

QUADRON CAPITAL CORPORATION

Suite 1600 - 609 Granville Street
Vancouver, BC V7Y 1C3

N E W S R E L E A S E

Quadron Capital Reports Profitable Second Quarter

Vancouver, British Columbia, December 30, 2016 – Quadron Capital Corp. (the “Company” or “Quadron”) is pleased to report its financial results for the three and six months ended October 31, 2016.

Highlights

- Q2 (3 months ended October 31, 2016) revenue of \$429,180, an increase of 92% over Q1
- Q2 (3 months ended October 31, 2016) gross profit margin of 69%, an increase of 10% over Q1
- Q2 (3 months ended October 31, 2016) net income of \$148,533, compared to a loss of \$19,851 in Q1
- Working capital of \$740,698

The Canadian government has made a commitment to legalize, regulate and restrict access to cannabis. To do this, a Task Force was created to advise on the design of a new system, and their final report was released on December 13, 2016. This Task Force report is being considered by the federal government as they work to draft cannabis legislation, which the government has committed to table in the spring of 2017.

“Markets across North America are witnessing a significant shift in consumer preference from dried cannabis flower to extracts and infused products, and is recognized by the Task Force by including recommendations for the regulation of edible products” stated Rosy Mondin, CEO of Quadron. “The timing of our public listing, which is planned on the CSE for January 2017, coincides perfectly with the release of the federal government’s Task Force Report on the design of a new system to legalize and regulate the production, distribution and access to cannabis. Quadron is working to become a leader in this most profitable area of the emerging legalized cannabis industry and Quadron welcomes the Task Force Report as an opportunity to accelerate our growth through the provision of commercial level extraction, processing and manufacturing of cannabis products.”

To position Quadron as an industry leader, the Company is already taking advantage of opportunities by fostering the creation of value-added and specialized product development.

Through Quadron's experience in science related technologies, Quadron is a leading-edge designer, manufacturer, supplier and innovator of safe, compliant and efficient cannabis extraction systems.

The Company continuously updates and modernizes its "Soma Labs Scientific" line of equipment and this ongoing R&D will help generate new revenue opportunities and market growth for Quadron as its product and service offerings expand to a variety of markets and industries.

"With every new jurisdiction that legalizes the production and sale of cannabis, new opportunities emerge for our subsidiary, Soma Labs, to provide licensed producers with high-quality, Canadian-made extraction equipment and the sophisticated environments in which they operate," adds Ms. Mondin. "Canada will be the first G7 nation to legalize, regulate and restrict access to recreational cannabis. Quadron is developing a scalable business model focusing on ancillary businesses which provide solutions to complement the growing needs of this burgeoning industry."

Results of Operations

Revenues

Revenue for the three months ended October 31, 2016 was \$429,180, the highest ever quarterly sales for the Company, up 92% against the prior quarter. Revenues for the six months ended October 31, 2016 were \$652,630. The main driver of this growth for the six months ended October 31, 2016 was increased sales of the Company's ancillary device products, including repeat purchases and new customer acquisitions.

Gross Profit

Gross profit margin of 69% for the three months ended October 31, 2016 was up 10% against the prior quarter, at \$294,887 versus \$131,902 for the three months ended July 31, 2016. Gross profit for the six months ended October 31, 2016 was \$426,789 (65%).

Operating Expenses

Operating expenses for the three months ended October 31, 2016 were \$146,354, down slightly from \$151,753 in the prior quarter. Operating expenses for the six months ended October 31, 2016 were \$298,107.

Net Income

Net income and comprehensive income for the three months ended October 31, 2016 was \$148,533 versus a net and comprehensive loss of \$19,851 in the prior quarter. The net income and comprehensive income for the six months ended October 31, 2016 was \$128,682.

Quadron's full financial results can be found at www.sedar.com.

About Quadron: Quadron is a British Columbia-based company, and a reporting issuer in Ontario, British Columbia and Alberta. The Company operates through its two subsidiaries:

Soma Labs Scientific Inc. and Greenmantle Products Ltd, providing ancillary equipment, products and services, designed and structured to address the complex needs and requirements of cannabis industry participants in Canada and the US. Soma provides research, services and production equipment to the biotech and biocetical industries, including cannabis extraction and processing equipment that is being leased and/or sold to various industry participants. Greenmantle's business involves the sale of ancillary cannabis products, such as customized dispensing devices (i.e. vaporizer pens) and consumption type products such as branded encapsulation products to authorized cannabis industry participants.

For more information, visit: www.quadroncapital.ca

For further information, contact Rosy Mondin at (604) 346-8118.

On behalf of the Board of Directors of
QUADRON CAPITAL CORPORATION

Rosy Mondin
rosy@quadroncapital.ca
Director

Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.