

MENTOR CAPITAL, INC. AND SUBSIDIARIES

EXCERPT FROM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

MARCH 31, 2017

Set forth below are excerpts from Mentor Capital Inc. and Subsidiaries (Mentor) financial statements for the quarter ended March 31, 2017. 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/1599117/000107878217000667/f10q033117_10q.htm

The unaudited financial statements of Mentor for the first quarter of 2017 comprise of the consolidated balance sheets as of March 31, 2017 and December 31, 2016 and the consolidated statements of operations, other comprehensive income, stockholders' equity (deficit) and cash flows for the three months ended March 31, 2017 and 2016.

Mentor Capital, Inc.
Consolidated Balance Sheets

	March 31, 2017 (Unaudited)	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,742,213	\$ 1,311,338
Investments in securities, at fair value	967,520	-
Accounts receivable, net	350,465	381,404
Prepaid expenses and other current assets	52,825	42,863
Investment in accounts receivable, current portion, net of discount	49,226	-
Notes receivable, current portion	18,882	-
Interest receivable	1,626	-
Convertible notes receivable, current portion	-	12,951
Employee advances	-	700
Total current assets	<u>3,182,757</u>	<u>1,749,256</u>
Convertible notes receivable, net of current portion	<u>132,363</u>	<u>119,104</u>
Property and equipment		
Property and equipment	215,034	215,034
Accumulated depreciation and amortization	<u>(182,430)</u>	<u>(178,482)</u>
Property and equipment, net	<u>32,604</u>	<u>36,552</u>
Other assets		
Investment in account receivable, net of discount and current portion	456,362	481,987
Receivable - Bhang Corporation	1,500,000	1,500,000
Contractual interest in legal recovery	500,002	-
Notes receivable, net of current portion	481,118	-
Deposits	9,575	9,575
Long term investments	55,943	55,943
Goodwill	<u>1,426,182</u>	<u>1,426,182</u>
Total other assets	<u>4,429,182</u>	<u>3,473,687</u>
Total assets	<u>\$ 7,776,906</u>	<u>\$ 5,378,599</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 quarterly report on Form 10-Q 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-Q that is important to you. You should read the Form 10-Q 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)

	March 31, 2017 (Unaudited)	December 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 30,300	\$ 25,572
Line of credit	-	-
Current portion of long term debt	29,078	28,226
Total current liabilities	221,711	219,326
Long-term liabilities		
Accrued salary, retirement and incentive fee - related party	1,289,865	1,038,378
Long term debt, net of current portion	58,549	69,266
Total long-term liabilities	1,348,414	1,107,644
Total liabilities	1,570,125	1,326,970
Commitments and Contingencies	-	-
Shareholders' equity		
Preferred stock, \$0.0001 par value, 5,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock, \$0.0001 par value, 75,000,000 shares authorized; 22,561,951 and 20,980,510 shares issued and outstanding at March 31, 2017 and December 31, 2016	2,256	2,098
Additional paid in capital	12,170,287	9,565,695
Accumulated deficit	(5,770,258)	(5,310,082)
Accumulated other comprehensive income (loss), net of tax	-	-
Non-controlling interest	(195,504)	(206,082)
Total shareholders' equity	6,206,781	4,051,629
Total liabilities and shareholders' equity	\$ 7,776,906	\$ 5,378,599

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 quarterly report on Form 10-Q 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-Q that is important to you. You should read the Form 10-Q 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 Income Statements
For The Three Months Ended December 31, 2017 and 2016

	Three Months Ended	
	March 31,	
	2017	2016
Revenue		
Service fees	\$ 738,144	\$ 642,844
Webcast revenue	-	450
Total revenue	738,144	643,294
Cost of sales	474,248	394,432
Gross profit	263,896	248,862
Selling, general and administrative expenses	648,290	430,358
Operating income (loss)	(384,394)	(181,496)
Other income and (expense)		
Interest income	28,294	27,247
Interest expense	(4,050)	(11,868)
Loss on disposal of Investor Webcast assets and liabilities	-	(345)
Gain (loss) on investments	(81,566)	(21,944)
Other income (expense)	500	(738)
Total other income and (expense)	(56,822)	(7,648)
Income (loss) before provision for income taxes	(441,216)	(189,144)
Provision for income taxes	7,400	3,000
Net income (loss)	(448,616)	(192,144)
Gain (loss) attributable to non-controlling interest	11,560	10,165
Net income (loss) attributable to Mentor	\$ (460,176)	\$ (202,309)
Basic and diluted net income (loss) per Mentor common share:		
Basic and diluted	\$ (0.021)	\$ (0.012)
Weighted average number of shares of Mentor common stock outstanding:		
Basic and diluted	21,538,779	16,353,691

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