

March 29, 2017



Mentor Capital Book Value up 66% to \$5.6M Today, in 2016 10-K

G Farma, GWPH, Bhang and Cash Total \$5.4M for Marijuana and Cannabis M&A Leader

SAN DIEGO--(BUSINESS WIRE)-- Mentor Capital, Inc. (OTCQB: MNTR) announced that it has filed its annual 10-K filing for the year ended December 31, 2016 with the SEC.

The Company reports that for the year ended December 31, 2016, Mentor had revenues of \$2,761,245 and gross profit of \$976,085 with a resulting net loss of (\$858,113) or (4.8 cents) per share. This is an improvement in revenue from the year ended December 31, 2015, revenues of \$2,561,758. For the year ended December 31, 2015, Mentor experienced a net loss of (\$799,868) or (5.1 cents) per share.

The Mentor Capital, Inc. parent company has no non-affiliate debt, and raised \$1,542,961 from approximately 20 shareholders during the year ended December 31, 2016, under the authority of an 11 USC 1145 order and \$523,520 from warrant redemption fees at \$0.10 per warrant from designees redeeming unexercised warrants that have been called but were not exercised timely. The Company invested \$25,000 into cannabis related companies during the year and the Company maintained a cash balance of \$1,311,338 at December 31, 2016, compared to \$73,679 at December 31, 2015. The Company closed the year ended December 31, 2016, with a book value of \$4,051,629, up from \$3,374,882 at the end of 2015.

Mentor Capital, Inc. had 7,575 shareholders reported as of December 31, 2016, with 20,980,510 shares issued. There were 8,206,390 Series D warrants outstanding at the December 31, 2016, year-end at a strike price of \$1.60 per share, and 689,159 Series H warrants are held by an investment bank at a \$7.00 per share strike price. During 2016, Mentor sold 222,223 shares of unregistered share for \$100,000. No new equity was granted to directors, insiders, consultants or investor relations firms in 2016. A long-term 300,000 share repurchase plan was authorized in 2014 and at December 31, 2016, a total of 44,748 shares have been repurchased under the long-term plan. The Company's shares finished the year at a closing price of \$1.06 per share representing a market capitalization of \$22,239,341 compared to a 2015 year ending closing price of \$0.27 per share and a corresponding market capitalization of \$4,388,834. As of March 27, 2017, the closing price of the Company's shares was \$2.44 which results in a corresponding market capitalization of \$54,690,268.

The Company is managed by CEO Chet Billingsley (64), who founded Mentor Capital first as an acquisition partnership in 1985. He was qualified as a Registered Investment Advisor and received his undergraduate education at West Point before receiving a

Master's Degree in Applied Physics at Harvard University. His early career was at General Electric. CFO Lori Stansfield, CPA (57), was most recently Director of Audit Services for a regional CPA firm. She graduated Magna cum Laude in accounting and received a Master's Degree from the University of Colorado. Ms. Stansfield is certified as a public accountant in both Colorado and California. The four non-officer directors are independent and each has been or is a business owner and major shareholder. Altogether, the directors and officers hold a 29.53% interest in Mentor Capital with Mr. Billingsley's interest reported at 22.90%.

On December 29, 2016, Mentor obtained a judgment in the amount of \$1,921,534 against Bhang Corporation and its predecessor in interest, Bhang Chocolate Company, Inc., in the United States District Court for the Northern District of California related to an action filed by Mentor on August 11, 2014, seeking rescission of the February 28, 2014, co-operative funding agreement with Bhang Corporation ("Bhang Agreement") and return of the \$1,500,000 paid by the Company to Bhang. The judgment accrues interest at the rate of 10% from December 29, 2016, until such time as the judgment is satisfied. Mentor intends to enforce this judgment. As part of the judgment Bhang owners, Scott Van Rixel and Richard Sellers, who together purchased 117,000 shares pursuant to the Bhang Agreement have the option to return all or part of those shares in exchange for payment of the original purchase price of \$1.95 per share plus a pro-rata amount of \$58,568 in interest for such returned shares. Mentor will account for the return of the shares as a capital transaction if and when the shares are remitted back to the Company. See Note 4 to consolidated financial statements.

From January 1, 2017, through March 22, 2017, the Company raised \$1,765,733 from the exercise of warrants into Common Stock and \$56,490 from warrant redemption fees at \$0.10 per warrant from designees redeeming unexercised warrants that have been called but were not exercised timely.

In February 2017, the management of GVS stated that they have another entity from which they plan to operate their Puerto Rico operations and they intend to register shares from that entity rather than register the GVS shares they agreed to per the Company's consulting agreement with GVS. The Company holds 500,000 shares in GVS, originally valued at \$50,000, which have been fully impaired at December 31, 2016.

In March 2017, the Company invested \$1,049,086 in GW Pharmaceuticals PLC Common Stock.

On March 22, 2017, the Company entered into a Notes Purchase Agreement, effective March 17, 2017, with G Farmalabs Limited ("G Farma") under which the Company loaned G Farma an aggregate principal amount of \$500,000 under two secured convertible promissory notes. In addition, G Farma exchanged an interest in certain assets and certain rights to register its stock publicly in exchange for 222,223 restricted shares of the Company's Common Stock in a private placement at a price of \$2.25 per share for an aggregate purchase price of \$500,002. See Note 26 in the consolidated financial statements.

The 10-K includes December 31, 2016, audited financials and can be referenced through the SEC's EDGAR system at:

<https://www.sec.gov/edgar/searchedgar/companysearch.html>

Inputting the company name, Mentor Capital, Inc. or the Company's CIK code which is 0001599117, will bring up the report. The 10-K can also be viewed at the Company's web site at the Investor's Corner section under the Disclosures tab.

About Mentor Capital: The Company seeks to come alongside and assist private medical marijuana and cannabis companies and their founders in meeting their liquidity and financial objectives, to add protection for investors and to help incubate private cannabis companies. Additional important information for investors is presented at: www.MentorCapital.com.

This press release is neither an offer to sell, nor a solicitation of offers to purchase, securities.

Forward-Looking Statements: *This press release contains forward-looking statements within the meaning of the federal securities laws, including statements concerning financial projections, financing activities, corporate combinations, product development activities and sales and licensing activities. Such forward-looking statements are not guarantees of future results or performance, are sometimes identified by words of condition such as "should," "could," "expects," "may," "intends," "seeks," "looks," "moves," or "plans" and are subject to a number of risks and uncertainties, known and unknown, that could cause actual results to differ materially from those intended or anticipated. Such risks include, without limitation: nonperformance of investments, partner and portfolio difficulties, potential delays in marketing and sales, problems securing the necessary financing to continue operations, problems involving continued illegality of cannabis products, potential of competitive products, services, and technologies, difficulties experienced in product development, in recruiting knowledgeable personnel and in protecting intellectual property. Further information concerning these and other risks is included in the Company's Form 10 filing which, along with other very important information about the Company, can be found here:*

<http://mentorcapital.com/disclosures/>

The Company undertakes no obligation to update or revise such forward-looking statements to reflect new information, events or circumstances occurring after the date of this press release.

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