



Quinsam Announces Intent to Become a Cannabis-Focused Specialty Investor

Reports EPS of \$0.03 In 2016

Declares Quarterly Dividend

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Toronto, Ontario – April 25, 2017 - Quinsam Capital Corporation (CSE: QCA) ("**Quinsam**" or the "**Company**") today released audited financial results for the year ended December 31, 2016, declared its regular quarterly dividend and announced a new investment strategy.

Intent to Become a Cannabis Focused Specialty Investor

Quinsam has made a number of investments in the cannabis space in 2016 and 2017 that have generated strong returns. Historic investments include Quadron Capital, Nutritional High and DelShen Therapeutics. A convertible debenture investment in Gro-Bright Corporation is pending.

Quinsam management is of the view that the cannabis sector, and in particular the US cannabis sector, offers the opportunity to generate continuing strong returns. While there is now a robust appetite for public Canadian cannabis-related companies, investment capital for US companies remains relatively scarce. "In the United States, growth capital is scarce for this high-growth sector. We think that this creates an exciting long-run growth opportunity for Quinsam," said Roger Dent, CEO of Quinsam.

Quinsam believes that specialty investments in the sector (such as royalty investments, subordinate debt/warrant structures and private equity investments) are an attractive area of focus.

"Our intent is to bring the same disciplined approach that we have followed since we re-launched Quinsam in 2014 to the cannabis sector," said Mr. Dent. "We will continue to tightly control costs and strive to create value for our shareholders."

In order to pursue this strategy, Quinsam is considering options that may include adding additional expertise in the cannabis sector and perhaps raising additional capital.

The company intends to make further announcements with respect to its cannabis strategy in the future.

Q4/2016 Results

Quinsam reported net income of \$225,485 in Q4/2016 (\$0.01 per share) versus a loss of \$168,131 in Q4/2015 (\$0.01 per share). The quarterly profit was after the deduction of a non-cash expense of approximately \$10,000 for share-based compensation. This brought EPS for 2016 to \$0.03.

The net return after expenses on the company's investments was about 8% in the quarter. "Our solid earnings in Q4/2016 reflect the performance of our particular investments in the context of the improving overall performance of the microcap sector," said Roger Dent. "Market conditions have sharply improved from 2015, when volatile oil prices caused market conditions to be difficult."

Quinsam's financial results and MD&A have been posted on [sedar.com](http://www.sedar.com).

Q1/2017 Dividend

The Board of Directors of Quinsam has approved the eleventh consecutive quarterly dividend. The quarterly dividend of \$0.00125 per share (\$0.005 per share per year) represents an indicated yield of 4.2% based on the recent trading price of \$0.12 per share. The distribution will be paid on May 19, 2017 to shareholders of record on May 2, 2017. This dividend will not be designated as an "eligible dividend" for Canadian income tax purposes. Future quarterly dividends will be subject to Board approval.

Stock Buyback Program

In 2016, Quinsam acquired 527,000 shares pursuant to its stock buyback program. All shares were purchased at \$0.08, a level which made the purchases accretive to NAV for remaining shareholders.

About Quinsam Capital Corporation

Quinsam is a merchant bank based in Canada. Our merchant banking business may encompass a range of activities including acquisitions, advisory services, lending activities and portfolio investments. Quinsam invests its capital for its own account in assets, companies or projects which we believe are undervalued and where we see a viable

plan for unlocking such value. We do not invest on behalf of any third party and we do not offer investment advice.

Generally, Quinsam does not believe that individual investments are material reportable events. Quinsam chooses to announce certain investments once the company is certain that it has finished buying its position because the Company feels that this information helps Quinsam's investors understand its investment decision making process. Generally, Quinsam does not announce the sale of investments.

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This press release may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events, which are inherently uncertain. Forward-looking statements can often, but not always, be identified by forward-looking words such as "anticipate", "believe", "continue", "expect", "goal", "plan", "intend", "estimate", "may", "project", "predict", "potential", "target", and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

By their nature, forward-looking statements require us to make assumptions which include, among other things, that (i) Quinsam will have sufficient capital under management to effect its business strategies, (ii) the business strategies will produce the results intended by Quinsam, and (iii) the markets will react and perform in a manner consistent with the business strategies.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some of the risks and other factors that could cause actual results to differ materially from those expressed in forward-looking information expressed in this press release include, but are not limited to: market and

general economic conditions, interest rates, regulatory and statutory developments, the nature of the Company's investments, the available opportunities and competition for investments, the concentration of the Company's investments in certain industries and sectors, reliance on key personnel, risks affecting the Company's investments, management of the growth of the Company, and exchange rate fluctuations. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

The forward-looking information contained herein is provided as at the date of the date of this press release, based upon the opinions and estimates of management and information available to management as at the date of this press release. The Company does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable law. Readers are cautioned not to place undue reliance on forward-looking information contained in this press release.