,447,024
Class B Shares ($)	Unlimited	-	10,000,002

Note:

(1) This assumes: (a) the exercise or deemed exercise of all 16,670,000 Special Warrants; and (b) that no Underlying Warrants have been exercised for Warrant Shares.

Fully Diluted Share Capital

The following table sets out the fully diluted share capital of the Company as of the date hereof:

	Number of Securities as at the date of this Prospectus	**% of total issued and outstanding**
Common Shares	24,777,022	38.5%
Common Shares to be issued upon conversion of outstanding Class B Shares	10,000,002	15.5%
Common Shares to be issued on exercise of outstanding Special Warrants	16,670,000	26%

Common Shares to be issued on exercise of outstanding Finder's Warrants	988,400	1.5%
Common Shares to be issued on exercise of outstanding Underlying Warrants	8,335,000	12.9%
Common Shares to be issued on exercise of stock options	3,600,000	5.6%
Total	**64,370,424**	**100%**

OPTIONS TO PURCHASE SECURITIES

On December 4, 2017, the shareholders approved a stock option plan (the "**Option Plan**"), under which the Board may from time to time in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase Common Shares. As of the date of this Prospectus, Cognetivity has not granted stock options.

The principal purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

Pursuant to the Option Plan, the Company may issue Options for such period and exercise price as may be determined by the Board, and in any case not exceeding ten years from the date of grant. The Company may issue Options equal to not more than 10% of the then issued and outstanding Common Shares. The minimum exercise price of an option granted under the Option Plan must not be less than the fair market value of a Common Share on the date such option is granted, and if the Common Shares are listed on a recognized stock exchange, will be subject to the minimum exercise price permitted by such stock exchange.

Unless accelerated in accordance with the Option Plan, all options, whether vested or unvested, shall terminate immediately upon the Company terminating the optionee's employment or contractual relationship with the Company or any related company for cause. Options shall be terminated, to the extent not previously exercised, upon the occurrence of the first of the following events: (i) the expiration of the option as designated by the Board; (ii) in the case of termination of employment by the Company without cause, or the failure of a director standing for election to be re-elected, or the failure of the Corporation to renew a contract for services at the end of its terms (other than a contract or employment relating to Investor Relations Activities (as such term is defined in the policies of the CSE), the date which is 90 days after the date of termination; (iii) in the case of a termination of a contract or employment relating to Investor Relations Activities , the date which 30 days from the date termination; (iv) in case of the death of the optionee, the date which is one year after the death; and (v) in all other cases, the date of termination.

The foregoing summary of the Option Plan is not complete and is qualified in its entirety by reference to the Option Plan, which is available on the Company's SEDAR profile page at www.sedar.com.

The following table sets forth the anticipated stock options of the Company to be issued upon listing of the CSE:

Optionee	**Number of the Cognetivity Shares to be Optioned**	**Purchase Price**	**Expiry Date**	**Market Value of Shares under Option on the date of grant $**	**Market Value of Shares under Option on the date of this Prospectus $**
Executive Officers	2,600,000	$0.25	5 years from the Closing	569,876	569,876
Independent Directors	400,000	$0.25	5 years from the Closing	87,674	87,674
Consultants	600,000	$0.25	5 years from the Closing	131,509	131,509
Total	**3,600,000**			**789,059**	**789,059**

PRIOR SALES

This table sets out particulars of the Common Shares and securities exercisable for or exchangeable into Common Shares issued within the 12 months prior to the date of this Prospectus.

Date	**Type of Security**	**Number of Securities Issued**	**Issue/Exercise Price**
January 16, 2017	Common Shares	2,212,667	$0.15
May 31, 2017	Common Shares	1,142,857	$0.175
October 26, 2017	Special Warrants(1)	16,670,000	$0.25
December 21, 2017	Common Shares(2)	20,799,998	$0.25
December 21, 2017	Class B Shares(2)	10,000,002	$0.25

Notes:

(1) The Company issued an aggregate of 16,670,000 Special Warrants in connection with the Offering. 988,400 Finder's Warrants were issued to eligible finders in connection with the Offering. See *"Plan of Distribution"*.

(2) 19,999,998 Common Shares issued to shareholders of CGN in connection with the Transaction and 800,000 Common Shares were issued to an eligible finder. See "*Transaction*".

DESCRIPTION OF SECURITIES BEING QUALIFIED FOR DISTRIBUTION

The Company is authorized to issue an unlimited number of Common Shares and Class B Shares, of which as at the date hereof, 24,777,022 Common Shares and 10,000,002 Class B Shares were issued and outstanding.

This Prospectus is being filed for the purpose of qualifying the distribution of 16,670,000 Unit Shares and up to 8,335,000 Underlying Warrants, issuable upon the exercise or deemed exercise of the Special Warrants.

Common Shares

The Unit Shares issuable upon the exercise or deemed exercise of the Special Warrants will have the same rights as the Common Shares.

See "*Description of Share Capital*" for a description of the rights of holders of Common Shares.

Underlying Warrants

Each Underlying Warrant will entitle the holder thereof to purchase one Underlying Share at a price of $0.35, subject to adjustment in certain circumstances, at any time prior to 5:00 p.m. (Vancouver time) on October 26, 2019.

In the event of certain alterations of the outstanding Common Shares, including any subdivision, consolidation or reclassification, an adjustment shall be made to the terms of the Underlying Warrants such that the holders shall, upon exercise of the Underlying Warrants following the occurrence of any of those events, be entitled to receive the same number and kind of securities that they would have been entitled to receive had they exercised their Underlying Warrants prior to the occurrence of those events. No fractional Underlying Shares will be issued upon the exercise of the Underlying Warrants. The holding of Underlying Warrants does not make the holder thereof a shareholder of the Company or entitle the holder to any right or interest granted to shareholders.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

As of the date of this Prospectus, there were no Common Shares held in escrow.

Following completion of the listing of the Common Shares on the CSE, 10,879,121 Common Shares and 5,439,560 Class B Shares are expected to be held in escrow (the "**Escrow Shares**").

The Escrow Shares are expected to be held in escrow pursuant to the Escrow Agreement. The Escrow Shares are held in escrow as required by CSE policy on completion of the listing of the Common Shares on the CSE.

The Escrow Shares are expected to be subject to the release schedule set out in the form of escrow required by Policy 2 – Qualifications for Listing of the CSE. Ten (10%) percent of the Escrow Shares are expected to be released upon the date of listing on the CSE and an additional 15% are expected to be released every 6 months thereafter until all Escrow Shares have been released (36 months following the date of listing on the CSE).

Name	**Designation of Class**	**Securities held in Escrow[(1)]**	**Percentage of Class[(2)(3)]**
Sina Habibi	Common Shares	5,330,769	21.5%
Sina Habibi	Class B Shares	2,665,385	26.7%
Seyed-Mahdi Kahligh-Razavi	Common Shares	4,134,066	16.7%
Seyed-Mahdi Kahligh-Razavi	Class B Shares	2,067,033	20.7%
Mark Phillips	Common Shares	543,956	2.2%
Mark Phillips	Class B Shares	271,978	2.4%
Christos Kalafatis	Common Shares	435,165	1.8%
Christos Kalafatis	Class B Shares	217,582	2.2%
Thomas Sawyer	Common Shares	435,165	1.8%
Thomas Sawyer	Class B Shares	217,582	2.2%

Notes:

(1) It is anticipated that the escrow agent under the escrow agreement will be TSX Trust Company.

(2) Based on 24,777,022 issued and outstanding Common Shares.

(3) Based on 10,000,002 issued and outstanding Class B Shares

PRINCIPAL SHAREHOLDERS

The following tables shows the name and information about our voting securities owned by each person or company who, as at the date of the Prospectus, owned of record, or who, to our knowledge, owned beneficially, director or indirectly, 10% or more of any class of series of our voting securities:

Name	Number and type of securities	Type of Ownership	Percentage of Class(1)
Sina Habibi	5,330,769 Common Shares	Beneficial and of record	21.5%
Seyed-Mahdi Kahligh-Razavi	4,134,066 Common Shares	Beneficial and of record	16.7%

Note:
(1) Based on 24,777,022 issued and outstanding Common Shares.

EXECUTIVE OFFICERS AND DIRECTORS

The following table sets out the name, jurisdiction of residence of our directors and executive officers as well as their positions with the Company and principal occupation for the previous five years, and the number and percentage of the Common Shares owned, directly or indirectly, or over which control or direction is exercised, by each of our directors and executive officers. All officers and employees are required to sign standard confidentiality and non-disclosure agreements with the Company.

Name and Municipality of Residence	Position to be held with the Company	Principal Occupation for the Past Five Years	Number of Common Shares	Percentage of class(4)
Sina Habibi(1) *London, United Kingdom*	Director and Chief Executive Officer	Director and CEO of Cognetivity Ltd. since April 2013 and PhD and postdoctoral researcher at the University of Cambridge from October 2008 to April 2014.	5,330,769	21.5%
Christos Kalafatis *London, United Kingdom*	Director and Chief Medical Officer	Consultant in Old Age Psychiatry since 2015. Registrar in Old Age Psychiatry from 2012 to 2015.	435,165	1.8%
Ravinder Kang(2) *British Columbia, Canada*	Director	Self-employed since April 2015. He was the Director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015.	Nil	Nil
David Velisek(2) *British Columbia, Canada*	Director	Manager, Corporate Development at Baron Global Financial Canada Ltd. from 2009 to present.	119,000(3)	0.5%

Name and Municipality of Residence	Position to be held with the Company	Principal Occupation for the Past Five Years	Number of Common Shares	Percentage of class[4]
Mark A. Phillips[2] *London, United Kingdom*	Director and Chief Compliance Officer	Chairman of Cognetivity Ltd. since 2014; Director of Fluorogenics Limited from September 2016 to present; Director of LabZero Limited from December 2013 to present; Managing Director of InnoScite Limited from	543,956	2.2%
Seyed Madhi Khaligh Razavi[1] *Massachusetts, USA*	Chief Scientific Officer	Postdoctoral researcher at MIT since 2014 and PhD student at Cambridge from 2012 to 2014.	4,134,066	16.7%
Thomas Sawyer *London, United Kingdom*	Chief Operating Officer	Director of Advanced Weather Applications and Weather Unlocked 2014 - present, COO of Cantabio Pharmaceuticals 2016 - present, Director of Capro UK 2014 - present	435,165	1.8%
Denise Lok *British Columbia, Canada*	Chief Financial Officer and Corporate Secretary	Senior Manager, Corporate Finance at Baron Global Financial Canada Ltd. from May 2009 to present.	5,000	0.02%

Notes:

(1) Mr. Habibi and Mr. Khaligh-Razavi are also promotors.

(2) Members of the Audit Committee.

(3) Mr. Velisek owns 100,000 common shares and his spouse owns 19,000.

(4) Based on 24,777,022 issued and outstanding Common Shares.

Biographies

Sina Habibi, Chief Executive Officer and Director, Age 36

Dr. Habibi has been the Chief Executive Officer of the Company and has been the Chief Executive Officer of CGN since April 2013. He has worked as an executive director in medical-technology, gaming (Neural Game Studios), researcher in nano-technology (Cavendish Laboratory, University of Cambridge in Collaboration with GSK) and synthetic biology (Institute for Manufacturing), product manager in car manufacturing (Peugeot) and technology consultant in the laser industry (National Physical Laboratories).

Through his academic path he has become proficient in numerical and statistical data collection and analysis, stochastic modeling and programming, currently consulting PriNumb (Digital Wallet Company) and UnIP (Parking Optimisation solution) as big data and technology consultant. Dr. Habibi was an active member of Cambridge University Entrepreneurs ("**CUE**") since 2010 and chaired the society in 2013-2014. CUE is the most successful entrepreneurial student society in Europe.

Dr. Habibi obtained his PhD in Engineering from the University of Cambridge.

Dr. Habibi is an employee of the Company and has entered into a non-competition or confidentiality agreement with the Company. It is expected that he will devote 100% of his time to the business of the Company to effectively fulfill his duties as the Chief Executive Officer and Director of the Company.

Christos Kalafatis, Chief Medical Officer and Director, Age 42

Dr. Kalafatis is an Old Age Psychiatrist with a special interest in medical innovation, service development and digital health quality improvement. He has developed electronic clinics for older people and led strategic national health system (NHS) partnership schemes in dementia and has worked across different NHS trusts to modernise the practice and scope of Memory Services.

Dr. Kalafatis is currently working as Consultant in the dementia & Ageing Clinical Academic Group, South London & Maudsley NHS Foundation Trust and has partnered with King's College London for the development of novel digital health interventions in older adults.

Dr. Kalafatis is an employee of the Company and has entered into a non-competition or confidentiality agreement with the Company. It is expected that he will devote 40% of his time to the business of the Company to effectively fulfill his duties as the Chief Medical Officer and Director of the Company.

Ravinder Kang, Director, Age 52

Mr. Kang has been self-employed since April 2015. He was the Director of Listed Issuer Services and held other positions with TMX Group from March 1992 to March 2015. He is a corporate finance professional who is experienced in all aspects of Exchange policy, corporate governance and public company obligations. Mr. Kang is currently the principal of RSJ Consulting Inc., a firm that provides corporate finance advice. Mr. Kang received a Bachelor of Commerce degree from the University of British Columbia in 1988 and obtained his C.A. designation at Ernst and Young. See “Other Reporting Issuer Experience”.

Mr. Kang is not a party to any employment, non-competition or confidentiality agreement with the Company. It is expected that he will devote 20% of his time to the business of the Company to effectively fulfill his duties as the Director of the Company.

David Velisek, Director, Age 45

Mr. Velisek has been a director of the Company since its incorporation on December 11, 2015. He has been involved in the capital markets for over 15 years in investor relations, as a trader of equities, options and futures as well as an investment advisor. He is currently employed with Baron Global Financial Canada Ltd. as Manager, Corporate Development.

Mr. Velisek is not a party to any employment, non-competition or confidentiality agreement with the Company. It is expected that he will devote 30% of his time to the business of the Company to effectively fulfill his duties as a director.

Mark A. Phillips, Chief Compliance Officer and Director, Age 58

Mr. Phillips has over 30 years’ experience in the pharmaceutical and life science industries, covering product development, manufacturing operations and business strategy. He has previously held positions as Senior Vice President and Head of Diagnostic Development and Supply, and Senior Vice President in R&D at Glaxo Smith Kline.

He is currently a part-time Non-Executive Director to two non-competing life-science start-ups (Fluorogenics Limited and LabXero Limited). He is also researching innovation in healthcare technologies at the University of Cambridge.

Mark has a degree in Chemical Engineering from Loughborough University and a Masters from the University of Cambridge. He occasionally teaches at Leeds University Business School, Cranfield University and Cambridge University. He is a Chartered Engineer and Fellow of Institution of Chemical Engineers.

Mr. Phillips is not a party to any employment, non-competition or confidentiality agreement with the Company. It is expected that he will devote 40% of his time to the business of the Company to effectively fulfill his duties as the Chief Compliance Officer and Director of the Company.

Seyed Madhi Khaligh Razavi, Chief Scientific Officer, Age 28

Dr. Khaligh-Razavi is one the co-founders at Cognetivity Ltd. He is a neuroscientist and currently carrying out research at the Computer Science and Artificial Intelligence Laboratory (*CSAIL*) at Massachusetts Institute of Technology (MIT), studying the human brain using multimodal neuroimaging techniques and modelling its functions using machine learning and artificial intelligence techniques.

With a background in computer science and machine learning, he completed his PhD at the MRC Cognition and Brain Sciences Unit, Cambridge University, studying visual object recognition in human and machine systems. He is also currently affiliated with Harvard Catalyst (The Harvard University Clinical and Translational Science Centre), where he has worked on medical device development.

Dr. Khaligh-Razavi is an employee of the Company and has entered into a non-competition or confidentiality agreement with the Company. It is expected that he will devote 40% of his time to the business of the Company to effectively fulfill his duties as the Chief Scientific Officer of the Company.

Thomas Sawyer, Chief Operating Officer, Age 47

Dr. Sawyer has been the Chief Operations Officer of CGN since April 2016. He combines a background in academic research with 13 years of experience in entrepreneurship, consulting and private equity investment in sectors including biotechnology, information technology, logistics and natural resources across the globe. He has worked on merger and acquisition activities for private and public companies in the United States, Europe and Africa and has experience in raising capital, initial public offerings, mergers and in CEO/CTO roles for start-up and private equity backed ventures, since 2015 as a Director in the area of biotechnology developing therapies for a United States listed pharmaceutical company working on disease modifying therapies for Alzheimer’s and Parkinson’s disease.

Dr. Sawyer holds a PhD in Life Sciences from the University of Glasgow, an Executive MBA from the University of Cambridge and has lectured on Finance at the University of Cambridge, Exeter University and University College London. Dr. Sawyer combines a strong technical background with business development, corporate finance and operations, and is an active mentor on the Accelerate Cambridge business accelerator program at the University of Cambridge.

Dr. Sawyer is not a party to any employment, non-competition or confidentiality agreement with the Company. It is expected that he will devote 40% of his time to the business of the Company to effectively fulfill his duties as the Chief Operating Officer of the Company.

Denise Lok, Chief Financial Officer and Corporate Secretary, Age 34

Denise Lok is a Chartered Professional Accountant and holds a Bachelor of Commerce degree in Accounting and Transportation Logistics from the University of British Columbia. Ms. Lok is currently the Senior Manager, Corporate Finance of Baron Global Financial Canada Ltd. Previously, she was a senior associate with PricewaterhouseCoopers where she gained experience leading teams for audits under IFRS. See “– Directors, Officers and Promoters” for a summary of Ms. Lok’s professional activities for the past five years.

Ms. Lok is not a party to any employment, non-competition or confidentiality agreement with the Company. It is expected that she will devote approximately 20% of her time to the business of the Company to effectively fulfill her duties as the Chief Financial Officer of the Company.

Share Ownership by Directors and Officers

As of the date of this Prospectus, as a group, the Company's directors and executive officers beneficially owned, directly or indirectly, or exercised control over 11,003,121 Common Shares.

Corporate Cease Trade Orders or Bankruptcies

To the best of the Company's knowledge, no existing or proposed director, officer of the Company, nor any shareholder holding sufficient securities of the Company to affect materially the control of the Issuer is, or within the ten years prior to the date hereof has been, a director or CEO or CFO of any corporation that, while that person was acting in the capacity of director or CEO or CFO of that corporation, was the subject of a cease trade order or similar order or an order that denied the corporation access to any exemption under securities legislation for a period of more than 30 consecutive days.

Penalties or Sanctions

To the best of the Company's knowledge, no existing or proposed director or officer of the Company, nor any shareholder holding sufficient securities of the Company to materially affect control of the Company has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the best of the Company's knowledge, no existing or proposed director or officer of the Company, nor any shareholder holding sufficient securities of the Company to affect materially the control of the Company, nor any personal holding company of any such person has, within the ten years before the date of this Prospectus become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies. See *"Risk Factors*".

EXECUTIVE COMPENSATION

Prior to obtaining a receipt for this Prospectus from securities regulatory authorities in Alberta, British Columbia, Manitoba and Ontario, the Company was not a reporting issuer in any jurisdiction. As a result, certain information required by Form 51-102F6 – *Statement of Executive Compensation* ("**Form 51-102F6**") has been omitted pursuant to Section 1.3(8) of Form 51-102F6.

Compensation of Named Executive Officers

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Company. "Named Executive Officer" is defined by securities legislation to mean: (i) the CEO; (ii) the CFO; (iii) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than $150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year. As of the date of this Prospectus, the Company has the following Named Executive Officers (collectively, the "**Named Executive Officers**" or "**NEOs**"):

- Sina Habibi, CEO and Director of Cognetivity; and
- Denise Lok, CFO and Corporate Secretary of Cognetivity.

Compensation Discussion and Analysis

Cognetivity does not have a compensation committee or a formal compensation policy. Cognetivity relies solely on the directors to determine the compensation of the Named Executive Officers. In determining compensation, the directors consider industry standards and Cognetivity's financial situation, but does not currently have any formal objectives or criteria. The performance of each executive officer is informally monitored by the directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer.

Option-based Awards

As at the date of this Prospectus, Cognetivity has not granted any executive officer option-based awards. In considering new grants to executive officers, the Directors consider the number of options, if any, previously granted to each executive officer.

Summary Compensation Table

The summary compensation table sets the compensation anticipated to be paid to the individuals who are the Directors and Named Executive Officers once the Corporation becomes a reporting issuer. The anticipated compensation set out herein is based on current conditions in the Healthcare industry and on the associated approximate allocation of time for each NEO, and is as such subject to adjustments based on changing market conditions and corresponding changes to required time commitments.

Name and Principal Position	Salary (£)	Share-based awards (£)	Option-based awards (£)	Non-equity incentive plan compensation (£)		Pension value (£)	All other compensation (£)	Total compensation (£)
				Annual incentive plans	Long-term incentive plans			
Sina Habibi, CEO and Director	-	128,214	-	-	-	-	120,000[1]	248,214
Christos Kalafatis, CMO and Director	36,000	38,464	-	-	-	-	-	74,464

Name and Principal Position	Salary (£)	Share-based awards (£)	Option-based awards (£)	Non-equity incentive plan compensation (£)		Pension value (£)	All other compensation (£)	Total compensation (£)
				Annual incentive plans	Long-term incentive plans			
Ravinder Kang, Director	-	25,643	-	-	-	-	-	25,643
David Velisek, Director	-	25,643	-	-	-	-	-	25,643
Mark Phillips, CCO and Director	-	38,464	-	-	-	-	36,000[(2)]	-74,464
Seyed-Mahdi Khaligh-Razavi, CSO	36,000	64,108	-	-	-	-	-	100,108
Thomas Sawyer, COO	-	38,464	-	-	-	-	36,000[(3)]	-74,464
Denise Lok, CFO and Corporate Secretary	-	25,643	-	-	-	-	-	25,643

Notes:

(1) It is anticipated that approximately £120,000 will be paid to a company controlled by Sina Habibi.

(2) It is anticipated that approximately £36,000 will be paid to a company controlled by Mark Phillips.

(3) It is anticipated that approximately £36,000 will be paid to a company controlled by Thomas Sawyer.

Incentive Plan Awards

The Company intends to continue its Option Plan. In considering new grants to executive officers, the Board will consider the number of Options, if any, previously granted to each executive officer.

Pension Plan Benefits

The Company does not anticipate having any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

As of the date hereof, the Company does not have any contract, agreement, plan or arrangement that provides for payments to the Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a Director or Named Executive Officer's responsibilities.

DIRECTOR COMPENSATION

As of the date hereof, no compensation has been paid to directors.

Cognetivity contemplates that each independent director, if any, will be entitled to participate in any security based compensation arrangement or other plan adopted by Cognetivity with the approval of the Board and/or Cognetivity's shareholders, as may be required by applicable law or CSE policies.

Directors' and Officers' Liability Insurance

We do not carry directors' and officers' liability insurance for any of our directors or officers. We anticipate obtaining directors' and officers' liability insurance prior to becoming a reporting issuer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, none of the directors and executive officers of Cognetivity or associates of such persons is indebted to Cognetivity or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Cognetivity.

PLAN OF DISTRIBUTION

This Prospectus is being filed in the Qualifying Jurisdictions to qualify the distribution of 16,670,000 Qualified Units. Each Qualified Unit consists of one Unit Share and one-half of one Underlying Warrant. Each Underlying Warrant will entitle the holder thereof to acquire one Underlying Share at an exercise price of $0.35 until October 26, 2019. 16,670,000 Unit Shares and 8,335,000 Underlying Warrants will be issued upon the exercise or deemed exercise of 16,670,000 Special Warrants.

On October 26, 2017, the Company completed the Offering pursuant to prospectus exemptions under applicable securities legislation. In connection with the Offering, the Company issued the Special Warrants in the Qualifying Jurisdictions, and in certain other jurisdictions outside of Canada, on a private placement basis at a price of $0.25 per Special Warrant.

In connection with the Offering, the Company also paid to eligible finder's cash commission equal to 7% of the gross proceeds from the sale of Special Warrants to subscribers introduced to the Company by such finders, which payment amounted to $247,300. As additional compensation, the Company also issued to the Finder's Warrants Each Finder's Warrant entitles the finders thereof to acquire one additional Common Share at an exercise price of $0.35 per Common Share until October 26, 2019.

The Special Warrants will be deemed to be exercised on the date the Final Receipt is issued, at which time each Special Warrant shall automatically exercise into one Unit Share and one-half of one Underlying Warrant, subject to adjustment in certain circumstances, without payment of any additional consideration and without further action on the part of the holder.

If the Qualification Date has not occurred on or before the Qualification Deadline, the Company will cause the full amount paid for the Special Warrants to be returned to the holders thereof, and all Special Warrants will be deemed to have been cancelled and will be of no further force or effect.

In the event of certain alterations of the outstanding Common Shares, including any subdivision, consolidation or reclassification, an adjustment shall be made to the terms of the Special Warrants such that the holders shall, upon the exercise or deemed exercise of the Special Warrants following the occurrence of any of those events, be entitled to receive the same number and kind of securities that they would have been entitled to receive had they exercised their Special Warrants prior to the occurrence of those events. No fractional Unit Shares or Underlying Warrants will be issued upon the exercise or deemed exercise of the Special Warrants. The holding of Special Warrants does not make the holder thereof a shareholder of the Company or entitle the holder to any right or interest granted to shareholders.

In the event that a holder of Special Warrants exercises such securities prior to the earlier of the Qualification Date and the date which is four months and one day after the original date of issuance of Special Warrants, both the Unit Shares and Underlying Warrants issued upon exercise of such Special Warrants will be subject to statutory hold periods under applicable securities legislation and shall bear such legends as required by securities laws.

Cognetivity has applied to list the Common Shares on the Exchange. On February 27, 2018. the Company received conditional approval from the Exchange. The listing of the Common Shares will be subject to the Company fulfilling all of the listing requirements of the Exchange, which cannot be guaranteed.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the U.S. or to, or for the account or benefit of, U.S. Persons. None of the Unit Shares or Underlying Warrants have been or will be registered under the U.S. Securities Act or the securities laws of any state of the U.S. and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Special Warrants may not be exercised by or on behalf of a U.S. Person or a person in the U.S. unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available. Accordingly, both the Unit Shares and Underlying Warrants will bear appropriate legends evidencing the restrictions on the offering, sale and transfer of such securities.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

Upon the Company becoming a reporting issuer in a jurisdiction in Canada, the Company will form the Audit Committee (the "**Audit Committee**") The Audit Committee will be comprised of Ravinder Kang, Mark Phillips, and David Velisek, all of whom are financially literate as such term is defined in NI 52-110. Ravinder Kang and David Velisek are considered independent and Mark Phillips is not considered independent by virtue of his position as Chief Compliance Officer of the Company**.** A description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member may be found above under the heading "*Executive Officers and Directors*".

The Audit Committee will be responsible for reviewing the Company's financial reporting procedures, internal controls and the performance of the financial management and external auditors of the Company. The Audit Committee will also review the annual audited financial statements and make recommendations to the Board. The Company is relying on the exemption set out in section 6.1 of NI 52-110. A copy of the Audit Committee's proposed charter is set out below.

Audit Committee Charter

I. Purpose

The main objective of the Audit Committee is to act as a liaison between the Board and the Company's independent auditors (the "**Auditors**") and to assist the Board in fulfilling its oversight responsibilities with respect to the financial statements and other financial information provided by the Company to its shareholders and others.

II. Organization

The Committee shall consist of three or more Directors and shall satisfy the laws governing the Company and the independence, financial literacy, expertise and experience requirements under applicable securities law, stock exchange requests and any other regulatory requirements applicable to the Audit Committee of the Company.

The members of the Committee and the Chair of the Committee shall be appointed by the Board. A majority of the members of the Committee shall constitute a quorum. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Matters decided by the Committee shall be decided by majority votes.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a Director.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Meetings

The Committee shall meet as frequently as circumstances require.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

The Company's accounting and financial officer(s) and the Auditors shall attend any meeting when requested to do so by the Chair of the Committee.

IV. Responsibilities

(1) The Committee shall recommend to the Board:
   a. the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
   b. the compensation of the external auditor.

(2) The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

(3) The Committee must pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

(4) The Committee must review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

(5) The Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection (4), and must periodically assess the adequacy of those procedures.

(6) The Committee must establish procedures for:
   a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
   b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(7) An audit committee must review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.

V. Authority

The Committee shall have the following authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
(b) to set and pay the compensation for any advisors employed by the Committee, and
(c) to communicate directly with the external auditors.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Company's Board.

Pre-Approval Policies and Procedures

The Audit Committee will have authority and responsibility for pre-approval of all non-audit services to be provided to the Company or its subsidiary entities by the external auditors or the external auditors of the Company's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee.

Reliance on Certain Exemptions

The Company will rely on the exemptions provided for "venture issuers" in section 6.1 of NI 52-110 with respect to Part 3 – *Composition of the Audit Committee* and Part 5 – *Reporting Obligations.*

External Auditor Service Fees by Category

In connection with the Company's last fiscal year end, the Company incurred audit fees as set out in the table below. In the table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories. All amounts in the table are expressed in Canadian dollars.

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
January 31, 2017	$44,900	-	-	-

Statement of Corporate Governance Practices

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with day-to-day management of the Company.

National Policy 58-201 – *Corporate Governance Guidelines* (the "**Guidelines**") establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board is committed to ensuring that the Company has an effective corporate governance system, which adds value and assists the Company in achieving its objectives.

The Company's approach to corporate governance is set forth below.

Mandate of the Board

The Board assumes responsibility for the stewardship of the Company and the enhancement of shareholder value. The Board is responsible for:

(a) ensuring that management develops and implements a strategic plan that takes into account market realities and regulatory compliance;

(b) upholding a comprehensive policy for communications with shareholders and the public at large;

(c) developing and formalizing the responsibilities for each member of the Board, including the responsibilities of the President vis-à-vis corporate objectives;

(d) ensuring that the risk management of Cognetivity is prudently addressed; and

(e) overseeing succession planning for management.

The frequency of meetings of the Board and the nature of agenda items may change from year to year depending upon the activities of Cognetivity. However, the Board meets at least quarterly and at each meeting there is a review of the business of Cognetivity.

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board being held to obtain an update on significant corporate activities and plans, both with and without members of the Company's management being in attendance.

Composition of the Board

The Board is composed of five directors, of which Messrs Ravinder Kang and David Velisek are considered as independent directors. For this purpose, a director is independent if he or she has no direct or indirect "material relationship" with Cognetivity. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. An individual who has been an employee or executive officer of the Company within the last three years is considered to have a material relationship with the Company.

Of the directors, Sina Habibi, CEO, Christos Kalafatis, CMO, and Mark Phillips, CCO, are considered not independent.

Directorships

Currently, the following directors serve on the following boards of directors of other public companies:

Name	**Name and Jurisdiction of Other Reporting Issuers**	**Name of Exchange or Market**	**Position**	**From**	**To**
Ravinder Kang	ME Resource Corp., British Columbia	CSE	Director	October 2015	Present
	BetterU Education Corp., Ontario	TSXV	Director	March 2017	Present
	Maple Peak Investment Inc., British Columbia	TSXV	Director	July 2016	Present
	Confederation Minerals Ltd., British Columbia	TSXV	Director	October 2017	Present

Name	Name and Jurisdiction of Other Reporting Issuers	Name of Exchange or Market	Position	From	To
	Bluerock Ventures Corp., British Columbia	NEX	Director	March 2017	Present
	AAJ Capital 1 Corp.	TSXV	Director	May 2017	Present
David Velisek	Confederation Minerals Ltd., British Columbia	TSXV	CEO and Director	April 2015	Present
	Lifestyle Delivery Systems Inc., British Columbia	CSE	Director	September 2010	Present
	Amador Gold Corp., British Columbia	NEX	Director	June 2017	Present

Orientation and Education

Cognetivity will provide new directors with an orientation program upon joining the Company that includes copies of relevant financial, technical, scientific and other information regarding its products and meetings with management.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records.

Ethical Business Conduct

While Cognetivity has not adopted a written code of business conduct and ethics, the Board will from time to time discuss and emphasize the importance of matters relating to conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, compliance with laws and the reporting of any illegal or unethical behaviour.

Nomination of Directors

It is the view of the Board that all directors, individually and collectively, should assume responsibility for nominating directors. The Board is responsible for identifying and recommending potential nominees for directorship and senior management.

Compensation

Compensation matters are currently determined by the entire Board. The Board is responsible for reviewing the compensation plans and severance arrangements for management, to ensure they are commensurate with comparable companies. The Board will ensure that Cognetivity has a plan for continuity of its officers and a compensation plan that is motivational and competitive.

Assessments

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account:

- in the case of the Board, its mandate and charter; and
- in the case of an individual director, the applicable position description(s), if any, as well as the competencies and skills each individual director is expected to possess.

RISK FACTORS

An investment in the Unit Shares or Underlying Warrants involves a high degree of risk and should be considered speculative. An investment in the Unit Shares or Underlying Warrants should only be undertaken by those persons who can afford the total loss of their investment. You should carefully consider the risks and uncertainties described below, as well as other information contained in this Prospectus, including the financial statements and accompanying notes, appearing elsewhere in this Prospectus, before buying Cognetivity's Unit Shares or Underlying Warrants. The risks and uncertainties below are not the only ones Cognetivity faces. Additional risks and uncertainties not presently known to Cognetivity or that Cognetivity believes to be immaterial may also adversely affect Cognetivity's business. If any of the following risks occur, Cognetivity's business, financial condition and results of operations could be seriously harmed and you could lose all or part of your investment.

Return of Funds

If the Qualification Date does not occur on or before 5:00 p.m. (Vancouver time) on June 15, 2018, the Company will cause the full amount paid for the Special Warrants to be returned to the holders thereof. As of December 31, 2017, the Company had a working capital deficient and the Company relies on the proceeds from the Offering to meet its business objectives as disclosed in this Prospectus. A return of the proceeds raised from the Offering would have a material adverse effect on the Company's business, financial condition and results of operations.

Regulatory Risks

The Company's activities would be subject to regulation by governmental authorities. Achievement of the Company's business objectives are contingent, in part, upon compliance with necessary and applicable regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals necessary. The Company cannot predict the time required to secure all appropriate regulatory approvals. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of the Company's plans and could have a material adverse effect on the business, results of operations and financial condition of the Company.

Limited Operating History

The Company has no history of earnings. As such, the Company has no immediate prospect of generating revenue from its intended operations. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Reliance on Management

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements or management agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Additional Financing

The Company will require equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of common shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Company.

Because of the early stage of the industry in which the Company will operate, the Company expects to face additional competition from new entrants. To become and remain competitive, the Company will require research and development, marketing, sales and client support. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Company.

Dependence on Intellectual Property

Cognetivity relies on a combination of patent and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect the Company’s intellectual property and the Company’s ability to operate without infringing on the proprietary rights of others. Despite the Company’s efforts to protect the Company’s intellectual property, unauthorized parties may attempt to copy aspects of the Company’s methods, product designs and products, or to obtain and use proprietary information that Cognetivity regards as the Company’s intellectual property.

Policing unauthorized use of the Company’s intellectual property, if required, may be difficult, time-consuming and costly. Patent law relating to the scope of claims in the technology fields in which the Company operates is still evolving and, consequently, patent positions in the Company’s industry are generally uncertain. Cognetivity has applied for and has been granted patents relating to the Company’s proprietary technology in jurisdictions including the U.S., Europe and China. Applications for jurisdictions other than those already granted may not result in the issuance of any patents or may issue with claims whose scope are more restrictive or narrower than anticipated. Patent applications can be rejected by the patent granting authorities on the basis of prior publications or prior uses for similar inventions, whether or not the applicant is aware of them. In order to protect or enforce the Company’s patent rights, Cognetivity may initiate patent litigation against third parties, such as infringement suits or interference proceedings. Any lawsuits that Cognetivity initiates could be expensive, take significant time and divert management’s attention from other business concerns. Litigation also puts the Company’s intellectual property at risk of being invalidated, interpreted narrowly or made public and the Company’s patent applications at risk of not issuing. Additionally, the Company may provoke third parties to assert claims against it. Cognetivity may not prevail in any lawsuits that it initiates or in lawsuits initiated against it and the damages or other remedies awarded, if any, may not be commercially valuable. The occurrence of any of these events could harm the Company’s business, the Company’s ability to compete in the market or the Company’s reputation.

There can be no assurance that the Company’s means of protecting its intellectual property rights will be adequate and the effect of inadequate protection may be materially adverse to its business, results of operations and financial condition. It is uncertain if the Company’s pending patent applications will result in the issuance of patents, or if issued will possess claims of sufficient breadth and scope, or if the Company will develop additional proprietary products or methods which are patentable. It is also uncertain if any patents issued or to be issued to the Company will provide the Company with any competitive advantages or if any such patents will be challenged by others, if the patents of others will interfere with the Company’s ability to market its devices or practice its methods or if other parties will circumvent any patents by alternate processes. It is possible for others to independently develop similar or alternative products which have the same effect as the Company’s or to design around the Company’s products without infringing its intellectual property rights.

Risk of Claims for Intellectual Property Infringement

There can be no assurance that third parties will not claim infringement of their proprietary rights by the Company, the Company's employees or the Company's future licensors, if any, with respect to the Company's methods, products or future products. Frequent claims and related litigation concerning infringement of proprietary rights are common in many technology fields. Cognetivity expects that its products and methods could be increasingly subject to third-party infringement claims as the number of competitors grows and the functionality of products and technology in different industry segments overlap. Third parties may currently have, or may eventually be issued, patents on which the Company's methods, products, or technologies may infringe. In the event that a third party was to sustain a valid claim against the Company and any required license was not available on commercially reasonable terms, the Company's business, results of operations and financial condition could be materially and adversely affected. Cognetivity could be required to pay infringement damages, modify the Company's products so that they are non-infringing, discontinue offering products or devices which are found to be infringing and/or indemnify the Company's customers. If a patent infringement suit were brought against Cognetivity, the Company could be forced to stop ongoing or planned clinical trials, or delay or abandon commercialization of the method or product that is the subject of the suit. In addition, litigation in which the Company is accused of infringement may cause negative publicity and adversely impact prospective customers. Furthermore, efforts to defend such claims could divert a significant portion of the Company's technical and management resources whether or not such claims are determined in the Company's favour.

In connection with the development of the Company's products, Cognetivity engages in consultation with employees, consultants, scientific advisors and other third parties who may assert an interest in such methods or products and who may have access to Cognetivity's trade secrets, technological innovation and confidential know-how, all of which are important to the Company's scientific and commercial success. Cognetivity has taken steps with its employees, consultants, advisors and collaborators to protect the Company's intellectual property and proprietary information by requiring such persons to enter into confidentiality, non-disclosure or assignment of invention agreements or a combination thereof, where appropriate. However, no assurance can be given that such agreements will provide for meaningful protection of the Company's proprietary information in the event of any unauthorized use or disclosure of information. While the Company believes that a claim against Cognetivity would be without merit, there can be no assurance that any such claims could be successfully defended by the Company. Any such claims, with or without merit, could be time-consuming, result in costly litigation, cause product shipment delays or require the Company to enter into royalty or licensing agreements. Such royalty or licensing agreements, if required, may not be available on terms acceptable to the Company, the effect of which would be materially adverse to the Company's business, results of operations, and financial condition. To the extent that the Company's employees, consultants, scientific advisors and other third parties use intellectual property owned by others in their work for Cognetivity, disputes may arise as to the rights in related or resulting expertise and inventions.

Dependence on Suppliers and Skilled Labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by the Company's capital expenditure program may be significantly greater than anticipated by the Company's management, and may be greater than funds available to the Company, in which circumstance the Company may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of the Company.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the industry. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Conflicts of Interest

Certain of the directors and officers of the Company are, or may become directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for the Company's common shares. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

The Market Price of the Company's Common Shares may be subject to Wide Price Fluctuations

The market price of the Company's common shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Company's common shares.

Dividends

The Company has no earnings or dividend record, and does not anticipate paying any dividends on the common shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Limited Market for Securities

It is proposed that the Common Shares will be listed on the CSE, however, there can be no assurance that such listing will be obtained and even if obtained, that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company.

Financial Projections May Prove Materially Inaccurate or Incorrect.

The Company's financial estimates, projections and other forward-looking information accompanying this document were prepared by CGN without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking statements. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should inquire of Cognetivity and become familiar with the assumptions underlying any estimates, projections or other forward-looking statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operation expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Company might achieve.

Management of Growth

Cognetivity's business strategy entails significant future growth. For example, the Company will have to expand existing operations in order to conduct additional clinical trials, hire and train new personnel to handle marketing and sales and create and develop new applications for the technology. Such growth may place significant strain on the Company's management, financial and operational resources. Successful growth is also dependent upon Cognetivity's ability to implement appropriate financial and management controls, systems and procedures. The ability to effectively manage growth depends on the Company's success in attracting and retaining highly qualified personnel, the competition for which may be intense. If these challenges cannot be managed effectively, the Company's business could be harmed.

Economic Environment

The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability.

As well, general demand for banking services and alternative banking or financial services cannot be predicted and future prospects of such areas might be different from those predicted by the Company's management.

Global Economic Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. As such, the Company is subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and trading price of the Common Shares on the stock exchange.

Going-Concern Risk

The financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing an equity or debt financing or in achieving profitability.

The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The Company encourages each security holder to consult with its own tax or professional advisor to under the tax considerations generally applicable with purchasing or owning the Qualified Units.

PROMOTERS

Sina Habibi, the CEO and a director of the Company, may be considered a promoter of the Company, and Seyed-Mahdi Khaligh-Razavi, the CSO of the Company, may be considered a promoter of the Company, in connection with their respective to their initiatives in founding and organizing the Company's business and affairs.

David Velisek, a director of the Company, may be considered a promoter of the Company, and Denise Lok, CFO and Corporate Secretary of the Company, may be considered a promoter of the Company, in connection with their respective roles in capitalizing the Company, the financing of the Transaction and the ongoing operations of the Company going forward.

For a description of the voting and equity securities of the Company held by the promoters see "*Executive Officers and Directors*" and for a description of all compensation received or expected to be received by the promoters see "*Executive Compensation*".

LEGAL PROCEEDINGS

Cognetivity is not aware of any material legal proceedings involving Cognetivity nor are any such proceedings known by Cognetivity to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth in this Prospectus, none of (i) the directors or executive officers of the Company, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than ten (10%) percent of the Company's outstanding voting securities, or (iii) any Associate or Affiliate of the foregoing Persons, in any transaction in which the Company has participated within the three years before the date of this Prospectus, that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of Cognetivity is MNP LLP, Chartered Professional Accountants, located at 1021 West Hastings Street, Suite 2200, Vancouver, British Columbia, Canada, V6E 0C3.

The transfer agent and registrar for the Common Shares is TSX Trust Company at its principal offices in Vancouver, British Columbia, Canada.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by Cognetivity within two years prior to the date hereof which are currently in effect and considered to be currently material:

- The Share Exchange Agreement with respect to the Transaction; and
- Corporate Advisory Services Agreement with Baron Global Financial Canada Ltd. dated December 14, 2017.

Copies of the foregoing contracts may be inspected at Cognetivity's head office during normal business hours at any time during the period of distribution of the securities offered hereby.

EXPERTS

Certain legal matters in respect of this Prospectus have been passed upon on behalf of Cognetivity by McMillan LLP. As of the date hereof, the partners and associates of McMillan LLP, as a group, own, directly or indirectly, in the aggregate, less than one percent of the outstanding securities of the Company.

The Company's auditors for the financial statements included in this Prospectus, MNP LLP, in Vancouver, British Columbia, report that they are independent from the Company in accordance with the Institute of Chartered Accountants of B.C. Rules of Professional Conduct in British Columbia, Canada.

AGENT FOR SERVICE OF PROCESS

The individuals, Sina Habibi, Christos Kalafatis, Seyed-Mahdi Khaligh-Razavi and Mark Phillips, have appointed Baron Global Financial Canada Ltd. of Suite 1980, 1075 West Georgia Street, Vancouver, British Columbia, V6E 3C9 as their respective agent for service of process in British Columbia. It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RECISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of common share purchase warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the common share purchase warrants is offered to the public under the prospectus offering. This means that under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of the right of action for damages or consult with a legal adviser.

CONTRACTUAL RIGHT OF RESCISSION

The Company has granted to each holder of a Special Warrant a contractual right of rescission of the prospectus-exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a holder of a Special Warrant who acquires Qualified Units on the exercise or deemed exercise of the Special Warrant as provided for in this Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of this prospectus or an amendment to this prospectus containing a misrepresentation,

(a) the holder is entitled to rescission of both the holder's exercise or deemed exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired,

(b) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company on the acquisition of the Special Warrant, and

(c) if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Transaction that are not otherwise disclosed in this Prospectus or are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Transaction.

Financial Statement Disclosure

APPENDIX "A"	COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) AUDITED FINANCIAL STATEMENTS AT JANUARY 31, 2017 AND 2016 AND UNAUDITED INTERIM FINANCIAL STATEMENTS AT OCTOBER 31, 2017
APPENDIX "B"	COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JANUARY 31, 2017 AND 2016
APPENDIX "C"	COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2017
APPENDIX "D"	COGNETIVITY LTD. AUDITED FINANCIAL STATEMENTS AT JANUARY 31, 2017 AND UNAUDITED INTERIM FINANCIAL STATEMENTS AT OCTOBER 31, 2017
APPENDIX "E"	COGNETIVITY LTD. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JANUARY 31, 2017 AND 2016
APPENDIX "F"	COGNETIVITY LTD. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2017
APPENDIX "G"	COGNETIVITY NEUROSCIENCES LTD. PRO FORMA FINANCIAL STATEMENTS AS AT OCTOBER 31, 2017

APPENDIX A

COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) AUDITED FINANCIAL STATEMENTS AT JANUARY 31, 2017 AND 2016 AND UNAUDITED INTERIM FINANCIAL STATEMENTS AT OCTOBER 31, 2017

Cognetivity Neurosciences Ltd.
(formerly Utor Capital Corp.)

Financial Statements

January 31, 2017 and 2016

(Expressed in Canadian dollars)

Management's Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Company. The Board of Directors is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

February 28, 2018

"Herrick Lau"	*"David Eaton"*
Director	Director

Independent Auditors' Report

To the Shareholders of Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)

We have audited the accompanying financial statements of Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.) (the "Company"), which comprise the statements of financial position as at January 31, 2017 and January 31, 2016, the statements of loss and comprehensive loss, changes in shareholders' deficit, and cash flows, for the year ended January 31, 2017 and for the period from December 11, 2015 (date of incorporation) to January 31, 2016, and the notes comprising 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an 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 our 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 principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained 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 Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.) as at January 31, 2017 and January 31, 2016, and its financial performance and its cash flows for the year ended January 31, 2017 and for the period from December 11, 2015 (date of incorporation) to January 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 of these financial statements, which discloses matters and conditions that indicate the existence of a material uncertainty which that may cast significant doubt about Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)'s ability to continue as a going concern.

MNP LLP

Vancouver, British Columbia
February 28, 2018

Chartered Professional Accountants

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	January 31, 2017	January 31, 2016
		$	**$**
Assets			
Current			
Cash		342,255	-
GST receivable		68	-
Share subscription receivable	**6**	-	6,000
Total Assets		342,323	6,000
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable		505	-
Total Liabilities		505	-
Shareholders' Equity			
Share capital	**6**	348,574	6,000
Deficit		(6,756)	-
Total Shareholders' Equity		341,818	6,000
Total Liabilities and Shareholders' Equity		342,323	6,000

The accompanying notes are integral to these financial statements.

Approved on Behalf of the Board of Directors on February 28, 2018:

"Herrick Lau" Director
Herrick Lau

"David Eaton" Director
David Eaton

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

		Year ended January 31, 2017		December 11, 2015 (date of incorporation) to January 31, 2016
Expenses				
General and administration	$	1,490	$	-
Professional fees		2,675		-
Transfer agent and regulatory		2,591		-
Net loss and comprehensive loss for the period	$	6,756	$	-
Basic and diluted loss per common share	$	0.01	$	-
Weighted average number of common shares outstanding		564,773		200,000

The accompanying notes are integral to these financial statements.

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Common Shares			
	Number of Shares	**Amount**	**Deficit**	**Total**
		$	**$**	**$**
Balance – December 11, 2015 (date of incorporation)	-	-	-	-
Shares issued	200,000	6,000	-	6,000
Net loss and comprehensive loss for the period	-	-	-	-
Balance – January 31, 2016	200,000	6,000	-	6,000
Shares issued for cash on private placement, net of issuance costs	2,634,167	342,574	-	342,574
Net loss and comprehensive loss for the year	-	-	(6,756)	(6,756)
Balance – January 31, 2017	2,834,167	348,574	(6,756)	341,818

The accompanying notes are integral to these financial statements.

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended January 31, 2017 $	December 11, 2015 (date of incorporation) to January 31, 2016 $
Cash provided by (used in) operating activities		
Net loss for the period	(6,756)	-
Changes in non-cash operating working capital:		
Accounts receivable	(68)	-
Accounts payable & accrued liabilities	505	-
Net cash used in operating activities	(6,319)	-
Cash flows from financing activities:		
Proceeds from share issuances, net share issuance costs	348,574	-
Net cash provided by financing activities	348,574	-
Increase in cash	342,255	-
Cash, beginning of the period	-	-
Cash, end of the period	342,255	-

The accompanying notes are integral to these financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.) (the "Company") was incorporated on December 11, 2015 under the laws of British Columbia, Canada. Its head office is located at 1980-1075 W. Georgia St., Vancouver BC, V6E 3C9, Canada and registered office is located at 1500-1055 W. Georgia St., Vancouver, BC, V6E 4N7, Canada.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully develop its business. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

The development of its business may take years to be successful and the amount of resulting income, if any, is difficult to determine with any certainty. On January 31, 2017, the Company had not yet achieved profitable operations, had an accumulated deficit of $6,756, and working capital of $341,818, and expects to incur losses in the development of its business.

2. BASIS OF PRESENTATION

These financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Critical estimate used in the preparation of these financial statements is the recoverability of deferred tax assets. The Company recognizes the deferred tax benefit related to deferred tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in the future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income 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 using the liability method, providing for 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 on the initial recognition of assets or liabilities in a transaction that is not a business combination. 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, 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 to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

c. Financial instruments

The Company classifies financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. All financial instruments are initially measured at fair value. The classification depends on the purpose for which the financial instruments were acquired or issued. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets. The Company has classified cash as loans and receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within twelve months after the end of the reporting period. The Company has no held-to-maturity investments.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to maturity investments and are subsequently measured at fair value. These are included in current assets to the extent they are expected to be realized within twelve months after the end of the reporting period. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

Accounts payable are classified as other liabilities at amortized cost. The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instruments.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends to either settle on a net basis or to realize the assets and settle the liability simultaneously.

The Company does not have any material derivative financial assets and liabilities. The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- Level 3 – Inputs that are not based on observable market data.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Impairment of financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date in order to determine whether objective evidence exists that the assets are impaired as a result of one or more events which have had a negative effect on the estimated future cash flows of the asset.

If there is objective evidence that a financial asset has become impaired, the amount of the impairment loss is calculated as the difference between the carrying amount and the present value of the estimated future cash flows from the asset discounted at its original effective interest rate. Impairment losses are recorded in the statement of loss and comprehensive loss. If the amount of the impairment decreases in a subsequent period and the decrease can by objectively related to an event occurring after the impairment was recognized, the impairment loss is reversed, up to the original carrying value of the asset. Any reversal is recognized in the statement of income and comprehensive income.

e. Loss per share

The Company presents the basic and diluted earnings or loss per share data for its common shares, calculated by dividing the earnings or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

f. Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

g. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Accounting standards issued but not yet adopted

The Company has assessed the impact of these new standards on the financial statements and has determined that the application of these standards will not have a material impact on the results and the financial position of the Company.

IFRS 9 Financial instruments
On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

IAS 7 Statement of Cash Flows (Amendment)
In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2016. The amendments are part of the IASB's Disclosure Initiative to address some of the concerns expressed about existing presentation and disclosure requirements. The amendments require entities to provide disclosures that enable users of the financial statements to evaluate both cash flow and non-cash changes in liabilities arising from financing activities. These amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

IAS 12 Income Taxes (Amendment)
The amendment to IAS 12 provides additional guidance in evaluating the recognition of deferred tax assets for unrealized losses. These amendments are effective for annual periods beginning on or after January 1, 2017.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

4. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other shareholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

(Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS

	Ref.	**January 31, 2017**
		$
Loan and receivable	a	342,255
Other financial liabilities	b	505

a. Comprises cash held in a Canadian dollar account at a major Canadian financial institution.
b. Comprises accounts payable.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company aims to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company believes that the capital sources will be sufficient to cover the expected short and long-term cash requirements by obtaining financing through the issuance of debt or common shares.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not currently exposed to interest rate risk.

6. SHARE CAPITAL

Authorized: unlimited common shares without par value

a) On December 11, 2015, 200,000 common shares were issued by the Company at $0.03 per common share to the directors of the Company. As at January 31, 2016, $6,000 was recorded as subscription receivable.

b) On June 7, 2016, the Company completed its private placement of an aggregate of 421,500 common shares at a price of $0.03 per share for aggregate gross proceeds of $12,645 and incurred $1,971 in share issuance costs.

c) On January 16, 2017, the Company completed its private placement of an aggregate of 2,212,667 common shares at a price of $0.15 per share for aggregate gross proceeds of $331,900.

7. INCOME TAXES

The difference between the tax expense for the year and the expected income taxes based on the statutory tax rates arises as follows:

(Expressed in Canadian dollars)

7. INCOME TAXES (continued)

	2017	2016
	$	$
Net loss before tax	(6,756)	-
Statutory tax rate	26%	26%
Expected income tax (recovery)	(1,757)	-
Non-deductible items	351	-
Change in deferred tax asset not recognized	1,406	-
Total income tax expense (recovery)	-	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding values for tax purposes. The unrecognized deductible temporary differences at January 31, 2017 are as follows:

	2017	2016
	$	$
Non-capital losses carryforwards	3,794	-
Eligible capital property	2,006	-
Financing costs	1,577	-
Unrecognized deductible temporary differences	7,377	-

As at January 31, 2017, the Company has not recognized a deferred tax asset in respect of tax loss carry forwards of approximately $3,794 which may be carried forward to apply against future income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in 2037.

8. SUBSEQUENT EVENTS

On May 31, 2017, the Company completed its private placement of an aggregate of 1,142,857 common shares at a price of $0.175 per share for aggregate gross proceeds of $200,000.

On October 23, 2017, the Company signed a share exchange agreement with Cognetivity Ltd. whereby the Company acquires 100% of the issued and outstanding common shares of COG, a company registered in England and Wales on April 10, 2013, for an aggregate of 20,000,000 common shares of the Company and 10,000,000 of preferred shares of the Company. COG is in the business of developing a platform technology comprising of a visual stimulus based diagnostic test and artificial intelligence tools to support the early detection and monitoring of cognitive impairment in neurodegenerative diseases, with initial emphasis on dementia in Alzheimer's Disease and Mild Cognitive Impairment, a difficult-to-diagnose, “pre-dementia” condition. On October 26, 2017, the Company completed a non-brokered private placement of a gross proceeds of $4,167,500, which consist of 16,670,000 of Special Warrants (each a “Special Warrant”) whereby each Special Warrant will automatically convert into one (1) Unit immediately prior to receiving the final receipt of a non-offering prospectus by the British Columbia Securities Commission. Each Unit will consist of one (1) common share and one-half of one (½) common share purchase warrant (each a “Warrant”). Each whole Warrant will entitle the holder to purchase one (1) additional common share from the issuer at an intended exercise price of C$0.35 per share for a period of two (2) years. The Company paid $247,100 and issued 988,400 broker’s warrants with the same terms as the Warrant as finders’ fees.

8. SUBSEQUENT EVENTS (continued)

On February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, the Company has entered into convertible promissory notes ("Notes") with Cognetivity Ltd. for gross proceeds of $200,000, $200,000, $50,000 and $173,570, respectively. Each Note will be convertible at the option of the holder into common shares of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, respectively during the 12-month term of each of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

On November 21, 2017, the Company has entered convertible promissory note with COG for gross proceeds of $110,825. Each Note will be convertible at the option of the holder into one common share of COG at a conversion price equal to the financing price of the most recent equity financing of COG after November 21, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. COG will be entitled to repay the principal amount of the Notes at any time.

On December 4, 2017, the shareholders of the Company approved and adopted the share exchange agreement dated October 23, 2017 between the Company, Cognetivity Ltd., and shareholders of Cognetivity Ltd. The Company changed its name to Cognetivity Neurosciences Ltd. on December 19, 2017.

The Company intends to file a prospectus with the securities regulatory authorities in the Provinces of Alberta, British Columbia, Manitoba and Ontario to enable Cognetivity Neurosciences Ltd. by using the distribution of 16,670,000 Units of the Company issuable for no additional consideration upon exercise or deemed exercise of 16,670,000 Special Warrants of the Company issued on October 26, 2017 at a price of $0.25 per Special Warrant. Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole share purchase warrant will entitle the holder thereof to acquire one common share in the capital of the Company at an exercise price of $0.35 until October 26, 2019.

Cognetivity Neurosciences Ltd.
(formerly Utor Capital Corp.)

Condensed Interim Financial Statements

For the three and nine months ended October 31, 2017

(Expressed in Canadian dollars)

(Unaudited)

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	Notes	October 31, 2017	January 31, 2017
		$	$
Assets			
Current			
Cash and restricted cash	**5**	4,167,500	342,255
GST receivable		2,838	68
Convertible note receivable	**3**	623,570	-
Prepaid expenses		5,000	-
Total Assets		4,798,908	342,323
Liabilities and Shareholders' Equity			
Current Liabilities			
Bank indebtedness		377,871	-
Accounts payable and accrued liabilities		24,029	505
Total Liabilities		401,900	505
Shareholders' Equity			
Share capital	**5**	548,574	348,574
Special warrants	**5**	3,810,803	-
Reserves	**5**	109,397	-
Deficit		(71,766)	(6,756)
Total Shareholders' Equity		4,397,008	341,818
Total Liabilities and Shareholders' Equity		4,798,908	342,323

The accompanying notes are integral to these condensed interim financial statements.

Approved on Behalf of the Board of Directors on February 28, 2018:

"Herrick Lau" Director
Herrick Lau

"David Eaton" Director
David Eaton

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended October 31, 2017	Three months ended October 31, 2016	Nine months ended October 31, 2017	Nine months ended October 31, 2016
Expenses				
Consulting fees	$ -	$ -	$ 30,000	$ -
General and administration	1,575	1,400	5,996	1,469
Professional fees	9,450	-	9,450	2,675
Transfer agent and regulatory	438	615	1,510	1,835
Travel	20	-	18,054	-
Net loss and comprehensive loss for the period	$ 11,483	$ 2,015	$ 65,010	$ 5,979
Basic and diluted loss per common share	$ 0.00	$ 0.00	$ 0.02	$ 0.01
Weighted average number of common shares outstanding	3,977,024	621,500	3,474,669	424,595

The accompanying notes are integral to these condensed interim financial statements.

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Common Shares					
	Number of Shares	**Amount**	**Special Warrants**	**Reserves**	**Deficit**	**Total**
		$	**$**	**$**	**$**	**$**
Balance – January 31, 2016	200,000	6,000	-	-	-	6,000
Shares issued for cash on private placement, net of issuance costs	421,500	10,674	-	-	-	10,674
Net loss and comprehensive loss for the period	-	-	-	-	(5,979)	(5,979)
Balance – October 31, 2016	621,500	16,674	-	-	(5,979)	10,695
Balance – January 31, 2017	2,834,167	348,574	-	-	(6,756)	341,818
Shares issued for cash on private placement, net of issuance costs	1,142,857	200,000	-	-	-	200,000
Special warrants issued for cash, net of issuance costs	-	-	3,810,803	-	-	3,810,803
Finder's warrants	-	-	-	109,397	-	109,397
Net loss and comprehensive loss for the period	-	-	-	-	(65,010)	(65,010)
Balance – October 31, 2017	3,977,024	548,574	3,810,803	109,397	(71,766)	4,397,008

The accompanying notes are integral to these condensed interim financial statements

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.)
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended October 31, 2017 $	Nine months ended October 31, 2016 $
Cash provided by (used in) operating activities		
Net loss for the period	(65,010)	(5,979)
Changes in non-cash operating working capital:		
GST receivable	(2,770)	(59)
Accounts payable and accrued liabilities	23,524	142
Convertible note receivable	(623,570)	-
Prepaids expenses	(5,000)	-
Subscription receivable	-	6,000
Net cash provided by (used) in operating activities	(672,826)	104
Cash flows from financing activities:		
Bank indebtedness	377,871	-
Proceeds from share issuances, net of share issuance costs	200,000	10,674
Proceeds from issuance of Special warrants	4,167,500	
Share issuance costs	(247,300)	-
Net cash provided by financing activities	4,498,071	10,674
Increase in cash and restricted cash	3,825,245	10,778
Cash and restricted cash, beginning of the period	342,255	-
Cash and restricted cash, end of the period	4,167,500	10,778
Financing non-cash transaction		
Finders' warrants	109,397	-

The accompanying notes are integral to these condensed interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Cognetivity Neurosciences Ltd. (formerly Utor Capital Corp.) (the "Company") was incorporated on December 11, 2015 under the laws of British Columbia, Canada. Its head office is located at 1980-1075 W. Georgia St., Vancouver BC V6E 3C9, Canada and registered office is located at 1500-1055 W. Georgia St., Vancouver, BC, V6E 4N7, Canada.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can successfully develop its business. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

The development of its business may take years to be successful and the amount of resulting income, if any, is difficult to determine with any certainty. On October 31, 2017, the Company had not yet achieved profitable operations, had an accumulated deficit of $71,766 and working capital of $4,397,008 and expects to incur losses in the development of its business.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These condensed interim financial statements are prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") on a basis consistent with the significant accounting policies disclosed in note 3 of the most recent annual financial statements as at and for the year ended January 31, 2017. The condensed interim financial statements do not include all of the information required for full annual financial statements and were approved and authorized for issue by the directors of the Company on December 5, 2017. These condensed interim financial statements should be read in conjunction with the Company's financial statements for the year ended January 31, 2017.

These financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

a) Convertible note receivable

The note receivable consists of a note receivable component and a separate equity conversion feature component. The note receivable and the equity component are recorded at their pro rata relative fair value. The fair value of the note receivable is determined by discounting the stream of future interest and principal payments at the rate of interest prevailing at the date of issue for instruments of similar term and risk. Subsequent measurements are at amortized cost using the effective interest rate method. Interest income based on the rate of the note and the accretion of the additional interest to the amount that will be receivable on maturity are recognized through profit and loss as interest income. The equity conversion option, on initial recognition, is valued at fair value using the Black-Scholes option pricing model; subsequent measurements are at fair value with gains and/or losses recognized through profit or loss.

b) Share capital

Common shares and special warrants are classified as equity. Transaction costs directly attributable to the issue of common shares and share purchase warrants are recognized as a deduction from equity.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (continued)

c) Recent accounting pronouncements

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

IFRS 9 Financial instruments

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

3. CONVERTIBLE NOTE RECEIVABLE

On February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, the Company has entered into convertible promissory notes ("Notes") with Cognetivity Ltd. for gross proceeds of $200,000, $200,000, $50,000 and $173,570, respectively. Each Note will be convertible at the option of the holder into common shares of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, respectively during the 12-month term of each of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

The note receivable consisted of two separate components: the note receivable component and the equity conversion option. At initial recognition, the fair value of the note receivable component was estimated using the discounted cash flow model method at market rate. The note receivable component was to be accreted over an expected life of one year using the effective interest method at an effective rate of interest of approximately 23%. The fair value of the equity conversion option was estimated, at initial recognition, to be immaterial.

(Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS

	October 31, 2017 $	January 31, 2017 $
Financial assets		
FVTPL at fair value:		
Cash and restricted cash	4,167,500	342,255
Loans and receivables at amortized cost:		
Convertible note receivable	623,570	-
Financial Liabilities		
Other financial liabilities at amortized cost:		
Bank indebtedness	377,871	-
Accounts payable and accrued liabilities	24,029	505

Fair value of financial instruments

Financial instruments recorded at fair value are measured using a three-level fair value hierarchy:

Level 1 Fair value is determined by reference to quoted prices in active markets for identical assets and liabilities.
Level 2 Fair value is determined based on inputs other than quoted prices for which all significant inputs are observable, either directly or indirectly.
Level 3 Fair value is determined based on inputs that are unobservable and significant to the overall fair value measurement.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

Cash and restricted cash	Level 1 $	Level 2 $	Level 3 $	Total $
As at October 31, 2017	4,167,500	-	-	4,167,500
As at January 31, 2017	342,255	-	-	342,255

The carrying value of convertible note receivable, bank indebtedness and accounts payable and accrued liabilities approximates the fair value because of the short-term nature of these instruments.

5. SHARE CAPITAL

Authorized: unlimited common shares without par value

A. Issued shares

On May 31, 2017, the Company completed its private placement of an aggregate of 1,142,857 common shares at a price of $0.175 per share for aggregate gross proceeds of $200,000.

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

B. Special Warrants

On October 26, 2017, the Company completed its private placement of an aggregate of 16,670,000 special warrants (each a "Special Warrant") at a price of 0.25 per Special Warrant for aggregate gross proceeds of $4,167,500. Each Special Warrant will automatically convert into one unit ("Unit") immediately prior to the Company receiving the final receipt of a non-offering prospectus from the British Columbia Securities Commission. Each Unit will consist of one common share and one-half of one common share purchase warrant (each a "Warrant"). Each whole Warrant is exercisable at a price of $0.35 per share for a period of two years. The Company paid an aggregate of $247,300 in finders' fees and issued an aggregate of 988,400 finders' warrants, each which is exercisable into one common share of the Company at $0.35 for a period of two years from the closing of the offering.

If the Company does not receive the final receipt by June 15, 2018, the Company will return the funds to the shareholders, and all Special Warrants will be deemed to have been cancelled. As a result, the gross proceeds of $4,167,500 has been classified as restricted cash.

C. Share Purchase Warrants

988,400 finders' warrants were issued with a fair value of $109,397 recorded as share issuance cost, in share capital. The following table reflects the continuity of warrants for the nine months ended October 31, 2017:

	Number of warrants	Weighted average exercise price
Balance, January 31, 2017	-	-
Issued	988,400	$0.35
Balance, October 31, 2017	988,400	$0.35

The following is a summary of the warrants outstanding as at October 31, 2017:

Grant Date	Expiry Date	Exercise Price	Number of Warrants Outstanding	Number of Warrants Exercisable
October 26, 2017	October 26, 2019	$ 0.35	988,400	988,400

The following table summarizes the continuity of share purchase warrants:

The fair value of warrants issued during the period as finder's fee for the private placement that closed on October 26, 2017 was estimated using the Black-Scholes Option Pricing Model with the following assumptions at the issue date: risk free interest rate of 1.43%; dividend yield of 0%; expected volatility of 100%; and expected life of 2 years. The expected volatility is estimated by using the average historical volatility of comparable companies that have a trading history. The risk-free interest rate is based on yields from Canadian government bond yields with a term equal to the expected term of the options being valued. The expected life of warrants represents the period of time that the options are expected to be outstanding based on the contractual term of the warrants.

6. PROPOSED TRANSACTION

On October 23, 2017, the Company signed a share exchange agreement with Cognetivity Ltd. ("COG") whereby the Company acquires 100% of the issued and outstanding common shares of COG, a company registered in England and Wales on April 10, 2013, for an aggregate of 20,000,000 common shares of the Company and 10,000,000 of preferred shares of the Company. COG is in the business of developing a platform technology comprising of a visual stimulus based diagnostic test and artificial intelligence tools to support the early detection and monitoring of cognitive impairment in neurodegenerative diseases, with initial emphasis on dementia in Alzheimer's Disease and Mild Cognitive Impairment, a difficult-to-diagnose, "pre-dementia" condition.

7. SUBSEQUENT EVENTS

On November 21, 2017, the Company has entered convertible promissory note with COG for gross proceeds of $110,825. Each Note will be convertible at the option of the holder into one common share of COG at a conversion price equal to the financing price of the most recent equity financing of COG after November 21, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. COG will be entitled to repay the principal amount of the Notes at any time.

On December 4, 2017, the shareholders of the Company approved and adopted the share exchange agreement dated October 23, 2017 between the Company, Cognetivity Ltd., and shareholders of Cognetivity Ltd. The Company changed its name to Cognetivity Neurosciences Ltd. on December 19, 2017.

The Company intends to file a prospectus with the securities regulatory authorities in the Provinces of Alberta, British Columbia, Manitoba and Ontario to enable Cognetivity Neurosciences Ltd. by using the distribution of 16,670,000 Units of the Company issuable for no additional consideration upon exercise or deemed exercise of 16,670,000 Special Warrants of the Company issued on October 26, 2017 at a price of $0.25 per Special Warrant. Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole share purchase warrant will entitle the holder thereof to acquire one common share in the capital of the Company at an exercise price of $0.35 until October 26, 2019.

Also see Note 6.

APPENDIX B

COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JANUARY 31, 2017 AND 2016

UTOR CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

For the Year ended January 31, 2017

General

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of November 3, 2017, and it presents an analysis of the financial position of Utor Capital Corp. (the "Company") for the year ended January 31, 2017. The following information should be read in conjunction with the audited financial statements of the Corporation for the year ended January 31, 2017 and 2016, including the notes contained therein. The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise indicated, references to $ or "dollars' are to Canadian dollars.

Forward-looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Business Overview

Utor Capital Corp., (the "Company") was incorporated on December 11, 2015 under the laws of British Columbia, Canada. Its head office is located at 1980-1075 W. Georgia St., Vancouver BC V6E 3C9, Canada and registered office is located at 1500-1055 W. Georgia St., Vancouver, BC, V6E 4N7, Canada. The Company is in the business of consulting on capital markets deal structuring and corporate advisory.

Significant Events and Milestones

On October 23, 2017, the Company signed a share exchange agreement with Cognetivity Ltd. ("COG"), whereby the Company acquires 100% of the issued and outstanding common shares of COG, a company registered in England and Wales on April 10, 2013, for an aggregate of 20,000,000 common shares of the Company and 10,000,000 of preferred shares of the Company.COG is in the business of developing a platform technology comprising of a visual stimulus based diagnostic test and artificial intelligence tools to support the early detection and monitoring of cognitive impairment in neurodegenerative diseases, with initial emphasis on dementia in Alzheimer's Disease and Mild Cognitive Impairment, a difficult-to-diagnose, "pre-dementia" condition.

On October 26, 2017, the Company completed a non-brokered private placement of a gross proceeds of $4,167,500, which consist of 16,670,000 of Special Warrants (each a "Special Warrant") whereby each Special Warrant will automatically convert into one (1) Unit immediately prior to receiving the final receipt of a non-offering prospectus by the British Columbia Securities Commission. Each Unit will consist of one (1) common share and one-half of one (½) common share purchase warrant (each a “Warrant”). Each whole Warrant will entitle the holder to purchase one (1) additional common share from the issuer at an intended exercise price of C$0.35 per share for a period of two (2) years. The Company paid $247,100 and issued 988,400 broker’s warrants with the same terms as the Warrant as finders’ fees.

Overall Performance

The statement of financial position as of January 31, 2017 indicates a cash balance of $342,255 (2016 – Nil) and total current assets of $342,323 (2016 – $6,000).

Current liabilities at January 31, 2017 total $505 (2016 - Nil). Shareholders’ equity of $341,818 (2016 – $6,000).

As at January 31, 2017 the working capital is $341,818 (2016 – $6,000).

Results of Operations

The Company incurred $6,756 of net loss as of January 31, 2017 (2016 – Nil) as the Company had not commenced much activities yet. The Company’s operations are in their infancy and no comparative or trend discussion is relevant.

COMPARISON OF RESULTS OF OPERATIONS

During the year ended January 31, 2017, the Company reported a net loss of $6,756 ($0.01 basic and diluted loss per share) and nil for the date of incorporation, December 11, 2015 to January 31, 2016.

As the Company’s current operations is not generating revenue yet, it will continue to rely on equity and debt financing in order to meet its ongoing day-to-day operating requirements. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time, or, if available, that it can be obtained on terms satisfactory to the Company.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information derived from the Company’s audited financial statements for the two most recently completed financial years. These financial data are prepared in accordance with IFRS.

	January 31, 2017	**December 11, 2015 (date of incorporation) to January 31, 2016**
	$	**$**
OPERATIONS		
Revenue	-	-
Net Loss	6,756	-
Other income	-	-
Basic and diluted loss per share	0.01	-
BALANCE SHEET		
Working capital	341,818	6,000

Total assets	342,323	6,000
Total non-current liabilities	-	-
Cash dividends declared	-	-

During the year ended January 31, 2017 the Company incurred a net loss of $6,756, which mainly consisted of professional and transfer agent fees.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company. This information is derived from unaudited quarterly financial statements prepared by management. These financial data are prepared in accordance with IFRS.

	Qtr 4 January 31, 2017 $	Qtr 3 October 31, 2016 $	Qtr 2 July 31, 2016 $	Qtr 1 April 30, 2016 $	Qtr 4 December 11, 2015 (date of incorporation) to January 31, 2016 $
Revenue	Nil	Nil	Nil	Nil	Nil
Net Loss	777	2,015	3,609	355	Nil
Basic and diluted loss per share	0.00	0.00	0.01	0.00	Nil
Total assets	342,323	10,836	12,710	7,594	Nil
Working Capital	341,818	10,695	12,710	7,594	Nil

Fourth Quarter

During the quarter ended January 31, 2017, the Company reported a net loss of $6,756, which derived from mainly professional and transfer agent fees.

Liquidity and Capital Resources

For the period ended January 31, 2017, the Company generated $348,574 from financing activities.

At January 31, 2017, the Company had a working capital of $341,818 having cash of $342,255, and accounts payable of $505.

A summary of the Company's contractual obligations at January 31, 2017 is detailed in the table below.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts Payable	$505	$505	N/A	N/A	N/A
Total	$505	$505	N/A	N/A	N/A

License Agreement

There are no license agreements.

Off-Balance Sheet Arrangements

As of the date of this management discussion and analysis, 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.

Transactions With Related Parties

There are no related party transactions.

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

<u>IFRS 9 Financial instruments</u>

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

<u>IAS 7 Statement of Cash Flows (Amendment)</u>

In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2016. The amendments are part of the IASB's Disclosure Initiative to address some of the concerns expressed about existing presentation and disclosure requirements. The amendments require entities to provide disclosures that enable users of the financial statements to evaluate both cash flow and non-cash changes in liabilities arising from financing activities. These amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

<u>IAS 12 Income Taxes (Amendment)</u>

The amendment to IAS 12 provides additional guidance in evaluating the recognition of deferred tax assets for unrealized losses. These amendments are effective for annual periods beginning on or after January 1, 2017.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The principal financial instruments used by the Company, from which financial instrument risk arises, are cash, short-term investments, accounts payable and other accrued liabilities and fixed rate notes payable which is carried at amortized cost.

	January 31, 2017	January 31, 2016
Financial Assets		
Cash	$ 342,255	$ -
GST receivable	68	-
Total financial assets	$ 342,323	$ -
Financial Liabilities		
Total accounts payable	$ 505	$ -
Total financial liabilities	$ 505	$ -

Financial instruments not measured at fair value include cash, accounts payable and other accrued liabilities. Due to their short-term nature, the carrying value of cash and accounts payable and other accrued liabilities approximates their fair value.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk
Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with a major bank in the Canada. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. The Company is exposed to liquidity risk as it does not have sufficient cash to settle its current liabilities.

c) Market risk
Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk
The Company has cash and cash equivalents balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. All debt bears fixed interest rates.

Foreign currency risk

Currency risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates. The Company has certain expenditures that are denominated in Pound Sterling and other operating expenses that are in Canadian dollars. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar and the Pound sterling.

d) Capital management

The Company considers its cash and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. There was no change in the Company's approach to capital management during the year ended January 31, 2017 or the year ended January 31, 2016.

Disclosure of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares without par value.
(2) As at the date of this MD&A, the Company has 3,977,024 common shares, 16,670,000 special warrants (automatically convert into one (1) Unit immediately prior to receiving the final receipt of a non-offering prospectus by the British Columbia Securities Commission. Each Unit will consist of one (1) common share and one-half of one (½) common share purchase warrant), and 988,400 warrants issued and outstanding.

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	January 31, 2017	January 31, 2016
General and administration	$ 1,490	$ -
Professional fees	2,675	-
Transfer agent and regulatory	2,591	-

The general and administration expenses were related to general office expenses.

The professional fees were related to general corporate matters.

The transfer agent and regulatory consist of monthly transfer agent fees and securities commission fees.

RISK FACTORS

Market Risk for Securities

We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk

We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk

Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

Key Personnel Risk

Our success will depend on our directors and officers to develop our business and manage our operations, and on our ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on our business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that we will be able to attract or retain key personnel in the future, which may adversely impact our operations.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Going-Concern Risk

The financial statements of the Company have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Our future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that we will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

Share Price Volatility Risk

It is anticipated that our common shares will be listed for trading on the Exchange. As such, external factors outside of our control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward the medical marijuana sector stocks may have a significant impact on the market price of our common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

APPENDIX C

COGNETIVITY NEUROSCIENCES LTD. (FORMERLY UTOR CAPITAL CORP.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2017

UTOR CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Period Ended October 31, 2017

General

This Management Discussion and Analysis ("MD&A") has been prepared by management as of December 5, 2017. It provides a detailed analysis of the business of Utor Capital Corp. (the "Company") and discloses its financial results for the nine-month period ended October 31, 2017. The MD&A should be read in conjunction with the year-end financial statements of the Company for January 31, 2017 and 2016 and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in the Canadian dollar.

Unless otherwise indicated, references to $ or "dollars' are to Canadian dollars.

Forward-looking Statements

This MD&A contains certain statements that may constitute "forward□looking statements". Forward□looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward□looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward□looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Business Overview

Utor Capital Corp., (the "Company") was incorporated on December 11, 2015 under the laws of British Columbia, Canada. Its head office is located at 1980-1075 W. Georgia St., Vancouver BC V6E 3C9, Canada and registered office is located at 1500-1055 W. Georgia St., Vancouver, BC, V6E 4N7, Canada. The Company is in the business of consulting on capital markets deal structuring and corporate advisory.

Significant Events and Milestones

On October 23, 2017, the Company signed a share exchange agreement with Cognetivity Ltd. ("COG"), whereby the Company acquires 100% of the issued and outstanding common shares of COG, a company registered in England and Wales on April 10, 2013, for an aggregate of 20,000,000 common shares of the Company and 10,000,000 of preferred shares of the Company. COG is in the business of developing a platform technology comprising of a visual stimulus based diagnostic test and artificial intelligence tools to support the early detection and monitoring of cognitive impairment in neurodegenerative diseases, with initial emphasis on dementia in Alzheimer's Disease and Mild Cognitive Impairment, a difficult-to-diagnose, "pre-dementia" condition. As at the date of the issuance of the condensed interim financial statement, the required condition to close the transaction has not yet occurred and as a result, the acquisition was not yet completed.

On October 26, 2017, the Company completed a non-brokered private placement of a gross proceeds of $4,167,500, which consist of 16,670,000 of Special Warrants (each a “Special Warrant”) whereby each Special Warrant will automatically convert into one (1) Unit immediately prior to receiving the final receipt of a non-offering prospectus by the British Columbia Securities Commission. Each Unit will consist of one (1) common share and one-half of one (½) common share purchase warrant (each a “Warrant”). Each whole Warrant will entitle the holder to purchase one (1) additional common share from the issuer at an intended exercise price of C$0.35 per share for a period of two (2) years. The Company paid $247,300 and issued 988,400 broker’s warrants with the same terms as the Warrant as finders’ fees.

Overall Performance

The statement of financial position as of October 31, 2017 indicates a cash balance of $3,789,629 (January 31, 2017 – $342,255) and total current assets of $4,421,037 (January 31, 2017 – $342,323).

Current liabilities at October 31, 2017 total $24,029 (January 31, 2017 - $505). Shareholders’ equity of $4,397,008 (January 31, 2017 – $341,818).

As at October 31, 2017 the working capital is $4,397,008 (January 31, 2017 – $341,818).

Results of Operations

The Company incurred $65,010 of net loss for the nine months ended October 31, 2017 (2016 – $5,979) as the Company had not commenced much activities yet. The Company’s operations are in their infancy and no comparative or trend discussion is relevant.

COMPARISON OF RESULTS OF OPERATIONS

During the nine months period ended October 31, 2017, the Company reported a net loss of $65,010 ($0.02 basic and diluted loss per share).

As the Company’s current operations is not generating revenue yet, it will continue to rely on equity and debt financing in order to meet its ongoing day-to-day operating requirements. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time, or, if available, that it can be obtained on terms satisfactory to the Company.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company. This information is derived from unaudited quarterly financial statements prepared by management. These financial data are prepared in accordance with IFRS.

	Qtr 3 October 31, 2017 $	Qtr 2 July 31, 2017 $	Qtr 1 April 30, 2017 $	Qtr 4 January 31, 2017 $	Qtr 3 October 31, 2016 $	Qtr 2 July 31, 2016 $	Qtr 1 April 30, 2016 $	Qtr 4 December 11, 2015 (date of incorporation) to January 31, 2016 $

Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	11,483	53,100	427	777	2,015	3,609	355	Nil
Basic and diluted loss per share	0.00	0.02	0.00	0.00	0.00	0.01	0.00	Nil
Total assets	4,421,037	489,320	341,535	342,323	10,836	12,710	7,594	Nil
Working Capital	4,397,008	488,219	341,392	341,818	10,695	12,710	7,594	Nil

Three Months Ended October 31, 2017

During the quarter ended October 31, 2017, the Company reported a net loss of $11,483 (2016 - $2,015), which derived from mainly professional fees.

Liquidity and Capital Resources

For the period ended October 31, 2017, the Company generated $4,120,200 from financing activities.

At October 31, 2017, the Company had a working capital of $4,397,008 having cash of $3,789,629, and accounts payable of $24,029.

A summary of the Company's contractual obligations at October 31, 2017 is detailed in the table below.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts Payable	$24,029	$24,029	N/A	N/A	N/A
Total	$24,029	$24,029	N/A	N/A	N/A

License Agreement

There are no license agreements.

Off-Balance Sheet Arrangements

As of the date of this management discussion and analysis, 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.

Transactions With Related Parties

There are no related party transactions.

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

IFRS 9 Financial instruments

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

	October 31, 2017	January 31, 2017
Financial Assets		
Cash	$ 3,789,629	$ 342,255
Convertible note receivable	623,570	-
Total financial assets	$ 4,413,199	$ 342,255
Financial Liabilities		
Total accounts payable	$ 24,029	$ 505
Total financial liabilities	$ 24,029	$ 505

The carrying value of convertible note receivable and accounts payable and accrued liabilities approximates the fair value because of the short-term nature of these instruments.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with a major bank in the Canada. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. The Company is exposed to liquidity risk as it does not have sufficient cash to settle its current liabilities.

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk
The Company has cash and cash equivalents balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. All debt bears fixed interest rates.

Foreign currency risk
Currency risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates. The Company has certain expenditures that are denominated in Pound Sterling and other operating expenses that are in Canadian dollars. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar and the Pound sterling.

d) <u>Capital management</u>
The Company considers its cash and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. There was no change in the Company's approach to capital management during the year ended January 31, 2017 or the year ended January 31, 2016.

Disclosure of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares without par value.
(2) As at the date of this MD&A, the Company has 3,977,024 common shares, 16,670,000 special warrants (automatically convert into one (1) Unit immediately prior to receiving the final receipt of a non-offering prospectus by the British Columbia Securities Commission. Each Unit will consist of one (1) common share and one-half of one (½) common share purchase warrant), and 988,400 warrants issued and outstanding.

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	October 31, 2017	January 31, 2017
General and administration	$ 1,575	$ 1,490
Professional fees	9,450	2,675
Transfer agent and regulatory	438	2,591

The general and administration expenses were related to general office expenses.

The professional fees were related to general corporate matters.

The transfer agent and regulatory consist of monthly transfer agent fees and securities commission fees.

RISK FACTORS

Market Risk for Securities

We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk

We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk

Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Going-Concern Risk

The financial statements of the Company have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Our future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that we will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

APPENDIX D

COGNETIVITY LTD. AUDITED FINANCIAL STATEMENTS AT JANUARY 31, 2017 AND UNAUDITED INTERIM FINANCIAL STATEMENTS AT OCTOBER 31, 2017

COGNETIVITY LTD.

Financial Statements

January 31, 2017 and 2016

(Expressed in British Pounds)

Management’s Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Company. The Board of Directors is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

November 06, 2017

“Sina Habibi”
CEO

“Tom Sawyer”
COO

MNP LLP

Independent Auditors' Report

To the Shareholders of Cognetivity Ltd.

We have audited the accompanying financial statements of Cognetivity Ltd. (the "Company"), which comprise the statements of financial position as at January 31, 2017 and January 31, 2016, the statements of loss and comprehensive loss, changes in shareholders' deficit, and cash flows, for the years then ended, and the notes comprising 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an 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 our 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 principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained 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 Cognetivity Ltd. as at January 31, 2017 and January 31, 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Cognetivity Ltd.'s ability to continue as a going concern.

MNP LLP

Vancouver, British Columbia
November 06, 2017

Chartered Professional Accountants

COGNETIVITY LTD.
Statements of Financial Position
(Expressed in British Pounds)

	January 31, 2017 £	January 31, 2016 £
Assets		
Current assets		
Cash and cash equivalents	19,702	94
VAT receivable	20,443	180
	40,145	274
Equipment (Note 3)	1,716	-
Total assets	41,861	274
Current liabilities		
Accounts payable and accrued liabilities	39,369	15,371
Due to related parties (Note 4)	63,280	46,319
Total liabilities	102,649	61,690
Shareholders' equity		
Share capital (Note 5)	30,000	5
Share premium (Note 5)	231,000	-
Deficit	(321,788)	(61,421)
Total shareholders' equity	(60,788)	(61,416)
Total liabilities and shareholders' equity	41,861	274

Approved on behalf of the Board of Cognetivity Ltd.:

"Sina Habibi" Director

"Tom Sawyer" Director

(The accompanying notes are an integral part of these financial statements)

COGNETIVITY LTD.
Statements of Loss and Comprehensive Loss
(Expressed in British Pounds, except for per share amounts)

	2017 £	2016 £
Expenses		
Consulting fees	108,255	7,500
Depreciation	136	-
Foreign exchange gain	(10,103)	-
General and administrative	2,451	1,781
Marketing and advertising	15,763	8,756
Professional fees	27,735	16,529
Research and development	35,801	-
Salaries and wages	66,286	5,500
Software	4,457	-
Travel expenses	9,671	1,098
Total expenses	260,452	41,164
Net loss before other expenses	(260,452)	(41,164)
Other income (expenses)		
Grant income	-	6,749
Others	85	4
Total other income (expenses)	85	6,753
Net loss and comprehensive loss for the year	(260,367)	(34,411)
Net loss per share, basic and diluted	(0.01)	(6.88)
Weighted average shares outstanding – basic and diluted	22,686,151	5000

(The accompanying notes are an integral part of these financial statements)

COGNETIVITY LTD.

Statements of Changes in Shareholders' Equity

(Expressed in British Pounds, except for per share amounts)

	Common Shares			Deficit	Total
	Number of Shares	Share Capital £	Share Premium £	£	£
Balance at February 1, 2015	5,000	5	–	(27,010)	(27,005)
Net loss and comprehensive loss for the year	–	–	–	(34,411)	(34,411)
Balance at January 31, 2016	5,000	5	–	(61,421)	(61,416)
Share issued for services	16,495,000	16,495	37,950	–	54,445
Share issuance	13,500,000	13,500	193,050	–	206,550
Net loss and comprehensive loss for the year	–	–	–	(260,367)	(260,367)
Balance at January 31, 2017	30,000,000	30,000	231,000	(321,788)	(60,788)

(The accompanying notes are an integral part of these financial statements)

COGNETIVITY LTD.

Statements of Cash Flows
(Expressed in British Pounds)

	2017 £	2016 £
Operating activities		
Net loss for the year	(260,367)	(34,411)
Non-cash items:		
Depreciation	136	-
Shares issued for services	54,445	-
Changes in non-cash working capital items:		
VAT receivable	(20,263)	(180)
Accounts payable and accrued liabilities	23,998	14,571
Due to related parties	16,961	20,114
Net cash (used in) provided by operating activities	(185,090)	94
Financing activities		
Proceeds from shares issuance	206,550	-
Net cash provided by financing activities	206,550	-
Investing activities		
Purchase of equipment	(1,852)	-
Net cash (used in) investing activities	(1,852)	-
Increase in cash and cash equivalents	19,608	94
Cash and cash equivalents, beginning of year	94	-
Cash and cash equivalents, end of year	19,702	94

(The accompanying notes are an integral part of these financial statements)

1. Nature of Operations and Going Concern

Cognetivity Ltd. (the "Company"), formerly Diamentech Limited, was incorporated under the UK Companies Act 2006 on April 10, 2013 and its head office is located at WeWork Waterhouse Square, 138 Holborn, London, EC1N 2SW. The Company is engaged in the development of an algorithm for early stage detection of Alzheimer's and Dementia.

These financial statements have been prepared on the basis that the Company is a going concern. This assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from carrying values in these financial statements which do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As of January 31, 2017, the Company had an accumulated deficit of £321,788. The ability of the Company to continue as a going concern is dependent on obtaining financing through the issuance of debt or common shares or successful commercialization of its product portfolio. There is a risk that financing will not be available on a timely basis or on terms acceptable to the Company or that successful commercialization of the Company's product portfolio does not occur as intended. These financial statements do not reflect the adjustments or reclassifications that would be necessary if the Company was unable to continue operations. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

2. Significant Accounting Policies

(a) Statement of Compliance

These financial statements 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.

These financial statements have been prepared in accordance with the accounting policies presented below and are based on IFRS and IFRIC interpretations issued and effective as of January 31, 2017.

These financial statements were approved by the Board of Directors and authorized for issue on November 6, 2017.

(b) Basis of Presentation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as available-for-sale or fair value through profit or loss that have been measured at fair value, and are presented in British Pounds, which is the Company's functional and reporting currency.

(c) Use of Estimates

The preparation of these financial statements requires management to make estimates and judgments and form assumptions that affect the reported amounts and other disclosures in these financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

2. Significant Accounting Policies (continued)

(d) Use of Estimates (continued)

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimate used in the preparation of these financial statements is the recoverability of deferred tax assets. The Company recognizes the deferred tax benefit related to deferred tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in the future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the year ended January 31, 2017. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability and potential sources of replacement financing. As a result of the assessment, management concluded the ultimate appropriateness of the use of accounting principles applicable to a going concern.

Management applies judgement in evaluating whether or not development costs incurred by the Company in the internal development of intangible assets meet the criteria for capitalizing. Management determined that as at January 31, 2017, it was not able to demonstrate with sufficient certainty that it is probable the economic benefits will flow to the Company. Accordingly, all internal development costs incurred to date have been expensed.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As at January 31, 2017 and 2016, the Company had no cash equivalents.

(e) Equipment

Equipment are recorded at cost less accumulated depreciation and impairment losses. The Company starts to deprecate property, plant and equipment when assets are available for use. Depreciation of equipment is calculated using the following method over their respective estimated useful life at the following annual rates:

Equipment 25% straight line

Depreciation methods and useful lives are reviewed at each reporting date and adjusted if appropriate. Equipment are written down to the net recoverable value when management determines there has been a change in circumstances which indicates its carrying amount may not be recoverable. Any gain or loss on disposal of an item of equipment is recognized in profit or loss.

2. Significant Accounting Policies (continued)

(f) Financial Instruments

All financial instruments are recognized when the Company becomes party to a contract and are measured initially at fair value. Subsequent to initial recognition, the Company's financial assets and financial liabilities are classified and measured as follows:

- Cash is classified as "held for trading" and is measured at fair value through profit and loss ("FVTPL").
- Accounts payable and accrued liabilities and due to related parties are classified as "other financial liabilities" and are measured at amortized cost. At January 31, 2017 and 2016, the recorded amounts approximate fair value.

Transaction costs directly attributable to the acquisition or issue of a financial asset or liability not measured at FVTPL are added to the carrying amount of the financial asset or financial liability, and are amortized to operations using the effective interest rate method.

The Company classifies and discloses fair value measurements based on a three-level hierarchy:

a. Level 1 – inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
b. Level 2 – inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly; and
c. Level 3 – inputs for the asset or liability are not based on observable market data.

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. At January 31, 2017 and 2016, cash was measured and recognized in the statement of financial position using Level 1 inputs and there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would have been categorized as Level 2 and 3 in the fair value hierarchy above.

(g) Impairment of financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date in order to determine whether objective evidence exists that the assets are impaired as a result of one or more events which have had a negative effect on the estimated future cash flows of the asset.

If there is objective evidence that a financial asset has become impaired, the amount of the impairment loss is calculated as the difference between the carrying amount and the present value of the estimated future cash flows from the asset discounted at its original effective interest rate. Impairment losses are recorded in the statement of loss and comprehensive loss. If the amount of the impairment decreases in a subsequent period and the decrease can by objectively related to an event occurring after the impairment was recognized, the impairment loss is reversed, up to the original carrying value of the asset. Any reversal is recognized in the statement of income and comprehensive income.

(h) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Company and its subsidiaries at the exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in other than the functional currency are translated at the exchange rates in effect at the financial position date. The resulting exchange gains and losses are recognized in profit or loss. Non-monetary assets and liabilities denominated in other than the functional currency that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in other than the functional currency are translated using the exchange rate at the date of transaction.

2. Significant Accounting Policies (continued)

(i) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

(j) Loss Per Share

The Company presents the basic and diluted earnings or loss per share data for its common shares, calculated by dividing the earnings or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares.

(k) Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income 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 using the liability method, providing for 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 on the initial recognition of assets or liabilities in a transaction that is not a business combination. 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, 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 to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2. Significant Accounting Policies (continued)

(l) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(m) Recent Accounting Pronouncements

Standards and interpretations issued but not yet effective up to the date of issuance of the Company's financial statements are listed below and include only those which the Company reasonably expects may be applicable to the Company at a future date. The Company intends to adopt these standards and interpretations when they become effective and is currently assessing their impact on the financial statements.

IFRS 9 Financial instruments

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

IFRS 15 Revenue from Contracts with Customers (Amendment)

In April 2016, the International Accounting Standard Board (IASB) issued amendments to IFRS 15, incorporated into Part I of the CPA Canada Handbook - Accounting by the Accounting Standards Board (AcSB) in August 2016, to clarify some requirements and provide additional transitional relief for entities implementing IFRS 15. The amendments clarify how to:

- Identify a performance obligation (the promise to transfer a good or a service to customer) in a contract;
- Determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided); and
- Determine whether the revenue from granting a license should be recognized at a point in time or over time.

The amendments also include two additional reliefs to reduce cost and complexity for an entity when it first applies IFRS 15. The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

2. Significant Accounting Policies (continued)

IFRS 16 Leases (New)

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that also apply IFRS 15 Revenue from Contracts with Customers.

IAS 7 Statement of Cash Flows (Amendment)

In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2016. The amendments are part of the IASB's Disclosure Initiative to address some of the concerns expressed about existing presentation and disclosure requirements. The amendments require entities to provide disclosures that enable users of the financial statements to evaluate both cash flow and non-cash changes in liabilities arising from financing activities.

These amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

IAS 12 Income Taxes (Amendment)

The amendment to IAS 12 provides additional guidance in evaluating the recognition of deferred tax assets for unrealized losses. These amendments are effective for annual periods beginning on or after January 1, 2017.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

(Expressed in British Pounds)

3. Equipment

		Equipment
Cost		
February 1, 2015 and January 31, 2016	£	-
Additions		1,852
January 31, 2017	£	1,852
Accumulated depreciation		
February 1, 2015 and January 31, 2016	£	-
Additions		136
January 31, 2017	£	136
Net book value		
February 1, 2015 and January 31, 2016	£	-
January 31, 2017	£	1,716

4. Related Party Transactions

During the years ended January 31, 2017 and 2016, the Company incurred the following expenses to related parties:

		2017		**2016**
Consulting fees – CEO and a director	£	54,000	£	4,500
Salaries and wages – CEO and a director		13,517		1,250
Consulting fees – CMO and a director		18,000		-
Salaries and wages – CMO and a director		2,178		1,500
Salaries and wages – CSO and a director		27,691		2,750
Consulting fees – Chairman		18,000		1,500
Salaries and wages – Chairman		2,723		-
Consulting fees – COO and a director		18,000		1,500
Salaries and wages – COO and a director		2,178		-
	£	156,287	£	13,000

As at January 31, 2017 and 2016, the Company has the following balance owing to related parties:

		January 31, 2017		**January 31, 2016**
CEO and a director	£	24,882	£	29,319
CMO and a director		5,098		1,500
CSO and a director		10,500		12,500
Chairman		12,300		1,500
COO and a director		10,500		1,500
	£	63,280	£	46,319

Due to related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

(Expressed in British Pounds)

5. Share Capital

Authorized: Unlimited common shares with par value at £0.001 per share.

Issued: As of January 31, 2017, 30,000,000 (January 31, 2016 – 5,000) common shares were issued and outstanding.

a) On April 10, 2013, 5,000 founders shares were issued for £5.

b) On April 30, 2016, 16,495,000 common shares were issued to settle the accounts payable balances in relation to the services provided by directors of the Company with total amounts of £54,445.

c) On April 30, 2016, 13,500,000 common shares were issued for proceeds of £206,550.

6. Income Taxes

The following table reconciles the expected income tax expense (recovery) at the UK statutory income tax rates to the amounts recognized in the statements of operations and comprehensive loss for the years ended January 31, 2017 and 2016:

		January 31 2017		**January 31 2016**
Net loss before tax	£	(260,367)	£	(34,411)
Statutory tax rate		20.00%		20.00%
Expected income tax expenses (recovery)		(52,073)		(6,882)
Change in deferred tax assets not recognized		52,073		6,882
Total income tax expense (recovery)	£	-	£	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding values for tax purposes. The unrecognized deductible temporary differences at January 31, 2017 and 2016 are as follows:

		January 31 2017		**January 31 2016**
Net operating loss carryforwards	£	321,652	£	61,421
Equipment		136		-
Total unrecognized deductible temporary differences	£	321,788	£	61,421

As at January 31, 2017, the Company has not recognized a deferred tax asset in respect of net operating loss carryforwards of £321,652 (2016: £61,421) which may be carried forward indefinitely to apply against future income for UK income tax purposes, subject to final determination by taxation authorities.

7. Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its business strategies, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.
The Company considers its capital for this purpose to be shareholders' equity.

7. Management of Capital (continued)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares or debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize ongoing development efforts, the Company does not pay out dividends.

8. Financial Risk Management

The Company's financial instruments are exposed to certain risks, including credit risk, interest rate risk and liquidity risk.

(a) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through a large UK financial institution. As such, the Company considers this risk to be minimal.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at January 31, 2017, the Company was not exposed to significant interest rate risk.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 7. Accounts payable and accrued liabilities are subject to normal trade terms. The Company believes that the capital sources will be sufficient to cover the expected short and long term cash requirements by obtaining financing through the issuance of debt or common shares.

(d) Currency risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is British pounds. The Company is exposed to currency risk through the financial assets and liabilities denominated in currencies other than British pounds. The Company currently does not use derivative instruments to hedge its exposure to the currency risk. As at January 31, 2017 and 2016, the Company has no financial assets or financial liabilities exposed to currency risk.

9. Events after the Reporting Period

On February 7, 2017, the Company has entered convertible promissory note with Utor Capital Corp. for gross proceeds of CAD$200,000. Each Note will be convertible at the option of the holder into one common share of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after February 7, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

9. Events after the Reporting Period (continued)

On June 6, 2017, the Company has entered convertible promissory note with Utor Capital Corp. for gross proceeds of CAD$200,000. Each Note will be convertible at the option of the holder into one common share of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after June 6, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

On October 19, 2017, the Company has entered convertible promissory note with Utor Capital Corp. for gross proceeds of CAD$50,000. Each Note will be convertible at the option of the holder into one common share of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after October 19, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

On October 23, 2017, the Company signed a share exchange agreement with Utor Capital Corp. ("Utor") whereby Utor acquires 100% of the issued and outstanding common shares of Cognetivity Ltd. for an aggregate of 20,000,000 common shares of Utor and 10,000,000 of preferred shares of Utor. Utor is a company incorporated under the laws of British Columbia, Canada on December 11, 2015.

On October 27, 2017, the Company has entered convertible promissory note with Utor Capital Corp. for gross proceeds of CAD$173,570. Each Note will be convertible at the option of the holder into one common share of Cognetivity Ltd. at a conversion price equal to the financing price of the most recent equity financing of Cognetivity Ltd. after October 27, 2017 during the 12-month term of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. Cognetivity Ltd. will be entitled to repay the principal amount of the Notes at any time.

COGNETIVITY LTD.

Condensed Interim Financial Statements

For the three and nine months ended October 31, 2017

(Expressed in British Pounds)

(Unaudited)

COGNETIVITY LTD.
Condensed Interim Statements of Financial Position
(Expressed in British Pounds)

	October 31, 2017 £	January 31, 2017 £
Assets		
Current assets		
Cash and cash equivalents	94,829	19,702
Prepayments	8,813	-
Due from related parties (Note 4)	12,684	-
VAT receivable	27,983	20,443
	144,309	40,145
Equipment (Note 3)	5,500	1,716
Total assets	149,809	41,861
Current liabilities		
Accounts payable and accrued liabilities	47,141	39,369
Due to related parties (Note 4)	15,469	63,280
Convertible promissory notes (Note 5)	372,282	-
Total liabilities	434,892	102,649
Shareholders' equity		
Share capital (Note 6)	30,333	30,000
Share premium (Note 6)	267,333	231,000
Equity portion of convertible promissory notes (Note 5)	99,431	-
Deficit	(682,180)	(321,788)
Total shareholders' equity	(285,083)	(60,788)
Total liabilities and shareholders' equity	149,809	41,861

Approved on behalf of the Board of Cognetivity Ltd.:

"Sina Habibi" Director

"Tom Sawyer" Director

(The accompanying notes are an integral part of these condensed interim financial statements)

COGNETIVITY LTD.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in British Pounds)

	Three months ended October 31, 2017 £	Three months ended October 31, 2016 £	Nine months ended October 31, 2017 £	Nine months ended October 31, 2016 £
Expenses				
Consulting fees	27,285	39,000	72,763	84,000
Depreciation	217	68	532	68
Foreign exchange (gain)/loss	1,229	-	3,820	(10,103)
General and administrative	10,685	953	31,661	1,653
Marketing and advertising	1,450	11,054	1,712	15,762
Professional fees	37,441	1,458	45,852	35,535
Research and development	3,763	1,500	22,142	1,500
Salaries and wages	21,231	9,000	56,121	57,286
Software	537	616	5,043	616
Travel expenses	10,151	7,644	21,358	8,418
Interest expense on convertible notes	99,431	-	99,431	-
Total expenses	213,420	71,293	360,435	194,735
Net loss before other income	(213,420)	(71,293)	(360,435)	(194,735)
Income				
Other income	8	46	43	72
Total other income	8	46	43	72
Net loss and comprehensive loss for the period	(213,412)	(71,247)	(360,392)	(194,663)
Net loss per share, basic and diluted	(0.007)	(0.002)	(0.012)	(0.010)
Weighted average shares outstanding – basic and diluted	30,333,333	30,000,000	30,136,417	20,257,099

(The accompanying notes are an integral part of these condensed interim financial statements)

COGNETIVITY LTD.

Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in British Pounds, except for per share amounts)

	Common Shares					
	Number of Shares	Share Capital £	Share Premium £	Equity Portion of Convertible Promissory Notes £	Deficit £	Total £
Balance at January 31, 2016	5,000	5	–	–	(61,421)	(61,416)
Share issued for services	29,995,000	29,995	231,000	–	–	260,995
Net loss and comprehensive loss for the period	–	–	–	–	(194,663)	(194,663)
Balance at October 31, 2016	30,000,000	30,000	231,000	–	(256,084)	4,916
Balance at January 31, 2017	30,000,000	30,000	231,000	–	(321,788)	(60,788)
Share issued for services	333,333	333	36,333	–	–	36,666
Equity portion of convertible promissory notes	–	–	–	99,431	99,431	99,431
Net loss and comprehensive loss for the period	–	–	–	–	(360,392)	(360,392)
Balance at October 31, 2017	30,333,333	30,333	267,333	99,431	(682,180)	(285,083)

(The accompanying notes are an integral part of these condensed interim financial statements)

COGNETIVITY LTD.

Condensed Interim Statements of Cash Flows
(Expressed in British Pounds)

	Nine months ended October 31, 2017 £	Nine months ended October 31, 2016 £
Operating activities		
Net loss for the period	(360,392)	(194,663)
Non-cash items:		
Depreciation	532	68
Share issued for services	-	54,445
Interest on convertible promissory notes	99,431	-
Changes in non-cash working capital items:		
Prepayments	(8,813)	-
VAT receivable	(7,540)	(18,983)
Accounts payable and accrued liabilities	44,438	10,635
Due to related parties	(60,495)	(12,474)
Net cash (used in) provided by operating activities	(292,839)	(160,972)
Financing activities		
Convertible promissory notes	372,282	-
Proceeds from shares issuance	-	206,550
Net cash provided by financing activities	372,282	206,550
Investing activities		
Purchase of equipment	(4,316)	(1,853)
Net cash (used in) investing activities	(4,316)	(1,853)
Increase in cash and cash equivalents	75,127	43,725
Cash and cash equivalents, beginning of period	19,702	94
Cash and cash equivalents, end of period	94,829	43,819

(The accompanying notes are an integral part of these condensed interim financial statements)

1. Nature of Operations and Going Concern

Cognetivity Ltd. (the "Company"), formerly Diamentech Limited, was incorporated under the UK Companies Act 2006 on April 10, 2013 and its head office is located at WeWork Waterhouse Square, 138 Holborn, London, EC1N 2SW. The Company is engaged in the development of an algorithm for early stage detection of Alzheimer's and Dementia.

These financial statements have been prepared on the basis that the Company is a going concern. This assumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from carrying values in these financial statements which do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As of October 31, 2017, the Company had an accumulated deficit of £682,180. The ability of the Company to continue as a going concern is dependent on obtaining financing through the issuance of debt or common shares or successful commercialization of its product portfolio. There is a risk that financing will not be available on a timely basis or on terms acceptable to the Company or that successful commercialization of the Company's product portfolio does not occur as intended. These financial statements do not reflect the adjustments or reclassifications that would be necessary if the Company was unable to continue operations. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These condensed interim financial statements are prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") on a basis consistent with the significant accounting policies disclosed in note 3 of the most recent annual financial statements as at and for the year ended January 31, 2017. The condensed interim financial statements do not include all of the information required for full annual financial statements and were approved and authorized for issue by the directors of the Company on December 18, 2017. These condensed interim financial statements should be read in conjunction with the Company's financial statements for the year ended January 31, 2017.

These financial statements are presented in British Pounds, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

(a) Convertible promissory notes

The convertible promissory notes, with an embedded derivative, and the equity component are initially recorded at their fair value. The liability is recognized initially at the fair value of a similar liability that does not have a derivative and an equity conversion option. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component.

Subsequent to initial recognition, the liability component is measured at amortized cost using the effective interest method. The derivative component is fair valued at each reporting date and the change in fair value compared to the initial fair value is recorded in the consolidated statements of loss and comprehensive loss.

(Expressed in British Pounds)

3. Equipment

Cost		
As at January 31, 2017	£	1,852
Additions		4,316
October 31, 2017	£	6,168
Accumulated depreciation		
As at January 31, 2017	£	136
Additions		532
October 31, 2017	£	668
Net book value		
January 31, 2017	£	1,716
October 31, 2017	£	5,500

4. Related Party Transactions

During the nine-month periods ended October 31, 2017 and 2016, the Company incurred the following expenses to related parties:

	Three months period ended October 31		Nine months period ended October 31	
	2017	2016	2017	2016
Consulting fees – CEO and a director	£ 13,500	£ 13,500	£ 40,500	£ 40,500
Salaries and wages – CEO and a director	-	-	-	13,517
Salaries and wages – CMO and a director	4,500	4,500	13,500	15,678
Salaries and wages – CSO and a director	4,500	4,500	13,500	23,191
Consulting fees – Chairman	4,500	4,500	12,000	13,500
Salaries and wages – Chairman	-	-	-	2,723
Consulting fees – COO and a director	4,500	4,500	16,500	13,500
Salaries and wages – COO and a director	-	-	-	2,178
	£ 31,500	£ 31,500	£ 96,000	£ 124,787

As at October 31, 2017 and January 31, 2017, the Company has the following balance owing to related parties:

	October 31, 2017	January 31, 2017
CEO and a director	£ -	£ 24,882
CMO and a director	319	5,098
CSO and a director	7,500	10,500
Chairman	3,900	12,300
COO and a director	3,750	10,500
	£ 15,469	£ 63,280

Due to related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

As at October 31, 2017 and January 31, 2017, the Company has the following balance due from related parties:

October 31, 2017	January 31, 2017
£ 12,684	

(Expressed in British Pounds)

CEO and a director	£	-

5. Convertible Promissory Notes

On February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, the Company has entered into convertible promissory notes ("Notes") with Utor Capital Corp. ("Utor") for gross proceeds of CAD$200,000, $200,000, $50,000 and $173,570, respectively. Each Note will be convertible at the option of the holder into common shares of the Company at a conversion price equal to the financing price of the most recent equity financing of the Company after February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, respectively during the 12-month term of each of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. The Company is obligated to repay the principal amount of the Notes, in CAD $, at any time at the request of Utor.

The fair value of the equity was recorded as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The derivative financial liability was estimated on inception using the Black-Scholes option pricing model using the assumptions presented in the table below.

Expected risk free interest rate [%]	0.71 to 1.40
Expected volatility [%]	100%
Expected life [in years]	< 1 year
Expected dividends [$]	Nil

At the date of issuance, the pro-rata relative fair value for the promissory notes, derivative liability and the equity component amounted to £372,282, £nil and £99,431 respectively.

6. Share Capital

Authorized: Unlimited common shares with par value at £0.001 per share.

Issued: As of October 31, 2017, 30,333,333 (January 31, 2017 – 30,000,000) common shares were issued and outstanding.

a) On April 10, 2013, 5,000 founders shares were issued for £5.

b) On April 30, 2016, 16,495,000 common shares were issued to settle the accounts payable balances in relation to the services provided by directors of the Company with total amounts of £54,445.

c) On April 30, 2016, 13,500,000 common shares were issued for proceeds of £206,550.

d) On July 17, 2017, 333,333 common shares were issued for the services provided by Onseo Affiliates SA with a total amount of £36,666.

7. Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its business strategies, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company considers items included in shareholders' equity in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares or debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company is not subject to any externally imposed capital restructure. There has been no change in the Company's management of capital during the period.

8. Financial Risk Management

The Company's financial instruments are exposed to certain risks, including credit risk, interest rate risk and liquidity risk.

(a) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through a large UK financial institution. As such, the Company considers this risk to be minimal.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at October 31, 2017, the Company was not exposed to significant interest rate risk.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 7. Accounts payable and accrued liabilities are subject to normal trade terms. The Company believes that the capital sources will be sufficient to cover the expected short and long term cash requirements by obtaining financing through the issuance of debt or common shares.

(d) Currency risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is British pounds. The Company is exposed to currency risk through the financial assets and liabilities denominated in currencies other than British pounds. The Company currently does not use derivative instruments to hedge its exposure to the currency risk. As at October 31, 2017 and January 31, 2017, the Company has the convertible promissory notes that are exposed to currency risk.

9. Proposed Transaction

On October 23, 2017, the Company signed a share exchange agreement with Utor whereby Utor acquires 100% of the issued and outstanding common shares of the Company for an aggregate of 20,000,000 common shares of Utor and 10,000,000 of preferred shares of Utor. Utor is a company incorporated under the laws of British Columbia, Canada on December 11, 2015. As at the date of the issuance of the condensed interim financial statement, the required condition to close the transaction has not yet occurred and as a result, the acquisition was not yet completed.

10. Events after the Reporting Period

On November 21, 2017, the Company has entered convertible promissory note with Utor for gross proceeds of CAD$110,825. Each Note will be convertible at the option of the holder into one common share of the Company at a conversion price equal to the financing price of the most recent equity financing of the Company after November 21, 2017 during the 12-month term of the Notes.

The Notes will mature in 12 months from the date of issuance and bear nil interest. The Company is obligated to repay the principal amount of the Notes at any time at the request of Utor.

APPENDIX E

COGNETIVITY LTD. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED JANUARY 31, 2017 AND 2016

Cognetivity

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Year ended January 31, 2017

General

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of November 6, 2017, and it presents an analysis of the financial position of Cognetivity Ltd. ("Cognetivity" or the "Company") for the year ended January 31, 2017. The following information should be read in conjunction with the audited financial statements of the Company for the years ended January 31, 2017 and 2016, including the notes contained therein. The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise indicated, references to $ or "dollars' are to US dollars, references to "C$" are to Canadian dollars and references to "£" are to Pound sterling.

Forward-looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward□looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Business Overview

Cognetivity is a technology company operating within the healthcare industry. Cognetivity has developed a proprietary technology platform for the measurement of early stage cognitive impairment, the Integrated Cognitive Assessment (ICA). The platform utilises an IP protected visual cognition test coupled with an Artificial Intelligence cloud based processing engine which is designed to detect early stage onset of neurodegenerative diseases such as Alzheimer's and dementia.

Significant Events and Milestones

On April 30, 2016, Cognetivity entered into an investment agreement with Bonsai Capital Ltd. for the issuance of 13,500,000 shares in return for US$1,000,000 investment in the Company, payable in 5 tranches. On June 6, 2016, Cognetivity and Bonsai has entered into an amendment agreement, pursuant to which Cognetivity agreed to reduce the purchase price of 13,500,000 common shares from US$1 million to US$300,000 (£206,550).

On February 7, 2017, Cognetivity entered into a non-binding letter of intent with Utor Capital Corp. ("Utor") whereby all of the issued and outstanding shares in the Cognetivity Ltd. would be acquired by Utor in connection with a proposed business combination, capital raise and eventual listing on the Canadian public markets (the "Transaction"). This letter of intent was replaced and superseded by the Definitive Share Exchange Agreement signed on October 23, 2017.

Currently, Cognetivity pursues its growth strategy by:

1. Carrying out a validation trial for the ICA which is specifically designed to provide data to allow regulatory approval as a Class 2 medical device in the USA, Europe and Canada to allow its use in clinical environments in these markets.
2. Continuously developing the ICA platform's technical capability to allow its distribution on other platforms, and its integration with a wide range of healthcare data providers, Electronic Health Record (EHR) system providers and 3rd party digital healthcare platforms.
3. Developing strategic partnerships with targeted healthcare service providers for the use of the ICA as a screening tool in primary healthcare, including the NHS in the UK, healthcare providers and clinics in the USA and Canada.
4. Developing strategic partnerships with large health insurers, particularly in the USA, with the aim of including the ICA in mandated regular health checks and to be used for the early screening for dementias in affiliated clinics and health centers, leading to reduced costs of treatment for payers.
5. Publishing trial results in internationally recognised peer reviewed journals and presenting results at international scientific and healthcare conferences
6. Developing the ICA for home use, for the remote monitoring of patient's progress under treatment regimens and for general home healthcare check-ups.
7. Upon completion of regulatory approval, hiring and training business development and sales staff to sell the ICA in targeted markets.
8. Hiring and training customer support representatives as required to provide technical support for the Company's customers.

Overall Performance

The statements of financial position as of January 31, 2017 indicates a cash balance of £19,702 (2016 - £94) and total current assets of £40,145 (2016 – £274).

Current liabilities at January 31, 2017 total £102,649 (2016 - £61,690). Shareholders' deficiency of £60,788 (2016 – £61,416).

As at January 31, 2017 the working capital deficiency is £62,504 (2016 – £61,416).

Selected Annual Information

The following table sets out selected financial information derived from the Company's audited financial statements for the two most recently completed financial years. These financial data are prepared in accordance with IFRS.

	January 31, 2017	January 31, 2016
	£	£
OPERATIONS		

Revenue	-	-
Net Loss before other expenses	260,452	41,164
Other income	85	6,753
Net loss for the year	260,367	34,411
Basic and diluted loss per share	0.01	6.88
BALANCE SHEET		
Working capital deficiency	62,504	61,416
Total assets	41,861	274
Total non-current liabilities	-	-
Cash dividends declared	-	-

During the year ended January 31, 2017, the Company incurred a net loss of £260,367 (£0.01 basic and diluted loss per share) compared to a net loss of £34,411 (£6.88 basic and diluted loss per share) for the year ended January 31, 2016. The net loss was due to the expenses relating to increased consulting fees, R&D, salaries and wages, and accounting and legal work. Additional explanations for the fluctuation in net loss are summarized below:

Consulting fees: The Company recruited further key personnel to bring specific expertise for the Company.

R&D expenditure: The Company conducted successful pilot studies on the ICA test as a proof of concept and comparison between current standard of care. The

Legal work: The Company incurred legal costs in the areas of IP and general corporate advice.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company. This information is derived from unaudited quarterly financial statements prepared by management. These financial data are prepared in accordance with IFRS.

	Qtr 4 January 31, 2017 £	Qtr 3 October 31, 2016 £	Qtr 2 July 31, 2016 £	Qtr 1 April 30, 2016 £	Qtr 4 January 31, 2016 £	Qtr 3 October 31, 2015 £	Qtr 2 July 31, 2015 £	Qtr 1 April 30, 2015 £
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	(65,717)	(71,293)	(34,512)	(88,930)	(24,824)	(2,275)	(9,616)	(4,449)
Basic and diluted loss per share	0.00	0.00	0.00	0.00	3.61	0.46	1.92	0.89
Total assets	41,861	64,766	159,129	195,633	274	10	3,836	4,195
Working Capital (Deficiency)	(62,504)	3,131	76,162	110,653	(61,416)	(36,592)	(34,317)	(24,704)

Fourth Quarter

During the quarter ended January 31, 2017, the Company reported a net loss of £65,632, which is derived mainly from consulting fees, salaries and wages, professional and marketing and advertising.

Liquidity and Capital Resources

For the year ended January 31, 2017, the Company generated £206,550 from financing activities.

At January 31, 2017, the Company had a working capital deficiency of £62,504 and having cash of £19,702, accounts payable of £39,369, and due to related parties of £63,280.

A summary of the Company's contractual obligations at January 31, 2017 is detailed in the table below.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts Payable	£39,369	£39,369	N/A	N/A	N/A
Due to related parties	£63,280	£63,280			
Total	£102,649	£102,649	N/A	N/A	N/A

License Agreement

There are no license agreements.

Off-Balance Sheet Arrangements

As of the date of this management discussion and analysis, 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.

Transactions With Related Parties

During the years ended January 31, 2017 and 2016, the Company incurred the following expenses to related parties:

	2017	2016
Consulting fees – CEO and a director	£ 54,000	£ 4,500
Salaries and wages – CEO and a director	13,517	1,250
Consulting fees – CMO and a director	18,000	-
Salaries and wages – CMO and a director	2,178	1,500
Salaries and wages – CSO and a director	27,691	2,750
Consulting fees – Chairman	18,000	1,500
Salaries and wages – Chairman	2,723	-
Consulting fees – COO and a director	18,000	1,500
Salaries and wages – COO and a director	2,178	-
	£ 156,287	£ 13,000

As at January 31, 2017 and 2016, the Company has the following balance owing to related parties:

	January 31, 2017	January 31, 2016
CEO and a director	£ 24,882	£ 29,319
CMO and a director	5,098	1,500
CSO and a director	10,500	12,500
Chairman	12,300	1,500
COO and a director	10,500	1,500
	£ 63,280	£ 46,319

Due to related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

IFRS 9 Financial instruments

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

IFRS 15 Revenue from Contracts with Customers (Amendment)

In April 2016, the International Accounting Standard Board (IASB) issued amendments to IFRS 15, incorporated into Part I of the CPA Canada Handbook - Accounting by the Accounting Standards Board (AcSB) in August 2016, to clarify some requirements and provide additional transitional relief for entities implementing IFRS 15. The amendments clarify how to:

- Identify a performance obligation (the promise to transfer a good or a service to customer) in a contract;
- Determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided); and
- Determine whether the revenue from granting a license should be recognized at a point in time or over time.

The amendments also include two additional reliefs to reduce cost and complexity for an entity when it first applies IFRS 15. The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

IFRS 16 Leases (New)

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that also apply IFRS 15 Revenue from Contracts with Customers.

IAS 7 Statement of Cash Flows (Amendment)

In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2016. The amendments are part of the IASB's Disclosure Initiative to address some of the concerns expressed about existing presentation and disclosure requirements. The amendments require entities to provide disclosures that enable users of the financial statements to evaluate both cash flow and non-cash changes in liabilities arising from financing activities.

These amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

IAS 12 Income Taxes (Amendment)

The amendment to IAS 12 provides additional guidance in evaluating the recognition of deferred tax assets for unrealized losses. These amendments are effective for annual periods beginning on or after January 1, 2017.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The principal financial instruments used by the Company, from which financial instrument risk arises, are cash, short-term investments, accounts payable and other accrued liabilities and fixed rate notes payable which is carried at amortized cost.

	January 31, 2017 £	January 31, 2016 £
Financial Assets		
Cash	19,702	94
Total financial assets	19,702	94
Financial Liabilities		
Accounts payable and accrued liabilities	39,369	15,371
Due to related parties	63,280	46,319
Total financial liabilities	102,649	61,690

Financial instruments not measured at fair value include accounts payable and accrued liabilities and due to related parties. Due to their short-term nature, the carrying value of accounts payable and accrued liabilities and due to related parties approximates their fair value.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk
   Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through a large UK financial institution. As such, the Company considers this risk to be minimal.

b) Liquidity risk
   Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 7 of the audited financial statement. Accounts payable and accrued liabilities are subject to normal trade terms. The Company believes that the capital sources will be sufficient to cover the expected short and long-term cash requirements by obtaining financing through the issuance of debt or common shares.

c) Interest rate risk
   Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at January 31, 2017, the Company was not exposed to significant interest rate risk.

d) Currency risk
   Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is British pounds. The Company is exposed to currency risk through the financial assets and liabilities denominated in

currencies other than British pounds. The Company currently does not use derivative instruments to hedge its exposure to the currency risk. As at January 31, 2017 and 2016, the Company has no financial assets or financial liabilities exposed to currency risk.

e) Capital management
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its business strategies, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. There was no change in the Company's approach to capital management during the years ended January 31, 2017 and 2016.

Disclosure of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares with par value at £0.001 per share.
(2) As at the date of this MD&A, the Company has 30,333,333 common shares outstanding

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	January 31, 2017	January 31, 2016
Consulting fees	£ 108,255	£ 7,500
Research and development	35,801	-
Salaries and wages	66,286	5,500

The general and administration expenses were related to general office expenses.

The professional fees were related to accounting services, legal work on intellectual property and general corporate matters.

Salaries and wages were related to salaries paid to officers and directors.

RISK FACTORS

Market Risk for Securities
We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well

as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk

We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk

Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

Key Personnel Risk

Our success will depend on our directors and officers to develop our business and manage our operations, and on our ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on our business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that we will be able to attract or retain key personnel in the future, which may adversely impact our operations.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Going-Concern Risk

The financial statements of the Company have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Our future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that we will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

Share Price Volatility Risk

It is anticipated that our common shares will be listed for trading on the Exchange. As such, external factors outside of our control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward the medical marijuana sector stocks may have a significant impact on the market price of our common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

APPENDIX F

COGNETIVITY LTD. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Period Ended October 31, 2017

General

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of December 18, 2017, and it presents an analysis of the financial position of Cognetivity Ltd. ("Cognetivity" or the "Company") for the period ended October 31, 2017. The following information should be read in conjunction with the interim financial statements of the Company for the period ended October 31, 2017 and the year ended January 31, 2017, including the notes contained therein. The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise indicated, references to $ or "dollars' are to US dollars, references to "C$" are to Canadian dollars and references to "£" are to Pound sterling.

Forward-looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Business Overview

Cognetivity is a technology company operating within the healthcare industry. Cognetivity has developed a proprietary technology platform for the measurement of early stage cognitive impairment, the Integrated Cognitive Assessment (ICA). The platform utilises an IP protected visual cognition test coupled with an Artificial Intelligence cloud based processing engine which is designed to detect early stage onset of neurodegenerative diseases such as Alzheimer's and dementia.

Significant Events and Milestones

On April 30, 2016, Cognetivity entered into an investment agreement with Bonsai Capital Ltd. for the issuance of 13,500,000 shares in return for US$1,000,000 investment in the Company, payable in 5 tranches. On June 6, 2016, Cognetivity and Bonsai has entered into an amendment agreement, pursuant to which Cognetivity agreed to reduce the purchase price of 13,500,000 common shares from US$1 million to US$300,000 (£206,550).

On February 7, 2017, Cognetivity entered into a non-binding letter of intent with Utor Capital Corp. ("Utor") whereby all of the issued and outstanding shares in the Cognetivity Ltd. would be acquired by Utor in connection with a proposed business combination, capital raise and eventual listing on the Canadian public markets (the "Transaction"). This letter of intent was replaced and superseded by the Definitive Share Exchange Agreement signed on October 23, 2017.

On October 23, 2017, the Company signed a share exchange agreement with Utor whereby Utor acquires 100% of the issued and outstanding common shares of the Company for an aggregate of 20,000,000 common shares of Utor and 10,000,000 of preferred shares of Utor. Utor is a company incorporated under the laws of British Columbia, Canada on December 11, 2015. As at the date of the issuance of the condensed interim financial statement, the required condition to close the transaction has not yet occurred and as a result, the acquisition was not yet completed.

Currently, Cognetivity pursues its growth strategy by:

1. Carrying out a validation trial for the ICA which is specifically designed to provide data to allow regulatory approval as a Class 2 medical device in the USA, Europe and Canada to allow its use in clinical environments in these markets.
2. Continuously developing the ICA platform's technical capability to allow its distribution on other platforms, and its integration with a wide range of healthcare data providers, Electronic Health Record (EHR) system providers and 3rd party digital healthcare platforms.
3. Developing strategic partnerships with targeted healthcare service providers for the use of the ICA as a screening tool in primary healthcare, including the NHS in the UK, healthcare providers and clinics in the USA and Canada.
4. Developing strategic partnerships with large health insurers, particularly in the USA, with the aim of including the ICA in mandated regular health checks and to be used for the early screening for dementias in affiliated clinics and health centers, leading to reduced costs of treatment for payers.
5. Publishing trial results in internationally recognised peer reviewed journals and presenting results at international scientific and healthcare conferences
6. Developing the ICA for home use, for the remote monitoring of patient's progress under treatment regimens and for general home healthcare check-ups.
7. Upon completion of regulatory approval, hiring and training business development and sales staff to sell the ICA in targeted markets.
8. Hiring and training customer support representatives as required to provide technical support for the Company's customers.

Overall Performance

The statements of financial position as of October 31, 2017 indicates a cash balance of £94,829 (January 31, 2017 - £19,702) and total current assets of £144,309 (January 31, 2017 – £40,145).

Current liabilities at October 31, 2017 total £434,892 (January 31, 2017 - £102,649). Shareholders' deficiency of £285,083 (January 31, 2017 – £60,788).

As at October 31, 2017 the working capital deficiency is £290,583 (2016 – £62,504).

Results of Operations

The Company incurred £360,392 of net loss for the nine months ended October 31, 2017 (2016 – £194,663) as the Company had not commenced much activities yet. The Company's operations are in their infancy and no comparative or trend discussion is relevant.

COMPARISON OF RESULTS OF OPERATIONS

During the nine months period ended October 31, 2017, the Company reported a net loss of £360,392 ($0.012 basic and diluted loss per share).

As the Company's current operations is not generating revenue yet, it will continue to rely on equity and debt financing in order to meet its ongoing day-to-day operating requirements. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time, or, if available, that it can be obtained on terms satisfactory to the Company.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company. This information is derived from unaudited quarterly financial statements prepared by management. These financial data are prepared in accordance with IFRS.

	Qtr 3 October 31, 2017 £	Qtr 2 July 31, 2017 £	Qtr 1 April 30, 2017 £	Qtr 4 January 31, 2017 £	Qtr 3 October 31, 2016 £	Qtr 2 July 31, 2016 £	Qtr 1 April 30, 2016 £	Qtr 4 January 31, 2016 £
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	(213,420)	(105,204)	(41,811)	(65,717)	(71,293)	(34,512)	(88,930)	(24,824)
Basic and diluted loss per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total assets	149,809	92,109	108,492	41,861	64,766	159,129	195,633	274
Working Capital (Deficiency)	(290,583)	(180,467)	(112,117)	(62,504)	3,131	76,162	110,653	(61,416)

Three Months Ended October 31, 2017

During the period ended October 31, 2017, the Company reported a net loss of £213,412 (2016 - £71,247), which derived from consulting fees, salaries and wages, professional, marketing and advertising and interest expense on convertible notes.

Liquidity and Capital Resources

For the period ended October 31, 2017, the Company generated £372,282 from financing activities.

At October 31, 2017, the Company had a working capital deficiency of £290,583 and having cash of £94,829, accounts payable of £47,141, and due to related parties of £15,469.

A summary of the Company's contractual obligations at October 31, 2017 is detailed in the table below.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts Payable	£47,141	£47,141	N/A	N/A	N/A
Due to related parties	£15,469	£15,469			
Total	£62,610	£62,610	N/A	N/A	N/A

License Agreement

There are no license agreements.

Off-Balance Sheet Arrangements

As of the date of this management discussion and analysis, 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.

Transactions With Related Parties

During the period ended October 31, 2017 and 2016, the Company incurred the following expenses to related parties:

	2017	2016
Consulting fees – CEO and a director	£ 40,500	£ 40,500
Salaries and wages – CEO and a director	-	13,517
Consulting fees – CMO and a director	-	-
Salaries and wages – CMO and a director	13,500	15,678
Salaries and wages – CSO and a director	13,500	23,191
Consulting fees – Chairman	12,000	13,500
Salaries and wages – Chairman	-	2,723
Consulting fees – COO and a director	16,500	13,500
Salaries and wages – COO and a director	-	2,178
	£ 96,000	£ 124,787

As at October 31, 2017 and January 31, 2017, the Company has the following balance owing to related parties:

	October 31, 2017	January 31, 2017
CEO and a director	£ -	£ 24,882
CMO and a director	319	5,098
CSO and a director	7,500	10,500
Chairman	3,900	12,300
COO and a director	3,750	10,500
	£ 15,469	£ 63,280

Due to related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

As at October 31, 2017 and January 31, 2017, the Company has the following balance due from related parties:

	October 31, 2017	January 31, 2017

CEO and a director	£	12,684	£	-

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncements the Company will be required to adopt in future years. The Company continues to evaluate the impact of these standards on its financial statements.

IFRS 9 Financial instruments

On July 24, 2014, the IASB issued the complete IFRS 9, Financial Instruments ("IFRS 9"). IFRS 9 introduces new requirements for the classification and measurements of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities and amends the impairment model by introducing a new "expected credit loss" model for calculating impairment. It also includes a new general hedge accounting standard which aligns hedge accounting ore closely with risk management. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted.

IFRS 15 Revenue from Contracts with Customers (Amendment)

In April 2016, the International Accounting Standard Board (IASB) issued amendments to IFRS 15, incorporated into Part I of the CPA Canada Handbook - Accounting by the Accounting Standards Board (AcSB) in August 2016, to clarify some requirements and provide additional transitional relief for entities implementing IFRS 15. The amendments clarify how to:

- Identify a performance obligation (the promise to transfer a good or a service to customer) in a contract;
- Determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided); and
- Determine whether the revenue from granting a license should be recognized at a point in time or over time.

The amendments also include two additional reliefs to reduce cost and complexity for an entity when it first applies IFRS 15. The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

IFRS 16 Leases (New)

In January 2016, the International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard (IFRS) on lease accounting which was incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in June 2016. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces a single lessee accounting model that requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lease assets and liabilities are initially recognized on a present value basis and subsequently, similarly to other non-financial assets and financial liabilities, respectively. The lessor accounting requirements are substantially unchanged and, accordingly, continue to require classification and measurement as either operating or finance leases. The new standard also introduces detailed disclosure requirements for both the lessee and lessor.

The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that also apply IFRS 15 Revenue from Contracts with Customers.

IAS 7 Statement of Cash Flows (Amendment)

In January 2016, the International Accounting Standards Board (IASB) issued amendments to IAS 7 which were incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in April 2016. The amendments are part of the IASB's Disclosure Initiative to address some of the concerns expressed about existing presentation and disclosure requirements. The amendments require entities to provide disclosures that enable users of the financial statements to evaluate both cash flow and non-cash changes in liabilities arising from financing activities.

These amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

IAS 12 Income Taxes (Amendment)

The amendment to IAS 12 provides additional guidance in evaluating the recognition of deferred tax assets for unrealized losses. These amendments are effective for annual periods beginning on or after January 1, 2017.

Other new standards or amendments are either not applicable or not expected to have a significant impact on the Company's financial statements.

Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The principal financial instruments used by the Company, from which financial instrument risk arises, are cash and cash equivalents, accounts payable and accrued liabilities, due to related parties and convertible promissory notes which is carried at amortized cost.

	October 31, 2017 **£**	**January 31, 2017** **£**
Financial Assets		
Cash and cash equivalents	94,829	19,702
Due from related parties	12,684	-

Total financial assets	107,513	19,702
Financial Liabilities		
Accounts payable and accrued liabilities	47,141	39,369
Due to related parties	15,469	63,280
Convertible promissory notes	372,282	-
Total financial liabilities	434,892	102,649

Financial instruments not measured at fair value include accounts payable and accrued liabilities, due to related parties and convertible promissory notes. Due to their short-term nature, the carrying value of accounts payable and accrued liabilities, due to related parties and convertible promissory notes approximates their fair value.

The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through a large UK financial institution. As such, the Company considers this risk to be minimal.

b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in Note 7 of the audited financial statement. Accounts payable and accrued liabilities are subject to normal trade terms. The Company believes that the capital sources will be sufficient to cover the expected short and long-term cash requirements by obtaining financing through the issuance of debt or common shares.

c) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at October 31, 2017, the Company was not exposed to significant interest rate risk.

d) Currency risk
Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is British pounds. The Company is exposed to currency risk through the financial assets and liabilities denominated in currencies other than British pounds. The Company currently does not use derivative instruments to hedge its exposure to the currency risk. As at October 31, 2017 and January 31, 2017, the Company has no financial assets or financial liabilities exposed to currency risk.

e) Capital management
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its business strategies, and to

maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company considers items included in shareholders' equity in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares or debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company is not subject to any externally imposed capital restructure. There has been no change in the Company's management of capital during the period.

Disclosure of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this report is as follows:
(1) Authorized: Unlimited common shares with par value at £0.001 per share.
(2) As at the date of this MD&A, the Company has 30,333,333 common shares outstanding

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	October 31, 2017	October 31, 2016
Consulting fees	£ 72,763	£ 84,000
Research and development	22,142	1,500
Salaries and wages	56,121	57,286
Travel expenses	21,358	8,418
Interest expenses on convertible notes	99,431	-

The general and administration expenses were related to general office expenses.

The professional fees were related to accounting services, legal work on intellectual property and general corporate matters.

Salaries and wages were related to salaries paid to officers and directors.

Travel expenses were related to management traveling for business development.

The interest expenses on convertible notes were related to the Company's promissory notes ("Notes") with Utor Capital Corp.("Utor") On February 7, 2017, June 6, 2017, October 19, 2017 and October 27, 2017, the Company has entered into the Notes with Utor for gross proceeds of CAD$200,000, $200,000, $50,000 and $173,570, respectively.

The fair value of the equity was recorded as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The derivative financial liability was estimated on inception using the Black-Scholes option pricing model using the assumptions presented in the table below.

Expected risk free interest rate [%]	0.71 to 1.40
Expected volatility [%]	100%
Expected life [in years]	< 1 year
Expected dividends [$]	Nil

At the date of issuance, the pro-rata relative fair value for the promissory notes, derivative liability and the equity component amounted to £372,282, £nil and £99,431 respectively.

RISK FACTORS

Market Risk for Securities
We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk
We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk
Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

Key Personnel Risk
Our success will depend on our directors and officers to develop our business and manage our operations, and on our ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants once operations begin. The loss of any key

person or the inability to find and retain new key persons could have a material adverse effect on our business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that we will be able to attract or retain key personnel in the future, which may adversely impact our operations.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Going-Concern Risk

The financial statements of the Company have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Our future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that we will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

Share Price Volatility Risk

It is anticipated that our common shares will be listed for trading on the Exchange. As such, external factors outside of our control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward the medical marijuana sector stocks may have a significant impact on the market price of our common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

APPENDIX G

COGNETIVITY NEUROSCIENCES LTD. PRO FORMA FINANCIAL STATEMENTS AS AT OCTOBER 31, 2017

COGNETIVITY NEUROSCIENCES LTD.

(Formerly known as Utor Capital Corp.)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

October 31, 2017

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

COGNETIVITY NEUROSCIENCES LTD.
(Formerly known as Utor Capital Ltd.)
Pro Forma Consolidated Statements of Financial Position
October31, 2017
(Expressed in Canadian Dollars)
(Unaudited)

	Cognetivity Neurosciences Ltd.	Cognetivity Ltd.	Note 4	Pro-Forma Adjustments	Pro Forma Balance
	$	**$**		$	$
ASSETS					
Current assets					
Cash and restricted cash	4,167,500	162,110	a	(377,871)	3,750,739
			b	(201,000)	
Prepayments	5,000	15,066			20,066
Sales tax receivable	2,838	47,837			50,675
Due from related parties	-	21,683			21,683
Loan receivable	623,570	-	e	(623,570)	-
	4,798,908	246,696			3,843,163
Equipment	-	9,402			9,402
TOTAL ASSETS	4,798,908	256,098			3,852,565
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank indebtedness	377,871	-	a	(377,871)	-
Accounts payable and accrued liabilities	24,029	80,588			104,617
Due to related parties	-	26,444			26,444
Promissory notes payable	-	623,570	e	(623,570)	-
Total liabilities	401,900	730,602			131,061
Shareholders' equity					
Share capital (Note 4)	548,574	53,247	a	2,917,250	3,264,476
			b	(201,000)	
			c	(548,574)	
			c	494,979	
			d	140,000	
			d	(140,000)	
Special warrants	3,810,803	-	a	(3,810,803)	-
Share premium	-	466,428			466,428
Equity portion of convertible promissory notes	-	166,139	e	(166,139)	-
Reserves	109,397	-	a	1,250,250	2,039,309
			c	(109,397)	
			f	789,059	
Other comprehensive income	-	7,036			7,036
Deficit	(71,766)	(1,167,354)	c	71,766	(2,055,745)
			c	(265,471)	
			e	166,139	
			f	(789,059)	
	4,397,008	(474,504)			3,721,504
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,798,908	256,098			3,852,565

The accompanying notes are integral part of these pro forma consolidated statements of financial position.

1. Basis of presentation

The accompanying unaudited pro-forma consolidated statements of financial position of Cognetivity Neurosciences Ltd. (formerly known as “Utor Capital Ltd.”) (" Cognetivity" or “the Company”) have been prepared by management in accordance International Financial Reporting Standards (“IFRS”) from information derived from the financial statements of CGN and the financial statements of Cognetivity Ltd. (“CGN”) to show effect of Cognetivity was acquired by the Company pursuant to a reverse take-over transaction that was completed on December 21, 2017 as per Note 3 (together the “Transactions”). The unaudited pro-forma consolidated financial statements have been prepared for inclusion in the Prospectus.

The unaudited pro-forma consolidated statements of financial position of the Company have been compiled from and include:

a) A pro forma consolidated statements of financial position combining:
   a. Cognetivity’s unaudited statement of financial position as at October 31, 2017; and
   b. CGN’s unaudited statement of financial position as at October 31, 2017.

b) The additional information set out in Note 3 and 4.

The unaudited pro forma consolidated statements of financial position should be read in conjunction with the unaudited financial statements of Cognetivity for the nine months period ended October 31, 2017 and the unaudited financial statements of CGN for the nine months period ended October 31, 2017, and their respective audited financial statements for the year ended January 31, 2017, included in the Prospectus.

The pro forma consolidated statements of financial position are not necessarily indicative of the financial position that would have been achieved if the proposed Transactions had been completed on the dates indicated, nor do they purport to project the financial position or results of operations of the consolidated entities for any future period. In the opinion of the management of CGN and Cognetivity, the unaudited pro forma consolidated statements of financial position include all adjustments necessary for a fair presentation of the proposed Transactions described in this note. Also, management determined that the acquisition of CGN should be considered as a reverse take-over acquisition for accounting purposes, rather than a business acquisition. Based on the internal analysis of the relevant factors, management concluded that this acquisition doesn’t meet the definition of a business, according to IFRS 3 (see Note 3).

This unaudited pro-forma consolidated statements of financial position has been prepared for illustrative purposes only and may not be indicative of the financial position and results of operations that would have occurred if the Transactions had taken place on the dates indicated or of the financial position and results of operations which may be realized in future periods.

Unless otherwise indicated, all amounts presented in this consolidated statements of financial position are denominated in Canadian dollars.

Transactions in British pound (“GBP”) currency have been translated into Canadian dollars in accordance with IAS 21 as follows:

i) Monetary items are reported using the closing rate at the Balance sheet date $1.7095 exchange rate as October 31, 2017 was applied);
ii) Non-monetary items measured at historical cost are reported using the exchange rate at the date of the transaction; Non-monetary items carried at fair value are reported at the rate that existed when the fair values were determined;

2. Significant accounting policies

The accounting policies used in the preparation for theses unaudited pro forma consolidated statements of financial position are those set out in CGN's unaudited financial statements as at October 31, 2017. In preparing the unaudited pro-forma consolidated financial statements, a review was undertaken to identify accounting policy differences between CGN and Cognetivity where the impact was potentially material. The significant accounting policies of CGN conform in all material respects to those of Cognetivity.

3. The Proposed Transaction

The Company, CGN and the shareholders of CGN have entered into a Share Exchange Agreement whereby the Company acquired from the CGN's shareholders all of the common shares of CGN which are issued and outstanding on December 21, 2017, in consideration for the issuance of 20,000,000 common shares of the Company and 10,000,000 class B preferred convertible shares ("Class B Shares") in the capital of the Company and then apply for listing on a Canadian Securities Exchange ("CSE") through filing a non-offering prospectus (the "Transaction").

As a result of the share exchange described above, the former shareholders of CGN will acquire control of the Company, the Transaction is considered a purchase of the Company's operations by the shareholders of CGN and is accounted for as a reverse acquisition.

The Transaction is recorded in accordance with guidance provided in IFRS 2 Share Based Payments and IFRS 3 Business Combinations. As Cognetivity did not qualify as a business according to the definition in IFRS 3, this Transaction does not constitute a business combination; rather it is treated as an issuance of shares by CGN for the net assets of the Company. Also see Note 4c.

4. Pro-forma assumptions and adjustments

The pro-forma consolidated statements of financial position include the effects of the following pro forma assumptions and adjustments as if they had occurred at October 31, 2017:

(a) In connection with the Transaction, on October 26, 2017, the Company completed its private placement of an aggregate of 16,670,000 special warrants (each a "Special Warrant") at a price of 0.25 per Special Warrant for aggregate gross proceeds of $4,167,500. Each Special Warrant will automatically convert into one unit ("Unit") immediately prior to the Company receiving the final receipt of a non-offering prospectus from the British Columbia Securities Commission ("BCSC"). Each Unit will consist of one common share and one-half of one common share purchase warrant (each a "Warrant"). Each whole Warrant is exercisable at a price of $0.35 per share for a period of two years. The Company paid an aggregate of $247,300 in finders' fees and issued an aggregate of 988,400 finders' warrants, each which is exercisable into one common share of the Company at $0.35 for a period of two years from the closing of the private placement.

The gross proceeds from the private placement are allocated between shares and warrants using residual method based on the fair values of shares and warrants on the date of issuance. The allocated proceeds to the warrants issued are $1,250,250. The allocated proceeds to the shares issued are $2,917,250.

If the Company does not receive the final receipt from BCSC by June 15, 2018, the Company will return the funds to the shareholders, and all Special Warrants will be deemed to have been cancelled. As a result, the full amount has been classified as restricted cash. For the purpose of the pro forma, the Company has received the final receipt from BCSC before June 15, 2018 and bank indebtedness was reclassified to cash.

(Expressed in Canadian Dollars)

4. Pro forma assumptions and adjustments (continued)

(b) The Company expects to incur accounting, legal, filing and regulatory fees of $201,000 in relation to completion of the Transaction.

(c) The acquisition of CGN by the Company constitutes a reverse asset acquisition as the Company does not meet the definition of a business, as defined by IFRS 3, Business Combinations. Accordingly, the acquisition of the net assets of the Company is accounted for as a share-based payment as follows:

Cost of acquisition:	
Fair value of shares of Cognetivity	$ 695,979
Merger transaction costs	201,000
Total	494,979
Allocated as follows:	
Net assets of Cognetivity	229,508
Listing expense	265,471
	$ 494,979

The fair value was determined based on the expected number of shares outstanding immediately prior to completing the transaction measured at $0.175 per share which was the share price immediately prior to the Company first announcing its intention to complete the transaction.

Under RTO accounting, the existing share capital and deficit balances of the Company are eliminated.

(d) December 21, 2017, the Company paid a finder's fee for the acquisition of 800,000 common shares at an allocated price of $0.175 per share (Note 4a) for a total of $140,000.

(e) On February 7, 2017, June 6, 2017, October 19, 2017, October 27, 2017, and November 21, 2017, the Company entered into convertible promissory notes (collectively the "Notes") with CGN for gross proceeds of $200,000, $200,000, $50,000, $173,570, and $110,825, respectively. Each Note will be convertible at the option of the holder into common shares of CGN at a conversion price equal to the financing price of the most recent equity financing of CGN. after February 7, 2017, June 6, 2017, October 19, 2017, October 27, 2017, and November 21, 2017, respectively during the 12-month term of each of the Notes. The Notes will mature in 12 months from the date of issuance and bear nil interest. CGN will be entitled to repay the principal amount of the Notes at any time. For the purpose of the pro forma, the Notes is settled pursuant to the completion of the Transaction.

(f) Upon listing on the CSE, the Company intends to grant 3,600,000 stock options to management and directors of the Company. The stock options were valued at $789,059 based on Black Scholes option pricing model assuming a risk-free interest rate of 157%, a dividend yield of 0%, an expected volatility of 100% and an expected life of the options of five years.

(Expressed in Canadian Dollars)

5. Pro forma share capital

After giving effect to the pro forma assumptions in Note 3 and 4, the issued and fully paid share capital of the Company would be as follows:

	Number of Shares	Share Capital
		$
Outstanding shares of Cognetivity at October 31, 2017	3,977,024	53,247
Common shares issued to effect the RTO	20,000,000	494,979
Common shares issued upon conversion of the Special Warrants	16,670,000	2,917,250
Cash transaction costs	-	(201,000)
Transaction finder's fee shares	800,000	-
Pro-forma share capital after the Transaction	**41,447,024**	**3,264,476**

Following the completion of the proposed Transactions, 41,447,024 common shares will be outstanding and in addition, the following common shares are reserved for issuance:

	Number of Shares
Pro forma common shares after the Transaction	41,447,024
Class B Shares	10,000,000
Private placement finder’s fees	988,400
Special Warrants underlying warrants	8,335,000
Stock options	3,600,000
Pro-forma fully diluted share capital after the Transaction	**64,370,424**

CERTIFICATE OF COGNETIVITY NEUROSCIENCES LTD.

Dated: February 28, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Cognetivity Neurosciences Ltd. as required by the securities legislation of British Columbia, Alberta, Manitoba and Ontario.

"Sina Habibi"	*"Denise Lok"*
Sina Habibi Chief Executive Officer	Denise Lok Chief Financial Officer and Corporate Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

Dated: February 28, 2018

"David Velisek"	*"Ravinder Kang"*
David Velisek	Ravinder Kang

CERTIFICATE OF THE PROMOTERS

Dated: February 28, 2018

This non-offering prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously offered by the issuer as required by the securities legislation of British Columbia, Alberta, Manitoba and Ontario.

“Sina Habibi”	*“Seyed-Mahdi Khaligh-Razavi”*
Sina Habibi	Seyed-Mahdi Khaligh-Razavi
“David Velisek”	*“Denise Lok”*
David Velisek`	Denise Lok