



QuestCap Announces Signing Definitive Agreement with Collections Sites, Closing of First Tranche of the Private Placement and Upsizing of the Financing

*NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES
OR FOR DISSEMINATION IN THE UNITED STATES*

Toronto, Ontario August 17, 2020 — QuestCap Inc. (“QuestCap”) (CSE:QSC; FRA:34C1) is pleased to announce that it has signed a definitive agreement to acquire 100% of Collection Sites, LLC (the “Definitive Agreement”). Collection Sites has launched COVID-19 testing services in conjunction with Alcala Testing and Analysis Services, a CLIA registered high complexity laboratory based in San Diego, California. It opened their first site on August 8, 2020 and anticipates opening 10 more pop-up labs in their phase 1 roll-out. When completed, the 11 pop-up labs, also known as ‘draw centers’, collectively will be able to administer up to 5,500 tests per day, with a capacity to analyze up to 154,000 test a month. Appointments and payments will be handled through an online portal www.testbeforeyougo.com

Under the terms set out in the Definitive Agreement, QuestCap is to issue a total of 20 million QuestCap common shares to the shareholders, agents and employees of Collection Sites in exchange for a 100% interest in Collection Sites, LLC. Based on a price of \$0.15 (CDN) per QuestCap common share, the common shares to be issued to the shareholders, agents and employees of Collection Sites are valued at \$3,000,000 (CDN). The completion of the transaction to acquire 100% of Collection Sites, LLC is subject to customary closing conditions. No finder fees are payable in connection with, and no change of control of QuestCap will result from, the transaction.

For more information about the pop-up lab, the available sites and services visit: www.testbeforeyougo.com

Private Placement

QuestCap is also pleased to announce it has increased the size of its previously announced private placement financing from \$2 million to \$2.5 million. The Company will now issue up to 12,500,000 units of the Company at a purchase price of \$0.25 per unit.

The Company also announces that it has closed the first tranche (the “First Tranche”) of the private placement by issuing 7,755,500 units at a price of \$0.20 per unit for aggregate gross proceeds of \$1,551,100.

Each unit consists of one common share of the Company (a “Share”) and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to acquire one Share at a price of \$0.25 for a period of 24 months following the closing date of the First Tranche.

The net proceeds from the First Tranche will be used for general working capital purposes, to pursue acquisition opportunities and to expand testing capacity.

The First Tranche is subject to final approval of the Canadian Securities Exchange. The securities issued pursuant to the First Tranche will be subject to a four month and one day statutory hold period expiring on December 14, 2020. No finder warrants or finder fees were paid in connection with the closing of the First Tranche.

Amendments

QuestCap also announces that it has negotiated amendments to the agreements with Sinai Health Systems (“Sinai”) and Sunnybrook Research Institute (“Sunnybrook”) to defer payments. Under the revised terms with Sinai, QuestCap previously made a payment of C\$125,000 to Sinai and will make three additional payments of C\$125,000, each payable on or before September 30, 2020; December 30, 2020; and March 30, 2021. Under the revised terms with Sunnybrook, QuestCap previously made a payment of C\$250,000 to Sunnybrook and will make the second payment of C\$250,000 to Sunnybrook on or before September 30, 2020.

About QuestCap Inc.

QuestCap Inc. (CSE:QSC; FRA:34C1) is a social-impact investment company. It seeks, secures and funds recognized sciences, technologies, and solutions that impact our global community today.

The QuestCap executive team is complemented by a panel of global advisors that provide expertise across industries and geographies. This panel includes prominent immunologist Dr. Lawrence Steinman and Dr. Glenn Copeland, who has 45 years of experience in orthopedic treatment, foot and ankle care, and sports medicine.

QuestCap provides financing for a diverse range of entities in exchange for pre-determined royalties or distributions, or acquires all or part of one or more businesses, portfolios or other assets.

For additional information, please contact:

Doug Sommerville, CEO

Doug.Sommerville@Questcapinc.com

416-301-5418

For US media inquiries please contact:

Veronica Welch

veronica@vewprmedia.com

+1-508-643-8000

Cautionary Note Regarding Forward-looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Definitive Agreement and acquisition by QuestCap of a 100% interest in Collection Sites LLC; the closing of the First Tranche and the proposed use of proceeds; amendments to the terms of the agreements with Sinai and Sunnybrook; the pursuit by QuestCap of investment opportunities; and the merits or potential returns of any such investments. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER HAS REVIEWED OR ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.