

MENTOR CAPITAL, INC. AND SUBSIDIARIES
EXCERPT FROM CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2015

Set forth below are excerpts from Mentor Capital Inc. and Subsidiaries (Mentor) financial statements. Though these statements have been prepared in accordance with generally accepted accounting principles in the United States of America, they are necessarily incomplete and truncated in their presentation here.

Since they present an incomplete picture of our company you should read them only in conjunction with our complete financial statements and periodic reports which may be found here:

https://www.sec.gov/Archives/edgar/data/1599117/000107878216002459/f10k123115_10k.htm

BF Borgers CPA PC audited the financial statements of Mentor which comprise the consolidated balance sheets as of December 31, 2015 and 2014 and the related consolidated statements of operations, other comprehensive income, stockholders' equity (deficit) and cash flows for the years then ended in accordance with standards of the Public Company Accounting Oversight Board (United States).

Mentor Capital, Inc.
Consolidated Balance Sheets
December 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 73,679	\$ 326,228
Accounts receivable, net	360,841	300,947
Other current receivables	19,459	
Prepaid expenses and other current assets	21,120	55,655
Investments in securities, at fair value	37,500	5,832
Investment in accounts receivable, current portion, net of discount	92,542	114,750
Employee advances	3,677	2,500
	<u>608,818</u>	<u>805,912</u>
Convertible note receivable	<u>107,772</u>	<u>104,942</u>
Property and equipment		
Property and equipment	236,453	239,060
Accumulated depreciation and amortization	(189,713)	(157,484)
	<u>46,740</u>	<u>81,576</u>
Other assets		
Investment in account receivable, non-current portion, net of discount	520,031	-
Receivable - Bhang Corporation and shareholders	1,500,000	1,500,000
Deposits	9,575	9,575
Long term investments	55,943	66,203
Goodwill	1,426,182	1,426,182
	<u>3,511,731</u>	<u>3,001,960</u>
Total assets	<u>\$ 4,275,061</u>	<u>\$ 3,994,390</u>

Above is an excerpt of Mentor's financial statements prepared on a basis consistent with accounting principles in the United States of America that are included in Mentor's annual report on Form 10-K that has been filed with the U.S. Securities and Exchange Commission. This above document does not contain all of the information in the Form 10-K that is important to you. You should read the Form 10-K carefully to obtain a comprehensive understanding of Mentor's financial statements under generally accepted accounting principles in the United States of America and related information.

Mentor Capital, Inc.
Consolidated Balance Sheets (Continued)
December 31, 2015 and 2014

	2015	2014
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 118,922	\$ 65,585
Accrued expenses	195,566	166,423
Deferred revenue	866	-
Line of credit	70,000	60,000
Current portion of long term debt	10,841	18,911
Total current liabilities	396,195	310,919
Long-term liabilities		
Accrued salary, retirement and incentive fee - related party	484,372	272,982
Long term debt, net of current portion	19,612	31,249
Total long-term liabilities	503,984	304,232
Total liabilities	900,179	615,150
Commitments and Contingencies	-	-
Shareholders' equity		
Preferred stock, \$0.0001 par value and no par value, 5,000,000 and 100 000 000 shares authorized; no shares issued and outstanding At December 31, 2015 and 2014	-	-
Common stock, \$0.0001 par value, 75,000,000 shares authorized; 16,254,941 shares issued and outstanding at December 31, 2015	1,625	-
Common stock, no par value, 400,000,000 shares authorized; 14,483,215 shares issued and outstanding at December 31, 2014	-	7,001,908
Additional paid in capital	8,023,206	234,731
Accumulated deficit	(4,451,969)	(3,652,101)
Accumulated other comprehensive income (loss), net of tax	(12,563)	-
Non-controlling interest	(185,417)	(205,298)
Total shareholders' equity	3,374,882	3,379,240
Total liabilities and shareholders' equity	\$ 4,275,061	\$ 3,994,390

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Mentor Capital, Inc.
Consolidated Income Statements
For The Years Ended December 31, 2015 and 2014

	2015	2014
Revenue		
Service fees	\$ 2,463,225	\$ 2,144,336
Webcast revenue	23,457	-
Consulting revenue	69,432	-
Other revenue	5,644	5,390
Total revenue	<u>2,561,758</u>	<u>2,149,726</u>
Cost of sales	<u>1,565,411</u>	<u>1,376,565</u>
Gross profit	996,347	773,161
Selling, general and administrative expenses	<u>1,768,560</u>	<u>1,859,359</u>
Operating income (loss)	<u>(772,213)</u>	<u>(1,086,198)</u>
Other income and (expense)		
Gain recognized on purchase of majority interest in WCI	-	1,250,000
Gain on decrease in fair value of convertible securities	589,611	-
Interest income	75,050	35,648
Interest expense	(15,632)	(20,836)
Goodwill impairment	(466,765)	-
Loan costs	-	(635,851)
Realized gain (loss) on investments	(131,458)	(7,181)
Gain on conversion of investment in MicroCannaBiz to note receivable	35,360	-
Loss on impairment of MicroCannaBiz note receivable	(76,010)	-
Gain (loss) on equipment disposals	-	(873)
Other income (expense)	425	165
Total other income and (expense)	<u>10,581</u>	<u>621,072</u>
Income (loss) before provision for income taxes	<u>(761,632)</u>	<u>(465,126)</u>
Provision for income taxes	<u>3,163</u>	<u>35,820</u>
Net income (loss)	<u>(764,795)</u>	<u>(500,946)</u>
Gain (loss) attributable to non-controlling interest	<u>35,073</u>	<u>(28,023)</u>
Net income (loss) attributable to Mentor	<u>\$ (799,868)</u>	<u>\$ (472,923)</u>
Basic and diluted net income (loss) per Mentor common share:		
Basic	<u>\$ (0.051)</u>	<u>\$ (0.042)</u>
Diluted	<u>\$ N/A *</u>	<u>\$ N/A *</u>
Weighted average number of shares of Mentor common stock outstanding:		
Basic	<u>15,537,163</u>	<u>11,368,461</u>
Diluted	<u>N/A *</u>	<u>N/A *</u>

*The company recorded operating loss and so the diluted EPS will not be calculated for the diluted EPS effect is anti-dilutive.

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