

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Quinsam Capital Corporation (“Quinsam” or the “Issuer”).

Trading Symbol: QCA

Number of Outstanding Listed Securities: 108,939,058

Date: July 31, 2020

#### **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 the current period, management has continued to monitor its investment portfolio, through trades made in its brokerage accounts.

On July 17, 2020, the Company held the annual general and special meeting (“AGM”) of shareholders. Roger Dent, the Company’s Chief Executive Officer (“CEO”), Eric Szustak, the Chairman, Adam Szweras, Ross Geddes and Anthony Roodenburg had all been elected directors of the Company and to hold office until the close of the next AGM, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause.

On July 30, 2020, the Board of Directors of Quinsam approved the Company’s 24th consecutive quarterly dividend. The dividend is \$0.00125 per share and will be paid on August 26, 2020 to shareholders of record on August 10, 2020. This dividend will be designated as an “eligible dividend” for Canadian income tax purposes.

On July 30, 2020, Quinsam announced the that it intends to proceed with a new normal course issuer bid to purchase up to 5,446,952 of its common shares (the “New Bid”). The Company is commencing the New 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 has 108,939,058 common shares issued and outstanding. Under the terms of the New Bid, the Company may acquire up to 5,446,952 of its common shares, representing 5% of its issued and outstanding common shares. The Company will commence the New Bid on August 28, 2020. The Bid will terminate on August 27, 2021, or on an earlier date in the event that the number of common shares sought in the New Bid has been repurchased. The Company reserves the right to

terminate the New 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.

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.

Market conditions have been extremely volatile in recent months. That being said, since the Company had released our March 31, 2020 results, conditions for cannabis-related and small cap stocks have on balance been positive. While market conditions are highly unsettled due to the COVID-19 pandemic and related economic factors, the Company currently has a positive outlook, and believes that the unsettled and volatile conditions will provide interesting opportunities for those willing to take measured risks.

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 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.

There were no material contracts or agreements which expired or terminated during the month and no other 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.

There are no significant updates on the Company's portfolio for the current month.

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.

N/A.

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.

Non 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 several years to do so.

In addition, on January 30, 2020, the World Health Organization declared that the recent COVID-19 outbreak was a global health emergency, recognizing that the disease represents a risk outside of China, where it emerged in the last couple of

months. Companies across various industries could be impacted materially by the coronavirus.

COVID-19's known and unknown impact on earnings, costs, employees, supply chains, customers and other stakeholders, as well as other business matters, may be material for the Issuer, and may have a material impact on the Issuer's gross earnings, net earnings and other business matters. Environmental, social and governance factors may also impact the Issuer's operations in the near future.

Quinsam has operated on a "virtual basis" for a number of years. Therefore, the general closure of non-essential businesses in response to the outbreak does not impact day-to-day operations.

## 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 was no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer follows 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 the information in this Form 7 Monthly Progress Report is true.

Dated August 3, 2020.

Eric Szustak  
Name of Director or Senior  
Officer

"Eric Szustak"  
Signature  
Director and Corporate Secretary  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report YY/MM/DD
Quinsam Capital Corporation	July 31, 2020	20/08/03
Issuer Address		
77 King Street West, Suite 2905		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Toronto/Ontario/M5K 1H1	( )	(905) 330-7948
Contact Name	Contact Position	Contact Telephone No.
Keith Li	CFO	(647) 660-8703
Contact Email Address	Web Site Address	
<a href="mailto:kli@bransonservices.com">kli@bransonservices.com</a>	<a href="http://www.quinsamcapital.com">www.quinsamcapital.com</a>	