



Quinsam Announces New Investments Updates Investors On Recent Strong Investment Performance

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TORONTO, Dec. 13, 2017 -- Quinsam Capital Corp. ("**Quinsam**") (CSE:QCA) is pleased to announce that it has completed or agreed to complete a number of investments following its recent equity financings. Also, Quinsam wishes to update investors on the strong performance by a number of the companies in its portfolio.

New Investments

In recent weeks, Quinsam has been actively deploying funds raised from our October private placement. In addition, we have been identifying target investments to make use of the funds from our December private placement. We anticipate announcing a number of additional new investments in the near term future once these investments are completed.

Indiva

Indiva is a Canadian Licensed Producer under Canada's Access to Cannabis for Medical Purposes Regulation ("ACMPR") with its first indoor cannabis production facility located in London, Ontario. The company expects to complete and RTO and commence trading prior to year end. We felt that the pre-RTO valuation was very attractive and we liked the company's management team. We invested \$375,000 in units (consisting of shares at \$0.75 with a 2-year half warrant at \$0.90) of Indiva.

HarvestOne

We purchased \$350,000 in units of HarvestOne convertible debentures and warrants as part of its recent financing. It is rare to see a cannabis company issue listed convertible debentures and warrants and we were very pleased to participate in this issue. The transaction is scheduled to close on December 14. We expect to see a strong gain on the commencement of trading. The common shares recently traded at \$1.31. Our debentures convert at \$0.84 and our warrants strike at \$1.09.

We also made smaller or top-up investments in Icon, Platinex, Lineage Grow and Canada Health Wellness.

Recent Investment Performance

"The cannabis sector has been performing extremely well in Q4/2017," said Roger Dent, CEO. "In this context, we have had a number of notable performances. At the present time, we are poised to report a very strong Q4 performance. In addition, we expect Indiva to be listed before the end of the year. Given recent sector performance, we expect it to perform well on listing." Some notable performers include:

Canada House Wellness: Quinsam acquired a package of investments in August including debentures convertible at \$0.15, warrants exercisable at \$0.15 and shares. Based on the recent Canada House trading price of \$0.37, the intrinsic value of our \$150,000 investment is over 4x our cost. We added to our investment in December with the purchase of a further \$150,000 of debentures convertible at \$0.19. These debentures are currently also significantly in the money.

Osoyoos Cannabis: We acquired a package of investments including debentures convertible at \$0.15 and warrants exercisable at \$0.20 in November. Osoyoos Cannabis recently completed a private placement of units at \$0.25 per share, which is 2x our cost taking into account the intrinsic value of our warrants.

Quadron: We purchased shares of Quadron earlier in 2017. The share price has performed well in Q4/2017, moving from \$0.215 on September 30, 2017 to a recent level of \$0.38.

Icon: We made a small investment in units of this company at \$0.08. It has recently traded at \$0.195.

Platinex: We made a small investment in units of the company at \$0.05. The stock has recently traded at \$0.13.

Legacy Holdings

In-Touch Systems: We disposed of our legacy holding in In-Touch Systems as the stock rallied in Q4/2017. The funds were redeployed into cannabis holdings.

Advantage Lithium: We held a legacy warrant position in this company. The warrants recently went into the money. We exercised the warrants and sold the resultant shares. The funds were redeployed into cannabis holdings.

Posera: Posera recently traded at \$0.215 versus its value at the start of the quarter of \$0.17. We disposed of 1/3 of our holding during the quarter at an average price in excess of the current price.

VitalHub: VitalHub was listed through a CPC created by Quinsam and its officers. Much of Quinsam's shares position remains escrowed. However, the shares have performed well quarter-to-date, moving from \$0.13 on September 30, 2017 to a recent price of \$0.21.

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 this press release, based upon the opinions and estimates of management and information available to management. 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.