



Quinsam Reports Q2/2024 Results

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Toronto, Ontario, August 27, 2024 – Quinsam Capital Corporation (CSE:QCA) (“Quinsam” or the “Company”) is announcing its Q2/2024 results, with a net loss of \$0.5 million (\$0.005 per share basic, \$0.005 fully diluted) versus a net loss of \$0.9 million (\$0.009 per share basic, \$0.009 fully diluted) in Q2/2023. Investors can access the Company’s full financial statements on sedarplus.ca.

“At June 30, 2024, we had net assets of approximately \$0.13 per share outstanding” said Roger Dent, CEO. “Our shares continue to trade at a very steep discount from NAV. We also note that our total more liquid investments (including cash, public equities, and derivatives on public equities) exceed \$0.05 per share.”

“The Q2 net loss was largely attributable to movements in the values of two of our public company investments, California Nanotechnologies and Rivalry” said Roger Dent. “While this was a little disappointing, we note that since quarter end, the share price of California Nanotechnologies, in which we hold a little over 2 million shares and warrants, has increased materially.”

Since the end of Q1/2024, Quinsam has made three new investments. We made a small top up investment in Nevada Organic Phosphate. We are hopeful that it will soon receive its long-awaited drill permit from the US Bureau of Land Management. We made a \$280,000 investment in VVT, which is marketing a unique treatment for varicose veins and is expected to trade in the near term. We also participated in a bridge loan to Char Technologies, where we obtained a reasonable coupon and a free warrant position. Char is developing technology to reduce carbon emissions related to steel making. We expect repayment by the end of 2024 and the loan is structured to provide a significant increase in yield if the loan is not repaid in this time frame. The new investments being made by Quinsam are not expected to impact the timing of any value-creating transaction for Quinsam.

The search for a value creating transaction continues. We anticipate that it may take some time to find a suitable, value-creating transaction. There have been relatively few companies undertaking new listings and our plan is to patiently wait for a high-quality transaction. Further announcements will be made on the status of such steps which are subject to all applicable shareholder and regulatory approvals.

Issuer Bid

In Q2/2024, the Company acquired 645,000 shares pursuant to its issuer bid to purchase up to 4,800,000 of its common shares that commenced on September 6, 2023 and will terminate on September 5, 2024, or on an earlier date in the event that the number of common shares sought in the bid has been repurchased. Total purchases pursuant to this bid are 2,926,000 shares.

Quinsam has repurchased and cancelled over 20 million shares since 2018 pursuant to its issuer bids.

Quinsam wishes to announce a new issuer bid to purchase up to 4,600,000 of its common shares (the “Bid”). The Company is commencing the Bid because it believes that the current market price of its common shares may not fully reflect the underlying value of the Company’s business and future prospects. The Company believes that the repurchase of its common shares for cancellation is in the best interests of its shareholders because the Bid will increase the respective proportionate shareholdings and equity interests of all remaining shareholders. The Company will commence the Bid on September 6, 2024. The Bid will terminate on September 5, 2025, or on an earlier date in the event that the number of common shares sought in the Bid has been repurchased. The Company reserves the right to terminate the Bid earlier if it feels that it is appropriate to do so. All common shares will be purchased on the open market through the facilities of the Canadian Securities Exchange (“CSE”), and payment for the common shares will be made in accordance with CSE policies. The price paid for the common shares will be the prevailing market price at the time of purchase. Purchases may be suspended at any time, and no purchases will be made other than by means of open market transactions during the term of the Bid. The Company has engaged Research Capital to act as the broker through which the Bid will be conducted.

Investor Call

An investor call will be held at 10:00 a.m. Eastern time on Wednesday, August 28, 2024 by Zoom:

<https://us02web.zoom.us/j/84296865775?pwd=uAH98qeWSiqybS8rKhgYUuy4siBNc.1>

About Quinsam Capital Corporation

Quinsam is a merchant bank with a focus on “small cap” investments which it believes are undervalued. We do not invest on behalf of third parties or offer investment advice.

Generally, Quinsam does not believe that individual investments are material events. Quinsam may choose to announce certain investments once the company has finished buying its position because we feel that this information helps investors understand our 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 making assumptions which include, among other things, that (i) Quinsam will have sufficient capital 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. Quinsam 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 risks and other factors that could cause actual results to differ materially from those expressed in forward-looking information in this press release include, but are not limited to: cannabis companies Quinsam has invested in obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization; market and general economic conditions of the cannabis sector or otherwise, interest rates, regulatory and statutory developments, the nature of the Company’s investments, the available opportunities and competition for investments, the concentration of our investments in certain industries and sectors, reliance on key personnel, risks affecting investments, management of the growth of the Company, and exchange rate fluctuations and, in the case of the valuation creation strategies, the ability to complete divestitures of illiquid assets on terms which are economic or at all, to identify beneficial business opportunities, to secure or act on the identified business opportunities on terms which are economic or at all, and obtain all necessary shareholder and regulatory approvals. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. Although Quinsam has attempted to identify factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be factors that cause events or results to differ from those intended, anticipated, or estimated.

The forward-looking information contained herein is provided as at this date, based upon the opinions, and estimates of management and information available to management as

at this date. Quinsam 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 herein.