

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Quinsam Capital Corporation (the "Issuer").

Trading Symbol: QCA

Number of Outstanding Listed Securities: 117,849,644

Date: January 31, 2019

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

In a press release dated January 28, 2019, the Company announced that the Board of Directors approved the Company's 18th consecutive quarterly dividend. The dividend is \$0.00125 per share (\$0.005 per share per year). The distribution will be paid on February 22, 2019 to shareholders of record on February 1, 2019.

In the same press release, Quinsam also announced a number of new investments and highlighted a list of expected liquidity events which are expected in Q1 2019 or shortly thereafter (see Question 7 for details).

2. Provide a general overview and discussion of the activities of management.

The Company is an investment and merchant banking firm focused on the small-cap market, with early-stage investments in areas such as resources, technology and in the cannabis market.

Management, under the direction and guidance from its CEO, continues to review investment opportunities in the small cap environment, while adding and trimming positions when deemed appropriate.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

N/A.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

There were no new business relationships entered into in the current month.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

No material contracts or agreements expired or terminated during the month and no material financing arrangements were cancelled during the month.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

The Company has purchased or agreed to purchase a number of new investments during the current month:

- Invested USD\$300,000 in Abacus Health Products, which has a growing line of FDA-approved CBD products on the market in the US. The company is targeting a CSE listing in the near future.
- Invested \$200,000 in Pharmex Life Sciences. They are developing a hemp production and oil extract business in Mexico and a listing is expected in early 2019.
- Invested \$350,000 in Verabys, a Columbian licences cultivator expecting its first crop in Q2/2019. The company has a valuation in the vicinity of \$10 million and a listing is expected in early 2019.
- Invested USD\$250,000 in convertible debentures issued by Phoenix Extractions. Phoenix has nearly completed work on a USD based hemp

- extraction facility and has secured a source of hemp to commence production in the short term. The valuation on this investment is approximately \$5 million.
- Invested USD\$200,00 in convertible debentures of Medicaganja, a Jamaican licensed producer with a portfolio of cannabis-based pharmaceutical products on the market.
 - Quinsam acquired USD\$400,000 in convertible debentures of CLS Holdings, which has integrated operations in the US.
 - Quinsam invested \$375,000 at \$0.25 in Critical CO2 Separation, which is a modestly valued extraction equipment supplier and a listing is expected shortly.
 - Quinsam is participating in the convertible debenture issued by C21 Holdings for \$300,000. This was priced with a conversion price below the quote plus provided warrant coverage.

Based on information that has been announced, the Company anticipates the following liquidity events in the near term for its investee companies:

- Quinsam invested \$500,000 in Westleaf in mid 2018 (1,0000 shares at \$0.50 per share). Westleaf commenced trading in early January and has had a very strong debut with the stock recently traded at \$2.64
- FLRish Inc. (doing business as Harborside), one of Quinsam's largest investments is planning to file a listing statement shortly. Quinsam understands that the company intends to raise funds at a significant premium to our cost and complete a listing around the end of Q1/2019
- City View Green which Quinsam obtained a large equity stake as bonus for providing a second mortgage financing about a year ago, should list on the CSE in early February. The company has assembled a management team and is moving forward with an oil extraction strategy. It also has a stake in an Alberta retail applicant.
- Osoyoos Cannabis, which Quinsam invested in convertible debentures about a year ago is expected to commence trading in February. The company is pursuing an oil extraction strategy and at its last financing had a modest valuation in the \$15 million vicinity.
- Blackshire Capital Corp, which Quinsam invested \$385,000, has filed a non-offering prospectus and should list at around the end of Q1. Its main holding, Zenabis has commenced trading and has created a large gain for Blackshire.

8. Describe the acquisition of new customers or loss of customers.

N/A.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

There were no material new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks in the current month.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

The Issuer made no material employee hiring, terminations or lay-offs in the current month.

11. Report on any labour disputes and resolutions of those disputes if applicable.

The Issuer was not involved in any labour disputes during the current month.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

The Issuer was not involved in any material legal proceedings during the current month.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

No indebtedness was incurred or repaid by the Issuer during the current month.

14. Provide details of any securities issued and options or warrants granted.

No securities were issued during the current month.

15. Provide details of any loans to or by Related Persons.

No loans to or by Related Persons were made by the Issuer during the current month.

16. Provide details of any changes in directors, officers or committee members.

No changes were noted to directors, officers or committee members during the current month.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Issuer is not aware of any trends which are likely to materially impact the issuer's business or markets. The Company is reliant on the stability of the equity markets to provide returns on its investment portfolio. Given the nature of the Company's activities, its results of operations and financial condition are dependent upon the market value of securities that comprise the Company's portfolio. The Company's investments are small-cap businesses which the Company believes exhibit potential for growth and sustainable cash flows but which may not ever mature or generate the returns the Company expects or may require a number of years to do so.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated February 4, 2019.

Eric Szustak
Name of Director or Senior
Officer

"Eric Szustak"
Signature
Director and Corporate Secretary
Official Capacity

Issuer Details Name of Issuer Quinsam Capital Corporation	For Month End January 31, 2019	Date of Report YY/MM/DD 19/02/04
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