COGNETIVITY NEUROSCIENCES LTD.
(FORMERLY UTOR CAPITAL CORP.)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Period ended April 30, 2018

General

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of June 28, 2018, and it presents an analysis of the consolidated financial position of Cognetivity Neurosciences Ltd. (the "Company") for the period ended April 30, 2018. The following information should be read in conjunction with the audited financial statements of the Corporation for the period ended April 30, 2018, 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

Cognetivity Neurosciences Ltd. (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 a technology company operating within the healthcare industry. The Company 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.

The Company's common shares commenced trading on the Canadian Securities Exchange (the "CSE") on March 19, 2018 under the stock symbol "CGN". On May 3rd, 2018, the Company commenced trading on Frankfurt Stock Exchange under the ticker symbol "IUB"

Significant Events and Milestones

On October 23, 2017, the Company signed a share exchange agreement with Cognetivity Ltd. ("CGN"), whereby the Company acquires 100% of the issued and outstanding common shares of CGN, a company registered in England and Wales on April 10, 2013, for an aggregate of 19,999,998 common shares of the Company and 10,000,002 of Class B Shares of the Company (the "Transaction"). CGN 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 $247,300 and issued 988,400 broker's warrants with the same terms as the Warrant as finders' fees. The Special Warrants were converted on March 2, 2018.

On December 21, 2017, pursuant to the Transaction, the Company acquired 100% of the issued and outstanding common shares of CGN, the Company issued 19,999,998 common shares and 10,000,002 Class B shares both at a deemed price of $0.25 per share to shareholders of CGN. In connection with the Transaction, 800,000 Common Shares were issued as finder's fee at a fair value of $0.21.

On March 19, 2018, the Company commenced trading on CSE under the ticker symbol "CGN". Upon listing on the CSE, 10,879,121 common shares and 5,439,560 Class B shares were held in escrow.

On May 3, 2018, the Company commenced trading on Frankfurt Stock Exchange under the ticker symbol "IUB".

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 April 30, 2018 indicates a cash balance of $650,697 (January 31, 2018 – $138,797) and total current assets of $3,008,703 (January 31, 2018 – $3,743,987).

Current liabilities at April 30, 2018 total $527,379 (January 31, 2018 - $366,046). Shareholders' equity of $2,491,258 (January 31, 2018 – 3,388,357) is comprised of common shares of $4,676,581 (January 31, 2018 - $1,519,911), reserves of $1,512,690 (January 31, 2018 - $80,060), special warrants of $nil (January 31, 2018 - $3,840,140), accumulative other comprehensive income of $17,331 (January 31, 2018 - $19,948), and accumulated deficit of $3,715,344 (January 31, 2018 - $2,071,702).

As at April 30, 2018 the working capital is $2,481,324 (January 31, 2018 – working capital of $3,377,941).

Results of Operations

The Company incurred $1,643,642 of net loss as of April 30, 2018 (April 30, 2017 – $85,511) as the Company had not commenced many 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 period ended April 30, 2018, the Company reported a net loss of $1,643,642 ($0.05 basic and diluted loss per share) and $85,511 ($0.03 basic and diluted loss per share) for the period ended April 30, 2017.

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 1 April 30, 2018 $	Qtr 4 January 31, 2018 $	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 $
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	(1,643,642)	(880,027)	(350,904)	(179,362)	(85,511)	(107,568)	(120,264)	(62,463)
Basic and diluted loss per share	(0.05)	(0.05)	-	-	(0.03)	-	-	-
Total assets	3,018,637	3,754,403	253,746	151,409	187,030	68,473	109,254	274,911

Working Capital (deficiency)	2,481,324	3,377,941	(492,189)	(296,652)	(203,961)	(102,237)	5,139	137,846

<u>Three Months Ended April 30, 2018</u>

During the quarter ended April 30, 2018, the Company reported a net loss of $1,643,642 (April 30, 2017 - $85,511), which derived from mainly consulting fees, listing expenses, marketing and advertising, research and development, salaries and benefits, and share-based payment

Liquidity and Capital Resources

At April 30, 2018, the Company had a working capital of $2,481,324, having cash of $650,697, short term investment of $1,945,000, and accounts payable and accrued liabilities of $527,379.

A summary of the Company's contractual obligations at April 30, 2018 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 and accrued liabilities	$527,379	$527,379	N/A	N/A	N/A
Total	$527,379	$527,379	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 periods ended April 30, 2018 and 2017, the Company incurred the following expenses to related parties:

	2018	2017
Consulting fees – CEO and a director	$ 53,589	$ 22,440
Salaries and wages – CMO and a director	16,077	7,480
Salaries and wages – CSO	16,077	7,480
Consulting fees – CCO and a director	16,077	4,987
Consulting fees – COO	28,581	7,480
Share-based payment – directors and officers	749,160	-
	$ 879,561	$ 49,867

As at April 30, 2018 and January 31, 2018, the Company has the following balance owing to related parties:

	April 30, 2018	January 31, 2018
CEO and a director	$ -	$ 6,788
CMO and a director	3,107	10,460
CSO	-	10,460
CCO and a director	-	13,075
COO	-	10,460
	$ 3,107	$ 40,783

As at April 30, 2018 and January 31, 2018, the Company has the following balance receivable from related parties:

	April 30, 2018	January 31, 2018
CEO and a director	$ 16,394	$ -
CMO and a director	$ 13,469	$ 2,581
CMO and a director	$ 29,863	$ 2,581

Due to/from 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.

<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. The Company has determined that the adoption of this standard has no impact on its consolidated financial statements.

<u>IFRS 2 Share-based Payment (Amendment)</u>
In June 2016, the International Accounting Standards Board (IASB) issued amendments to IFRS 2, incorporated into Part I of the CPA Canada Handbook – Accounting by the Accounting Standards Board (AcSB) in November 2016, to clarify how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:

- The effects of vesting and non-vesting conditions on measurement of cash-settled share-based payments;
- Share-based payment transactions with a net settlement feature for withholding tax obligations; and
- A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Company has determined that the adoption of this standard has no impact on its consolidated financial statements.

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. The Company has not yet determined the impact on its consolidated 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 investment, accounts payable and other accrued liabilities and due to related parties which is carried at amortized cost.

	April 30, 2018	January 31, 2018
Financial Assets		
Cash and short term investment	$ 2,595,697	$ 3,608,797
Due from related parties	26,756	-
Total financial assets	$ 2,622,453	$ 3,608,797
Financial Liabilities		
Total accounts payable and accrued liabilities	$ 527,379	$ 327,844
Due to related parties	-	38,202
Total financial liabilities	$ 527,379	$ 366,046

Financial instruments not measured at fair value include cash, short term investment, accounts payable and accrued liabilities and due to related parties. Due to their short-term nature, the carrying value of cash, short term investment, 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 loss due to the counterparty's inability to meet its obligations. The Company’s exposure to credit risk is on its cash and short term investment. Risk associated with cash and short term investment is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

b) 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 and short term investment. 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) 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 short term investment. 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. The Company is not currently exposed to interest rate risk.

Foreign currency risk

The Company incurred expenses primarily in the UK and is exposed to risk from changes in foreign currency exchange rates. In addition, the Company holds financial assets and liabilities in foreign currencies that expose the Company to foreign exchange risks. A significant change in the currency exchange rates between the Canadian dollar relative to the Pound Sterling could have an effect on the Company's results of operations, financial position and/or cash flows. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar and the Pound Sterling. The Company has not hedged its exposure to currency fluctuations.

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. 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 was no change in the Company's approach to capital management during the period ended April 30, 2018.

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 and unlimited Class B Share without par value.
(2) As at the date of this MD&A, the Company has 41,447,022 common shares, 10,000,002 Class B Shares, 3,700,000 stock options, 8,335,500 warrants, 988,400 finders' warrants issued and outstanding.

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components:

	April 30, 2018	April 30, 2017
Consulting fees	$ 154,644	$ 38,908
General and administration	18,578	16,251
Listing expenses	62,000	-
Marketing and advertising	163,665	-
Research and development	374,588	(20,192)
Salaries and benefits	79,212	26,041
Share-based payment	749,160	-

Starting from February 2018, the Company engaged an advisor for capital market consultation until July 2018. In additions, the consulting fee is related to monthly advisory and consulting services.

The general and administration expenses were related mainly to general office expenses such as insurance.

On March 19, 2018, the Company was listed on CSE and accounted $62,000 in listing expenses.

The marketing and advertising expenses were related to new marketing strategies being developed and increased promotion in European market.

Salaries and benefits were related to salaries paid to officers and directors.

Share-based payment is a non-cash expense that relates to stock options granted to a director, employees and consultants in March 2018. In fiscal year 2018, there were no share-based payments due to no stock options granted during the year.

SUBSEQUENT EVENTS

On June 22, 2018, the Company granted 100,000 stock options to public relations consultants of the Company. The stock options are exercisable at $0.43 per share and expire on June 22, 2023.

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.