



**FMI CAPITAL
ADVISORY INC.**

May 10, 2017

**QUINSAM CAPITAL AND HIGH STANDARD ROYALTY AGREE TO FORM
CANNABIS FOCUSED SPECIALTY FINANCE COMPANY**

FOR IMMEDIATE RELEASE

Toronto, Ontario – Quinsam Capital Corp. ("**Quinsam**") (CSE:QCA) and High Standard Royalty Corp. ("**High Standard**") (together the "**Companies**") are pleased to announce that they have entered into a Letter of Intent (the "**Letter of Intent**") dated May 9, 2017 whereby Quinsam will acquire all of the issued and outstanding shares of High Standard.

The Companies will together form a specialty finance company focused on providing capital and operational expertise to emerging companies within the cannabis space.

Terms of Transaction

Subject to completion of satisfactory due diligence, a definitive purchase agreement and receipt of applicable regulatory approvals, Quinsam intends to acquire all of the issued and outstanding common shares of High Standard. As consideration for the purchase and sale of the High Standard Shares, Quinsam will issue to the holders of High Standard Shares 4,000,000 Quinsam shares and 4,000,000 warrants (the "**Warrants**"). Each Warrant will have an exercise price of \$0.30 and will expire 36 months from the closing date. 50% of these shares and warrants will be issued on closing and 50% will be held in escrow and released on the achievement of a growth milestone.

Strategic Vision for Quinsam

Quinsam management is of the view that the cannabis sector, particularly in the United States, offers the opportunity to generate continuing strong returns. Quinsam believes that structuring specialty investments in the cannabis sector (such as royalty investments, subordinate debt/warrant structures and private equity investments) is an attractive area of focus. In order to pursue this strategy, Quinsam intends to acquire High Standard, a company founded by FMI Capital Advisory ("**FMICA**"), focused on providing best-in-class cannabis companies with capital and operational expertise.

FMICA has advised numerous companies operating in the cannabis sector, including Nutritional High International Inc. (CSE:EAT), The Tinley Beverage Co Inc. (CSE:TNY), Aura Health Corp., Steep Hill Labs Inc., and GroBright Corp. FMICA has developed an extensive network of licensed operators across North America and has helped cannabis companies raise over \$15 million to date in both the private and public capital markets.

Founded by entrepreneurs with significant experience in investment banking, corporate finance, and law, High Standard provides a unique combination of capital and hands-on operating and management expertise. Peter Bilodeau, CEO of High Standard and President of FMICA,

commented: “The Cannabis industry currently offers an exceptionally attractive investment opportunity set. The current circumstances of innovative companies unable to secure financing from traditional capital providers has created a tremendous opportunity to fill that void. Operating as a specialty finance company focused on flexible financing solutions will uniquely position Quinsam to capitalize on this opportunity. FMICA has developed a wealth of experience in the cannabis space having been involved since marijuana’s introduction into the North American health and legal system. We are excited to partner with Quinsam and are eager to leverage our cannabis expertise in concert with Quinsam’s investment acumen to unlock value within the space and create new value for Quinsam’s shareholders.”

The key principals of High Standard are Adam Szweras, Peter Bilodeau and Alex Storcheus.

Mr. Szweras is a securities lawyer at Fogler Rubinoff and serves as the Chairman and Founder of Foundation Markets, a Toronto Merchant Bank and Exempt Market Dealer. Mr. Szweras is also a Director of Nutritional High International Inc. and Aurora Cannabis Inc. He has significant capital markets experience and regulatory understanding of the North American cannabis space.

Mr. Bilodeau has over 35 years of experience in the business world and currently serves as the President of FMI Capital Advisory Inc. and CEO of High Standard Royalty Corp. He has an extensive background in corporate finance, management, financial consulting and real estate and holds an MBA from Dalhousie University.

Mr Storcheus currently serves as Senior Vice President of Corporate Finance at FMICA as well as Senior Vice President of Corporate Development at Nutritional High International Inc. Mr. Storcheus holds a CFA designation and specializes in financial and strategic advisory in the cannabis space.

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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.