



Quinsam Announces Strong Q3/2017 Results and Declares Dividend

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TORONTO, Oct. 20, 2017 -- Quinsam Capital Corporation (CSE:QCA) ("**Quinsam**" or the "**Company**") today released unaudited financial results for the quarter ended September 30, 2017, declared a Q3/2017 dividend and updated investors on the current outlook and other matters.

Q3/2017 Results

Quinsam reported net income of \$183,082 in Q3/2017 (\$0.00 per share) versus a profit of \$371,384 in Q3/2016 (\$0.01 per share). The quarterly profit was after the deduction of a non-cash expense of approximately \$6,000 for share-based compensation.

"The quarter was a solid one for Quinsam," said Roger Dent, CEO of Quinsam. "Last year's Q3 was extremely strong so we are down year over year. Regardless we are very happy with this year's result. Our recent investment in Canada Health Wellness was an important contributor to the result. In addition, one of our legacy private investments, PMML Corp., has won a full Isle of Man online gaming license and completed a financing at 2x our cost."

Quinsam's financial results and MD&A have been posted on sedar.com.

Q2/2017 Dividend

The Board of Directors of Quinsam has approved the company's thirteenth consecutive quarterly dividend. The dividend is \$0.00125 per share (\$0.005 per share per year). The dividend represents an indicated yield of 1.7% based on the most recent trading price of \$0.295 per share. The distribution will be paid on November 22, 2017 to shareholders of record on November 1, 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.

Recent Events and Outlook

"In recent weeks, Quinsam has made significant progress in its transition to becoming a cannabis-focused investment entity. We completed a \$2.5 million financing, we have completed the acquisition of High Standard Royalty and we have welcomed Terry Booth, CEO of Aurora Cannabis, to the Board. Most recently, earlier this week we announced the funding of Herbiculture Inc. ("Herbiculture"), which is in the process of constructing a medical marijuana dispensary in Maryland. The Herbiculture investment will provide us with a 35% equity stake in the dispensary at no cost in exchange for lending the company the funds for construction. This is a keystone investment for us as it clearly demonstrates our focus on interesting US cannabis investments that are not readily available to most investors," said Roger Dent. "In recent weeks, the cannabis sector has seen strong performance and we are of the opinion that the investment environment will remain positive heading into the legalization of recreational marijuana in Canada next year. We expect that two of our private cannabis investments, I-5 Holdings Ltd. and Lineage Grow Company Ltd., will go public in Q4/2017."

Option Awards

The Board of Directors of Quinsam has approved the award of 500,000 options to Terry Booth (director) and 100,000 options Peter Bilodeau (consultant). The options will have an exercise price of \$0.295 per share and will expire on October 19, 2022 and will vest over a period of three years.

About Quinsam Capital Corp.

Quinsam is a merchant bank based in Canada that is focusing on cannabis-related investments. 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.